

# Minute

## Policy and Resources Committee

Tuesday, 22 November 2022, 09:30.

Council Chamber, Council Offices, School Place, Kirkwall.



## Present

Councillors James W Stockan, Heather N Woodbridge, Graham A Bevan, Stephen G Clackson, Alexander G Cowie, P Lindsay Hall, Steven B Heddle, Kristopher D Leask, W Leslie Manson, James R Moar, Raymond S Peace, John A R Scott, Gwenda M Shearer, Jean E Stevenson, Ivan A Taylor, Mellissa-Louise Thomson and Owen Tierney.

## Present via remote link (Microsoft Teams)

Councillor David Dawson.

## Clerk

- Hazel Flett, Service Manager (Governance).

## In Attendance

- John W Mundell, Interim Chief Executive.
- Stephen Brown, Chief Officer, Orkney Health and Social Care Partnership.
- Karen Greaves, Corporate Director for Strategy, Performance and Business Solutions.
- Hayley Green, Corporate Director for Neighbourhood Services and Infrastructure.
- Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration.
- James Wylie, Corporate Director for Education, Leisure and Housing.
- Gavin Mitchell, Head of Legal and Governance.
- Andrew Groundwater, Head of Human Resources and Organisational Development.
- Erik Knight, Head of Finance.
- Roddy Mackay, Head of Planning and Community Protection (for Items 5 to 7).
- Kenny MacPherson, Head of Property, Asset Management and Facilities (for Items 1 to 7).
- Rosemary Colsell, Service Manager (Procurement) (for Items 9 to 11).
- Shonagh Merriman, Service Manager (Corporate Finance) (for Items 1 to 3).
- Susan Shearer, Service Manager (Development and Marine Planning) (for Items 5 to 7).
- Glen Thomson, Team Manager (Projects) (for Items 1 to 3.1).
- George Vickers, Community Planning Business Manager (for Items 5 to 11).
- Andrew Hamilton, Performance and Best Value Officer.
- Alan Tait, Safety and Resilience Officer (for Items 4.3 to 6).

## **Observing**

- Lorna Richardson, Interim Head of Neighbourhood Services (for Items 1 to 7).
- Alex Rodwell, Head of Improvement and Performance.
- Maureen Swannie, Head of Strategic Planning and Performance (for Items 1 to 8).
- Bruce Pinkerton, Procurement Officer (for Items 9 to 11).

## **Observing via remote link (Microsoft Teams)**

- Anna Whelan, Service Manager (Strategy and Partnership) (for Items 1.2 to 11).

## **Apologies**

- Councillor Rachael A King.
- Councillor Gillian Skuse.
- Councillor Duncan A Tullock.

## **Declarations of Interest**

- No declarations of interest were intimated.

## **Chair**

- Councillor James W Stockan.

# **1. Revenue Expenditure Monitoring**

## **1.1. Policy and Resources**

After consideration of a report by the Head of Finance, copies of which had been circulated, the Committee:

Noted:

**1.1.1.** The revenue financial summary statement in respect of the undernoted services for the period 1 April to 30 September 2022, attached as Annex 1 to the report by the Head of Finance, indicating an underspend position of £941,700:

- Central Administration.
- Law, Order and Protective Services.
- Other Services.

**1.1.2.** The revenue financial detail by Service Area statement for the period 1 April to 30 September 2022, attached as Annex 2 to the report by the Head of Finance.

The Committee scrutinised:

**1.1.3.** The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance, and obtained assurance that action was being taken with regard to significant budget variances.

## **1.2. Orkney Health and Social Care Partnership**

After consideration of a report by the Head of Finance, copies of which had been circulated, the Committee:

Noted:

**1.2.1.** The revenue financial summary statement in respect of service areas within the Orkney Health and Social Care Partnership, for which the Council was responsible, for the period 1 April to 30 September 2022, attached as Annex 1 to the report by the Head of Finance, indicating a budget overspend position of £603,100.

**1.2.2.** The revenue financial detail by service area statement in respect of service areas within the Orkney Health and Social Care Partnership, for which the Council was responsible, for the period 1 April to 30 September 2022, attached as Annex 2 to the report by the Head of Finance.

The Committee scrutinised:

**1.2.3.** The explanations given and actions proposed, in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance, and obtained assurance that action was being taken with regard to significant budget variances.

## **1.3. Summary**

After consideration of a report by the Head of Finance, copies of which had been circulated, the Committee:

Noted:

**1.3.1.** The summary revenue expenditure statement for the period 1 April to 30 September 2022, attached as Annex 1 to the report by the Head of Finance, indicating the following:

- A total General Fund underspend of £2,113,000.
- A surplus in Sources of Funding of £105,500.
- A net Non-General Fund deficit of £14,149,400.

**1.3.2.** The financial detail across individual Sources of Funding for the period 1 April to 30 September 2022, including significant variances identified as Priority Actions, attached as Annex 2 to the report by the Head of Finance.

The Committee scrutinised:

**1.3.3.** The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance, and obtain assurance that action was being taken with regard to significant budget variances.

## **2. Capital Expenditure Monitoring**

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Committee:

Noted:

**2.1.** The summary financial position, as at 30 September 2022, in respect of the approved General Fund and Non-General Fund capital programmes, as detailed in section 3.1 of the report by the Head of Finance, indicating the following:

- Actual expenditure incurred as at 30 September 2022 of £9,962,000.
- Annual budget of £39,600,000 which reflects slippage and current timescales for completion of individual projects, as recommended by the Policy and Resources Committee on 20 September 2022.
- Probable outturn as at 31 March 2023 of £27,389,000.

The Committee scrutinised:

**2.2.** The detailed analysis of capital expenditure, together with project updates in respect of the General Fund and the Non-General Fund capital programmes, attached as Appendix 1 to the report by the Head of Finance, and obtained assurance with regard to significant budget variances and on progress being made with delivery of the approved capital programmes.

## **3. Treasury Management**

### **3.1. Annual Report**

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Committee:

Noted:

**3.1.1.** That, following emergency action to counter the hugely negative impact the COVID-19 national lockdown was having on the economy, the Bank of England took emergency action in March 2020 to cut Base Rate to 0.10%.

**3.1.2.** That the Base Rate was left unchanged until it was raised to 0.25% on 16 December 2021, 0.50% on 4 February 2022 and then 0.75% in March 2022.

**3.1.3.** That the increase in the Bank of England Base Rate led to the Public Works Loans Board borrowing rates increasing correspondingly.

**3.1.4.** That Bank of England Base Rate increases would impact on future borrowing requirements, although the Council was well placed to benefit from savings on existing loans, with an average interest rate of 2.61%.

The Committee scrutinised:

**3.1.5.** The Annual Treasury Management Review for financial year 2021/22, attached as Appendix 1 to the report by the Head of Finance, and obtained assurance that the Treasury Management Practices had operated effectively.

### **3.2. Mid-year Update**

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Committee:

Scrutinised the mid-year update, attached as Appendix 1 to the report by the Head of Finance, prepared by Link Treasury Services, the Council's Treasury Adviser, which covered the following elements of treasury management, and obtained assurance that the Treasury Management Practices were operating effectively:

- An economic update for the first half of the 2022/23 financial year.
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy.
- The Council's capital expenditure, as set out in the Capital Strategy and prudential indicators.
- A review of the Council's investment portfolio for 2022/23.
- A review of the Council's borrowing strategy for 2022/23.
- A review of compliance with Treasury and Prudential Limits for 2022/23.

## **4. Performance Monitoring**

### **4.1. Strategy, Performance and Business Solutions**

After consideration of a joint report by the Corporate Director for Strategy, Performance and Business Solutions, the Corporate Director for Neighbourhood Services and Infrastructure and the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Performance and Best Value Officer, the Committee:

Scrutinised:

**4.1.1.** The performance of Strategy, Performance and Business Solutions for the reporting period 1 April to 30 September 2022, as set out in sections 3 to 5 and Annexes 1, 2 and 3 of the joint report by the Corporate Director for Strategy, Performance and Business Solutions, the Corporate Director for Neighbourhood Services and Infrastructure and the Corporate Director for Enterprise and Sustainable Regeneration, and obtained assurance.

The Committee resolved to **recommend to the Council:**

**4.1.2.** That the undernoted actions, which had been progressed to completion, be removed from the Chief Executive's Service Plan:

- 07 – Review new Council Website and identify improvements following one year of operation.

- 13 – Review operational procedures and processes within the service and identify changes to contribute to carbon reduction.

**4.1.3.** That the undernoted action, which had been progressed to completion, be removed from the Corporate Services Service Plan.

- 09 – A table-top exercise to test the Business Continuity Plan will be held.

## **4.2. Orkney Health and Care**

After consideration of a report by the Chief Officer, Orkney Health and Social Care Partnership, copies of which had been circulated, the Committee:

Scrutinised the performance of Orkney Health and Care Council delegated services for the reporting period 1 April to 30 September 2022, as set out in sections 3 and 4 and Appendix 1 of the report by the Chief Officer, Orkney Health and Social Care Partnership, and obtained assurance.

Councillor Stephen G Clackson joined the meeting during discussion of this item.

## **4.3. Council Delivery Plan**

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Performance and Best Value Officer, the Committee:

Scrutinised:

**4.3.1.** Progress made in respect of the targets within the Council Delivery Plan 2018 to 2023 for the period 1 April to 30 September 2022, as set out in Annex 1 to the report by the Corporate Director for Strategy, Performance and Business Solutions, and obtained assurance.

The Committee resolved to **recommend to the Council:**

**4.3.2.** That the undernoted actions, that had been progressed to completion, be closed, while continuing to be referenced in future Council Delivery Plan monitoring reports:

- 1.5 – Orkney Electric Vehicle Energy Strategy – Contribute to the delivery of the Orkney Electric Vehicle Energy Strategy.
- 2.2 – Child and Adolescent Mental Health Service Provision – We will review our Child and Adolescent Mental Health service provision and bring forward recommendations that align investment to our local need.
- 3.11 – Empowering Communities Project – We will review and develop the Empowering Communities Project to create a sustainable model which will enable and empower communities in the delivery of services and projects in their community.
- 3.12 – Enabling and Empowering Communities – Pursue the aim of enabling and empowering communities to support the Council in delivery of services as an alternative to current systems and have more involvement in decision making about local services.
- 4.8 – World Heritage Site Strategic Masterplan – Develop and Implement a World Heritage Site Strategic Masterplan including Gateway facility and core infrastructure projects.

**4.3.3.** That the undernoted actions be amended as indicated and retained within the Council Delivery Plan:

- 5.13 – Maintenance Strategy – Develop and implement an appropriately resourced Maintenance Strategy for all individual Council property assets – target date extended to 31 March 2023.
- 5.17 – Campsites – Consider the redevelopment of the Point of Ness Campsite and develop the Birsay Campsite facilities – target date extended to 31 March 2023.

Councillor Ivan A Taylor left the meeting at this point.

## **5. Our People Our Plan – Progress Update**

After consideration of a report by the Chief Executive, copies of which had been circulated, the Committee:

Noted:

**5.1.** Progress to date in progressing the priorities determined within the Our People Our Plan programme, detailed in sections 4 to 10 of the report by the Chief Executive.

**5.2.** The continued focus over the coming months that would be placed on the priorities within the Our People Our Plan programme in order to realise the key outcomes.

## **6. Evaluation of Service Health and Safety Performance**

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Property, Asset Management and Facilities, the Committee:

Scrutinised the Evaluation of Service Health and Safety Performance for 2021/22, attached as Appendix 1 to the report by the Corporate Director for Neighbourhood Services and Infrastructure, and obtained assurance.

## **7. Climate Change Reporting Duties**

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Planning and Community Protection, the Committee:

Noted:

**7.1.** The Climate Change Duties Report, attached as Appendix 1 to the report by the Corporate Director for Neighbourhood Services and Infrastructure, which summarised the actions undertaken by the Council during the period 1 April 2021 to 31 March 2022 in order to fulfil its climate change duties.

**7.2.** That the Climate Change Duties Report was due for submission to the Scottish Government by 30 November 2022.

The Committee resolved to **recommend to the Council**:

**7.3.** That the Climate Change Duties Report, attached as Appendix 1 to this Minute, be approved for submission to the Scottish Government.

## **8. Integration Joint Board – Annual Performance Report**

After consideration of a report by the Chief Officer, Orkney Health and Social Care Partnership, copies of which had been circulated, the Committee:

Scrutinise the Integration Joint Board's Annual Performance Report 2021/22, attached as Appendix 1 to the report by the Chief Officer, Orkney Health and Social Care Partnership, and obtained assurance that services commissioned by the Integration Joint Board from the Council were performing to an acceptable standard.

## **9. The Orkney Partnership – Update and Annual Report**

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Community Planning Business Manager, the Committee:

Noted:

**9.1.** Recent activity of The Orkney Partnership, as described in section 4 of the report by the Corporate Director for Strategy, Performance and Business Solutions,.

The Committee resolved to **recommend to the Council**:

**9.2.** That The Orkney Partnership's draft Annual Report 2021/22, attached as Appendix 2 to this Minute, be approved insofar as it applied to the Council.

## **10. Procurement Annual Report**

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Head of Legal and Governance, the Committee:

Noted:

**10.1.** That, in terms of Section 18 of the Procurement Reform (Scotland) Act 2014, the Council must prepare an annual procurement report on its regulated procurement activities as soon as reasonably practicable after the end of the financial year to which the report related.

**10.2.** That the Council was required to notify the Scottish Ministers when the Procurement Annual Report had been published.

**10.3.** That the Scottish Government had issued guidance and a template which public authorities could use to report on procurement performance, with an additional template to be used from 2022 onwards.



The Committee resolved to **recommend to the Council:**

**10.4.** That the Procurement Annual Report for 1 April 2021 to 31 March 2022, attached as Appendix 3 to this Minute, be approved for publication.

## **11. Adjournment of Meeting**

At 13:05 the Chair adjourned the meeting, to reconvene at 09:30 on Wednesday, 23 November 2022.

Signed: (Leader's signature).

# Public Sector Report on Compliance with Climate Change Duties 2022 Template

## PART 1 Profile of Reporting Body

**1a Name of reporting body**

Provide the name of the listed body (the "body") which prepared this report.

Orkney Islands Council

**1b Type of body**

Select from the options below

Local Government

**1c Highest number of full-time equivalent staff in the body during the report year**

1823

**THIS MUST BE COMPLETED**

**1d Metrics used by the body**

Specify the metrics that the body uses to assess its performance in relation to climate change and sustainability.

Metric	Units	Value	Comments
Please select from drop down box			
Please select from drop down box			
Please select from drop down box			
Please select from drop down box			
Please select from drop down box			
Please select from drop down box			
Please select from drop down box			
Please select from drop down box			
Other (please specify in comments)	Absolute Emissions Values	26290.00	tCo2e - less marine fuel (detailed in OIC Carbon Management Plan)
Other (please specify in comments)			
Other (please specify in comments)			
Other (please specify in comments)			
Other (please specify in comments)			
Other (please specify in comments)			
Other (please specify in comments)			

**Overall budget of the body**

Specify approximate £/annum for the report year.

Budget	Budget Comments
£91,206,500	

**Report type**

Specify the report year type

Report type	Report year comments
Financial	

**THIS MUST BE COMPLETED**

**Context**

Provide a summary of the body's nature and functions that are relevant to climate change reporting.

Orkney Islands Council provides the public with a range of services that are statutorily required of Scotland's local authorities. Additionally, the Council provides a range of inter-island ferries and air flights to link the North and South Islands of Orkney with the Orkney Mainland. Municipal waste is either recycled or shipped to Shetland for incineration which powers a district heating scheme in the main town of Lerwick. The authority provides pilotage and towage services for oil and gas at Flotta oil terminal and provides a base within Scapa Flow for ship to ship transfers of oil. It also provides a berth for visiting cruise liners (2020 -21 = 0, 2021-22 = 25). The Council operates the Orkney Wildlife Information and Records Centre and supports the development of a number of renewable energy projects including, on and offshore wind, solar, heat, green hydrogen and tidal innovations locally.

## PART 2 Governance, Management and Strategy

### Governance and management

#### 2a How is climate change governed in the body?

Provide a summary of the roles performed by the body's governance bodies and members in relation to climate change. If any of the body's activities in relation to climate change sit outside its own governance arrangements (in relation to, for example, land use, adaptation, transport, business travel, waste, information and communication technology, procurement or behaviour change), identify these activities and the governance arrangements. Provide a diagram / chart to outline the governance structure within the body.

Action on Climate change is managed through the carbon management programme and the strategic environmental impact assessment (SEA) process at present. Other policies and projects are developed and delivered on an ad hoc basis per policy or project at present. There are a number of related member/officer working groups that liaise around climate change projects, plans and strategies. The Council is a facilitating member of the Orkney Action on Climate change is managed through the carbon management programme and the strategic environmental impact assessment (SEA) process at present. Other policies and projects are developed and delivered on an ad hoc basis per policy or project at present. There are a number of related member/officer working groups that liaise around climate change projects, plans and strategies. The Council is a facilitating member of the Orkney Partnership which maintains Orkney's Community Plan. The Council Corporate Plan 2018-2023 shares the mission of 'Working together for a better Orkney'. The shared values of both plans are: Resilience, Enterprise, Equality, Fairness, Innovation, Leadership and Sustainability. Additionally, the Council's strategic priorities were developed with the Orkney community, and are: Connected Communities, Caring Communities, Thriving Communities, Enterprising Communities and Quality of Life.

A delivery plan has been developed which lists the key actions and projects that will deliver the target outcome under each strategic priority theme. The delivery plan indicates which actions and projects are wholly in the control of the Council, and those which rely on external factors. It also contains some actions which are carried over from the previous Council Plan and the Council's response to the recommendations of the Accounts Commission contained in the Best Value Assurance Report of December 2017.

Climate change mitigation within Orkney Islands Council is led by its Development and Marine Planning team which, in turn, forms part of the Neighbourhood Services and Infrastructure Directorate.

At the Community level, the Council is responsible for community planning, along with its partner organisations.

Both the Council's Corporate Asset Management Plan 2019-2023 and its Fleet and Plant Asset Management Plan 2013-2018 highlight energy performance as one of the key drivers which, when correctly interpreted, offer the 'building blocks' for sound decision making. The Corporate Asset Management Plan establishes an asset management framework to drive the development of service plans and promotes the principles of corporate reporting and investment prioritisation.

A Capital Planning and Asset Management Strategy Group provides co-ordination, direction and operational asset management planning; and the Corporate Leadership Team, acting as an Officers' Capital Working Group, provides an oversight of the management of corporate assets within the Council, as well as a decision-making gateway to ensure that management decisions are undertaken in a corporate manner. Significant work is already underway in several of ten sectoral asset categories, where implementation of the energy database system monitoring and recording energy and water usage as part of the carbon emissions reduction programme are included under the Property category.

The Fleet and Plant Asset Management Plan reports on asset management performance, providing energy performance and environmental impact data for the Council's fleet vehicles and plant equipment. It also notes that, although work is already underway to reduce carbon emissions, further consideration must be given to this issue, given that the strategic approach to replacement is MEAT (Most Economically Advantageous Tender) focused at present. Equally, looking at the type of fleet we purchase, in fuel terms (i.e. fossil vs. alternatives), this is currently under review to consider the opportunities that are available to lessen the Council's carbon footprint by progressive replacement of the fleet with funded alternatives (i.e. hydrogen or electrically powered hybrids or single power sources). This may be influenced by the ongoing Local Authority participation in any Scottish Government requirements to discharge their duties in terms of the Climate Change (Scotland) Act 2019.

The Sustainable Procurement Strategy (February) 2022 has been reviewed and updated following a period of public consultation incorporating updates to climate change and Sustainability legislative changes. These include: The Equality Act 2010, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, The Fairer Scotland Duty, Equality Act (Part 1 of the Equality Act 2010) – commenced 2018, The Climate Change (Emissions Reduction Targets) (Scotland) Order 2015, Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, and the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020. The updated Sustainable Procurement Policy has incorporated the Scottish Procurement Policy Note issued by the Scottish Government, taking account of Climate and Circular Economy Considerations (SPPN) 01/2021 and the Implementation of Fair Work First in Scottish Procurement (SPPN) 03/2021.

The Council's Economic Development Section promotes innovation in renewable energy generation and usage to support climate change mitigation throughout Orkney. It also, on behalf of the wider Orkney Community, facilitated the consultation and drafting of the Orkney Sustainable Energy Strategy which was launched in September 2017, and which aspires to lead a transition to a low carbon economy. A Sustainable Energy Action Plan will be forthcoming in the next reporting period. During 2016 a Hydrogen Economic Strategy was prepared, and this document has been reviewed and

updated in 2018-2019. The resulting draft Orkney Hydrogen Strategy underwent a period of public consultation during summer 2019 and has now been published to support the continuation of green hydrogen projects in the area.

**2b How is climate change action managed and embedded in the body?**

Provide a summary of how decision-making in relation to climate change action by the body is managed and how responsibility is allocated to the body's senior staff, departmental heads etc. If any such decision-making sits outside the body's own governance arrangements (in relation to, for example, land use, adaptation, transport, business travel, waste, information and communication technology, procurement or behaviour change), identify how this is managed and how responsibility is allocated outside the body. Provide a diagram to show how responsibility is allocated to the body's senior staff, departmental heads etc.

**Strategy**

**2c Does the body have specific climate change mitigation and adaptation objectives in its corporate plan or similar document?**

Provide a brief summary of objectives if they exist.

**2d Does the body have a climate change plan or strategy?**

If yes, provide the name of any such document and details of where a copy of the document may be obtained or accessed.

Forthcoming 2022/23

**2e Does the body have any plans or strategies covering the following areas that include climate change?**

Provide the name of any such document and the timeframe covered.

Topic area	Name of document	Link	Time period covered	Comments
Adaptation	N/a			
Business travel	Carbon Management Programme	<a href="https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm">https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm</a>	2016-2026	
Staff Travel	Carbon Management Programme	<a href="https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm">https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm</a>	2016-2026	
Energy efficiency	Carbon Management Programme	<a href="https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm">https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm</a>	2016-2026	
Fleet transport	Carbon Management Programme	<a href="https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm">https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm</a>	2016-2026	
ICT	n/a			
Renewable energy	The Council Plan	<a href="https://www.orkney.gov.uk/Service-Directory/Performance/council-plan.htm">https://www.orkney.gov.uk/Service-Directory/Performance/council-plan.htm</a>	2018-2023	
Sustainable/renewable heat	Carbon Management Programme	<a href="https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm">https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm</a>	2016-2026	
Waste management	Orkney and Shetland Area Waste Plan	<a href="https://www.orkney.gov.uk/Service-Directory/R/policies-and-plans-waste-and-recycling.htm">https://www.orkney.gov.uk/Service-Directory/R/policies-and-plans-waste-and-recycling.htm</a>		
Water and sewerage	Kirkwall Surface Water Management Plan	<a href="https://www2.sepa.org.uk/frmstrategies/pdf/pva/PVA_03_05_Full.pdf">https://www2.sepa.org.uk/frmstrategies/pdf/pva/PVA_03_05_Full.pdf</a>		
Land Use	N/a			
Other (please specify in comments)	Carbon Management Programme	<a href="https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm">https://www.orkney.gov.uk/Council/C/Carbon-Management-Programme.htm</a>	2016-2026	Efficient street lighting and emissions reduction.
Other (please specify in comments)	The Council Plan	<a href="https://www.orkney.gov.uk/Service-Directory/Performance/council-plan.htm">https://www.orkney.gov.uk/Service-Directory/Performance/council-plan.htm</a>	2018-2023	Improve cycle and walkway paths in the county, eliminate single use plastics, housing and fuel poverty, and develop strategic renewable development projects.
Other (please specify in comments)	Orkney Green Travel Plan	<a href="https://www.orkney.gov.uk/Files/Transport/Green_Travel_Plan.pdf">https://www.orkney.gov.uk/Files/Transport/Green_Travel_Plan.pdf</a>		Adoption of plug in vehicles and active travel.
Other (please specify in comments)	Verge Maintenance Plan	<a href="https://www.orkney.gov.uk/Council/P/verge-maintenance.htm">https://www.orkney.gov.uk/Council/P/verge-maintenance.htm</a>		Inhibit the growth of dangerous weeds (weeds Act 1959), to manage the roadside verges in a manner that promotes biodiversity by conserving, wherever possible, special wildlife habitats and wild flowers.
Other (please specify in comments)	Orkney Harbours Master Plan	<a href="https://orkneyharboursmasterplan.com/">https://orkneyharboursmasterplan.com/</a>	2019 - 2030 onwards	Phase 1 & Phase 2
Other (please specify in comments)	Orkney Flood Risk Management Plan	<a href="https://www2.sepa.org.uk/frmstrategies/pdf/pva/PVA_03_05_Full.pdf">https://www2.sepa.org.uk/frmstrategies/pdf/pva/PVA_03_05_Full.pdf</a>		Flood Risk Management strategies
Other (please specify in comments)	Procurement Strategy 2022	Sustainable Procurement Policy (orkney.gov.uk)	2022-2023	We will ensure that our procurement minimises its contribution to climate change and supports goods, services and works that are well-adapted to the consequences of a changing climate. More detail in outcome 2 (page 9).
Other (please specify in comments)	Sustainable Procurement Policy	Sustainable Procurement (orkney.gov.uk)	2022-2023	The policy sets out the aims of this Council to ensure that sustainability is incorporated into our procurement and commissioning activities to ensure that it is undertaken in a sustainable manner and for the benefit of, not only the Council, but also to our island communities, the economy and the environment.
Other (please specify in comments)	Orkney Harbours Master Plan			
Please select from drop down box				
Please select from drop down box				

**2f What are the body's top 5 priorities for climate change governance, management and strategy for the year ahead?**

Provide a brief summary of the body's areas and activities of focus for the year ahead.

Develop appropriate climate change strategy and associated plan.  
Integrate climate change into Corporate plan.  
Support the growth of the Net Zero element of the Islands Growth Deal.  
Develop a programme to increase knowledge and gather opinions on climate change mitigation and adaptation.  
Continue Development of Community Wind Projects and projects as part of the Orkney Hydrogen Strategy.

**2g Has the body used the Climate Change Assessment Tool (a) or equivalent tool to self-assess its capability / performance?**

If yes, please provide details of the key findings and resultant action taken.

(a) This refers to the tool developed by Resource Efficient Scotland for self-assessing an organisation's capability / performance in relation to climate change.

N/a

**Further information**

**2h Supporting information and best practice**

Provide any other relevant supporting information and any examples of best practice by the body in relation to governance, management and strategy.

N/a

## PART 3 Corporate Emissions, Targets and Project Data

### Emissions

#### 3a Emissions from the start of the year which the body uses as a baseline (for its carbon footprint) to the end of the report year

Complete the following table using the greenhouse gas emissions total for the body calculated on the same basis as for its annual carbon footprint / management reporting or, where applicable, its sustainability reporting. Include greenhouse gas emissions from the body's estate and operations (a) (measured and reported in accordance with Scopes 1 & 2 and, to the extent applicable, selected Scope 3 of the Greenhouse Gas Protocol (b)). If data is not available for any year from the start of the baseline year to the end of the report year, provide an explanation in the comments column.

(a) No information is required on the effect of the body on emissions which are not from its estate and operations.

(b) This refers to "The greenhouse gas protocol. A corporate accounting and reporting standard (revised edition)", World Business Council for Sustainable Development, Geneva, Switzerland / World Resources Institute, Washington DC, USA (2004), ISBN: 1-56973-568-9.

ENSURE QUESTION 1f IS COMPLETED BEFORE STARTING THIS SECTION, THEN SELECT APPROPRIATE BASELINE YEAR

Reference year	Year	Year type	Scope 1	Scope 2	Scope 3	Total	Units	Comments
Baseline Year	2006/07	Financial	16,202	5,773	549	22,524	tCO <sub>2</sub> e	
Year 1 carbon footprint	2007/08	Financial	15,695	5,992	563	22,250	tCO <sub>2</sub> e	
Year 2 carbon footprint	2008/09	Financial	15,617	5,606	495	21,717	tCO <sub>2</sub> e	
Year 3 carbon footprint	2009/10	Financial	16,251	5,955	550	22,757	tCO <sub>2</sub> e	
Year 4 carbon footprint	2010/11	Financial	15,997	5,443	550	21,991	tCO <sub>2</sub> e	
Year 5 carbon footprint	2011/12	Financial	15,033	5,507	470	21,011	tCO <sub>2</sub> e	
Year 6 carbon footprint	2012/13	Financial	15,853	5,780	428	22,062	tCO <sub>2</sub> e	
Year 7 carbon footprint	2013/14	Financial	14,674	6,543	457	21,675	tCO <sub>2</sub> e	
Year 8 carbon footprint	2014/15	Financial	16,531	7,030	649	24,210	tCO <sub>2</sub> e	
Year 9 carbon footprint	2015/16	Financial	16,293	6,998	692	23,983	tCO <sub>2</sub> e	
Year 10 carbon footprint	2016/17	Financial	16,278	5,320	1,049	22,647	tCO <sub>2</sub> e	
Year 11 carbon footprint	2017/18	Financial	16,370	4,535	1,128	22,033	tCO <sub>2</sub> e	
Year 12 carbon footprint	2018/19	Financial	16,345	3,381	1,023	20,748	tCO <sub>2</sub> e	
Year 13 carbon footprint	2019/20	Financial	16,059	2,869	978	19,906	tCO <sub>2</sub> e	
Year 14 carbon footprint	2020/21	Financial	14,287	2,743	646	17,676	tCO <sub>2</sub> e	
Year 15 carbon footprint	2021/22	Financial	16,267	2,744	723	19,734	tCO <sub>2</sub> e	

#### 3b Breakdown of emissions sources

Complete the following table with the breakdown of emission sources from the body's most recent carbon footprint (greenhouse gas inventory); this should correspond to the last entry in the table in 3(a) above. Use the 'Comments' column to explain what is included within each category of emission source entered in the first column. If there is no data consumption available for an emission source enter the emissions in kgCO<sub>2</sub>e in the 'Consumption' column of one of the "Other" rows and assign the scope and an emission factor of 1.

(a) Emissions factors are published annually by the UK Department for Business, Energy & Industrial Strategy

Emission Factor Year

2021

The emission factor year is auto-assigned based on your answer to Q1f, if it is incorrect please contact SSN.

You can now filter emission sources by "type" in column C to enable quicker selection of emission source in column D.

User defined emission sources can be entered below remote/homeworking emissions - rows 101 to 129. If you require extra rows in the table please send the template to [ccreporting@ed.ac.uk](mailto:ccreporting@ed.ac.uk).



Emission	Emission source	Scope	Consumption data	Units	Emission factor	Units	Emissions (tCO <sub>2</sub> e)	Comments
Electricity	Grid Electricity (generation)	Scope 2	12,924,369	kWh	0.21233	kg CO <sub>2</sub> e/kWh	2,744.2	Electricity - Metered
Electricity	Grid Electricity (transmission & distribution losses)	Scope 2	12,924,369	kWh	0.01879	kg CO <sub>2</sub> e/kWh	242.8	Electricity - unmetred
Electricity	Gas Oil litre	Scope 1	958,797	litres	2.75857	kg CO <sub>2</sub> e/litre	2,644.9	Grid Electricity (Tx and Dist Losses)
Fuels	LPG litres	Scope 1	135,239	litres	1.55709	kg CO <sub>2</sub> e/litre	210.6	Heating Gas Oil
Fuels	Average Car - Unknown Fuel	Scope 3	1,150,711	km	0.17148	kg CO <sub>2</sub> e/km	197.3	LPG
Transport	Domestic flight (average passenger)	Scope 3	449,429	passenger km	0.24587	kg CO <sub>2</sub> e/passenger km	110.5	Business Mileage
Transport	Long-haul flights (average passenger)	Scope 3	6,382	passenger km	0.19309	kg CO <sub>2</sub> e/passenger km	1.2	Domestic Flights
Transport	Ferry (average passenger)	Scope 3	48,009	passenger km	0.11286	kg CO <sub>2</sub> e/passenger km	5.4	Longhaul flights
Transport	Marine Gas Oil litres	Scope 1	2,881,182	litres	2.77539	kg CO <sub>2</sub> e/litre	7,996.4	Ferry Fleet
Fuels	Marine Gas Oil litres	Scope 1	723,529	litres	2.77539	kg CO <sub>2</sub> e/litre	2,008.1	Tugs
Fuels	Marine Gas Oil litres	Scope 1	167,732	litres	2.77539	kg CO <sub>2</sub> e/litre	465.5	Harbour Craft
Fuels	Aviation spirit litres	Scope 1	140,000	litres	2.33048	kg CO <sub>2</sub> e/litre	326.3	Inter Islands Air Transport
Fuels	Diesel (average biofuel blend)	Scope 1	120,000	litres	2.51233	kg CO <sub>2</sub> e/litre	301.5	Public Transport Bus Fleet
Fuels	Diesel (average biofuel blend)	Scope 1	589,123	litres	2.51233	kg CO <sub>2</sub> e/litre	1,480.1	Construction and Waste Processing
Waste	Refuse Municipal to Landfill	Scope 1	397	tonnes	446.24150	kgCO <sub>2</sub> e/tonne	177.2	Factors are significantly lower than OIC factors which include shipping to Shetland (853 T CO <sub>2</sub> ) see row 101 below
Waste	Mixed recycling	Scope 1	553	tonnes	21.29357	kg CO <sub>2</sub> e/tonne	11.8	Factors are significantly lower than OIC factors which include shipping to Shetland (853 T CO <sub>2</sub> ) see row 101 below
Waste	Refuse Municipal /Commercial /Industrial to Combustion	Scope 1	1,170	tonnes	21.29357	kgCO <sub>2</sub> e/tonne	24.9	Factors are significantly lower than OIC factors which include shipping to Shetland (853 T CO <sub>2</sub> ) see row 101 below
	Hybrid/Homeworking emissions	Scope 3	30.00%	percentage of total FTEs	0.30000	tCO <sub>2</sub> e/FTE/annum	164.1	Estimate
	Other (please specify in comments)	Scope 1	1,175	kg	528.47000	kgCO <sub>2</sub> e/tonne	621.0	Waste - Additional emissions from shipping waste

### 3c Generation, consumption and export of renewable energy

Provide a summary of the body's annual renewable generation (if any), and whether it is used or exported by the body.

Technology	Renewable Electricity		Renewable Heat		Comments
	Total consumed by the body (kWh)	Total exported (kWh)	Total consumed by the body (kWh)	Total exported (kWh)	
Ground Source Heat Pump			2472234	0	
Wind	112,429				
Solar PV	120,752				

### Targets

#### 3d Organisational targets

List all of the body's targets of relevance to its climate change duties. Where applicable, targets for reducing indirect emissions of greenhouse gases, overall carbon targets and any separate land use, energy efficiency, waste, water, information and communication technology, transport, travel and heat targets should be included. Where applicable, you should also provide the body's target date for achieving zero direct emissions of greenhouse gases, or such other targets that demonstrate how the body is contributing to Scotland achieving its emissions reduction targets.

Name of target	Type of target	Target	Units	Boundary/scope of target	Year used as baseline	Baseline figure	Units of baseline	Target completion year	Progress against target	Comments
Carbon Management Programme	Percentage	42	total % reduction	Other (please specify in comments)	2005/06	26,136	tonnes	2025/26	18	18% reduction. Scope based on building energy use, business travel, staff mileage, waste, road fleet, tugs, ferries and harbour craft, public bus contract and inter island air service.

### 3da How will the body align its spending plans and use of resources to contribute to reducing emissions and delivering its emission reduction targets?

#### Provide any relevant supporting information

Spending on climate related projects is done so on an ad hoc basis per service areas within the local authority. The most significant spend on climate related projects relates to the Local Authority's development of the 'strategic projects' – onshore wind projects at Hoy, Quanterness and Faray.

Otherwise, the budgets are set and each service has discretion on how they spend their budgets and achieve reductions in emissions. This can be seen, for example, through the purchase of electric vehicles, or the installation of insulation and photovoltaic panels at Council houses.

The Repairs and Maintenance outturn budget monitoring reports for the 2021/22 will give evidence of repairs and remedial works undertaken. The Capital Expenditure outturn details the Council's capital projects and progress. Progress and spending in relation to Energy Efficiency Standards for Social Housing is reported via the Council chamber on an annual basis.

### 3db How will the body publish, or otherwise make available, its progress towards achieving its emissions reduction targets?

#### Provide any other relevant supporting information. In the event that the body wishes to refer to information already published, provide information about where the publication can be accessed.

Publication of annual carbon emissions through Scottish Government reporting and report to elected representatives.  
Use of branding and webspace to communicate Climate Change - <https://www.orkney.gov.uk/Council/C/orkney-climate-aware.htm>

## Projects and changes

### 3e Estimated total annual carbon savings from all projects implemented by the body in the report year

If no projects were implemented against an emissions source, enter "0".

If the body does not have any information for an emissions source, enter "Unknown".

If the body does not include the emissions source in its carbon footprint, enter "N/A".

Emissions source	Total estimated annual carbon savings (tCO <sub>2</sub> e)	Comments
Electricity	63	Additional electricity used by heat pumps
Natural gas		
Other heating fuels	156	Oil offset by new heat pump installation
Waste		
Water and sewerage		
Travel		
Fleet transport		Continue to expand electric vehicle fleet as part of vehicle replacement programme, no data available yet
Other (please specify in comments)		
<b>Total</b>	<b>219</b>	

3f Detail the top 10 carbon reduction projects to be carried out by the body in the report year  
Provide details of the 10 projects which are estimated to achieve the highest carbon savings during report year.

Project name	Funding source	First full year of CO <sub>2</sub> e savings	Are these savings figures estimated or actual?	Capital cost (£)	Operational cost (£/annum)	Project lifetime (years)	Primary fuel/emission source saved	Estimated carbon savings per year (tCO <sub>2</sub> e/annum)	Estimated costs savings (£/annum)	Behaviour Change	Comments
Smiddybrae House - Heat Pumps	Capital project	2021/22	Actual	800,000	74,230	20	Fuel Oil kWh	7,500	No	No	Existing boiler plant at end of life

### 3g Estimated decrease or increase in the body's emissions attributed to factors (not reported elsewhere in this form) in the report year

If the emissions increased or decreased due to any such factor in the report year, provide an estimate of the amount and direction

Emissions source	Total estimated annual emissions (tCO <sub>2</sub> e)	Increase or decrease in emissions	Comments
Estate changes		Please select from drop down box	no significant change in estate
Service provision		Please select from drop down box	
Staff numbers		Please select from drop down box	
Other (please specify in comments)		Please select from drop down box	
Please select from drop down box		Please select from drop down box	
<b>Total</b>		-	

### 3h Anticipated annual carbon savings from all projects implemented by the body in the year ahead

If no projects are expected to be implemented against an emissions source, enter "0".

If the organisation does not have any information for an emissions source, enter "Unknown".

If the organisation does not include the emissions source in its carbon footprint, enter "N/A".

Emissions source	Total estimated annual carbon savings (tCO <sub>2</sub> e)	Comments
Electricity	26	Electricity used by heatpump (St Andrews Primary School)

Natural gas		
Other heating fuels	20	Offset by heatpump installation (St Andrews Primary School)
Waste		
Water and sewerage		
Travel		
Fleet Transport		
Other (please specify in comments)		
<b>Total</b>	<b>46</b>	

**3i Estimated decrease or increase in emissions from other sources in the year ahead**

If the body's corporate emissions are likely to increase or decrease for any other reason in the year ahead, provide an estimate of the amount and direction.

Emissions source	Total estimated annual emissions (tCO <sub>2</sub> e)	Increase or decrease in emissions	Comments
Estate changes	6	Increase	Extension of St Andrews Primary School
Service provision		Please select from drop down box	
Staff numbers		Please select from drop down box	
Other (please specify in comments)		Please select from drop down box	
Please select from drop down box		Please select from drop down box	
<b>Total</b>		<b>6</b>	

**3j Total carbon reduction project savings since the start of the year which the body used as a baseline for its carbon footprint**

If the body has data available, estimate the total emissions savings made from projects since the start of that year ("the baseline year").

Total savings	Total estimated emissions savings (tCO <sub>2</sub> e)	Comments
Total project savings since baseline year		

**Further information**

**3k Supporting information and best practice**

Provide any other relevant supporting information and any examples of best practice by the body in relation to corporate emissions, targets and projects.

## PART 4 Adaptation

### Assessing and managing risk

#### 4a Has the body assessed current and future climate-related risks?

If yes, provide a reference or link to any such risk assessment(s).

Orkney Islands Marine Region: State of the Environment Assessment 2020 (<https://www.orkney.gov.uk/Service-Directory/D/orkney-islands-marine-region-state-of-the-environment-assessment.htm>) provides a snap-shot of the physical, environmental, social and economic condition of the Orkney Islands marine region, including a summary of significant pressures and impacts from climate change.

The Local Flood Risk Management Plan for Orkney (<https://www.orkney.gov.uk/Service-Directory/F/local-flood-risk-management-plan.htm>) takes forward the actions set out in the Flood Risk Management Plan for Orkney published by the Scottish Environment Protection Agency (SEPA). This document was referred to in the first cycle as the Strategy and identifies what works or actions are to be undertaken locally during the period 2016-2022 and how these are to be funded.

The Interim Report to the Local Flood Risk Management Plan, published in 2019, ([https://www.orkney.gov.uk/Files/Planning/Flooding/Section\\_37\\_Orkney\\_Report\\_Accessible.pdf](https://www.orkney.gov.uk/Files/Planning/Flooding/Section_37_Orkney_Report_Accessible.pdf)) shows the progress made in delivering the actions to avoid and reduce the risk of flooding and prepare and protect ourselves and our communities across the local plan district up to the mid-point of the first cycle six year cycle. The Final Report (Section 38) will show progress on all actions by the end of the first cycle. The Final Report must be published by 31 December 2022.

The Council worked with SEPA and Scottish Water to develop flood risk management actions to be delivered in Orkney between 2022 and 2028. These were published by SEPA in the 2nd Cycle Flood Risk Management Plan for the Orkney Local Plan District in January 2022. The Orkney Local Flood Risk Management Plan identifies what actions are to be undertaken locally and how they are to be funded.

The Council has worked closely with the Scottish Flood Forum (SFF) to raise awareness of flood risk to householders and businesses in flood vulnerable locations in Orkney. A member/officer seminar on flood risk took place with SFF in September 2021, with public flood awareness events involving the SFF and the Council taking place the same week.

In April 2022, SFF inspected and later provided Property Flood Reports for a number of houses on the Orkney mainland and linked isles. Following the April visit, a flood action group was initiated by the community in South Ronaldsay and Burray. This developed well over Summer 2022.

The Council continues to work with SEPA and Scottish Water to gather data to ensure that the best information on climate and drainage is available as flood risk management actions are undertaken.

The Council will continue to raise awareness of flood risk at every opportunity, including school visits and at public events in conjunction with partners such as SEPA, SFF and Sustrans.

The Council will continue to promote the SEPA Floodline in all flood related-press releases.

#### 4b What arrangements does the body have in place to manage climate-related risks?

Provide details of any climate change adaptation strategies, action plans and risk management procedures, and any climate change adaptation policies which apply across the body.

The Council has prepared the Orkney Islands Regional Marine Plan - Consultation Draft. The Plan has been prepared in accordance with the Delegation of Functions (Regional Marine Plan for the Scottish Marine Region for the Orkney Islands) Direction 2020. Regional marine plans have a statutory purpose to set economic, social and marine ecosystem objectives, and objectives relating to the mitigation of, and adaptation to, climate change. The Consultation Draft is due to be deposited for public consultation in Summer 2023, subject to approval by Scottish Ministers. Public authorities are required to take any authorisation or enforcement decision in accordance with the appropriate regional marine plan, unless relevant considerations indicate otherwise. Public authorities are also required to have regard to the appropriate regional marine plan in making any decision which relates to the exercise by them of any function capable of affecting the Scottish marine area. The Council worked with the Scottish Environment Protection Agency (SEPA) on the development of the revised coastal flood warning system for Orkney. This SEPA system has been live since September 2018. The coastal flood warning system drives public alerts and warnings and operational discussions between the Council and SEPA at times of heightened flood risk. The Kirkwall Harbour Flood Protection Scheme and associated works were completed in 2018. Operation of the scheme is triggered when Kirkwall threshold values are reached in the SEPA coastal Flood Early Warning System. The Kirkwall Flood Prevention Scheme is operational. These events resulted in the Orkney Local Emergency Co-ordinating Group activating a multi-agency response across multiple locations, using assets from HMCD, Scottish Fire and Rescue Service, Police Scotland and the Council. Each event was reviewed, and any lessons learnt incorporated in the respective plan. The Council is to develop water and flooding guidance to developers in Orkney in order to ensure that flood risk management requirements are met, and make sure that opportunities for environmental enhancement, promotion of biodiversity and mitigation of the effects of future climate change are not missed.

## Taking action

### 4c What action has the body taken to adapt to climate change?

Include details of work to increase awareness of the need to adapt to climate change and build the capacity of staff and stakeholders to assess risk and implement action. The body may wish to make reference to the Scottish Climate Change Adaptation Programme ("the Programme").

Council officers have participated in a national steering group led by the Scottish Environment Protection Agency (SEPA) to prepare guidance for local authorities to prepare Coastal Change Adaptation Plan.

A major action from the 2nd cycle SEPA Flood Risk Management plan for the Orkney Local Plan District is a Coastal Change Adaptive Plan (CCAP) for Orkney. This will be carried through to the Orkney Local Flood Risk Management Plan when it is published by 31 December 2022. The CCAP will help improve our understanding of the risks associated with coastal erosion and flooding in Orkney, both today and into the future. Decisions on future development and land use in coastal areas will be informed by the CCAP.

The Kirkwall Surface Water Management Plan is to be updated and developed by the Council in consultation with flood risk partners. Further to the completion of the Kirkwall Surface Water Management Plan, detailed studies of key individual sub-catchments within Kirkwall are to be taken forward to inform land use planning.

### 4d Where applicable, what contribution has the body made to helping deliver the Programme?

Provide any other relevant supporting information

As above

## Review, monitoring and evaluation

### 4e What arrangements does the body have in place to review current and future climate risks?

Provide details of arrangements to review current and future climate risks, for example, what timescales are in place to review the climate change risk assessments referred to in Question 4(a) and adaptation strategies, action plans, procedures and policies in Question 4(b).

Flood risk management actions take place on a 6 year repeating cycle as required by the 2009 Flood Risk Management (Scotland) Act. The national-level Flood Risk Management Plan for the Orkney Local Plan District, produced by the Scottish Environment Protection Agency, is followed within 12 months by the Orkney Local Flood Risk Management Plan, produced by Orkney Islands Council.

A Local Flood Risk Management Plan Interim Report is to be published by the Council 3 years into each Local Flood Risk Management Plan 6 year cycle and at the end of each cycle, a Local Flood Risk Management Plan Final Report is to be published.

Planning and preparatory work for the next Flood Risk Management cycle, informed by new data and outputs from earlier and current cycles, takes place concurrent with the current cycle.

### 4f What arrangements does the body have in place to monitor and evaluate the impact of the adaptation actions?

Please provide details of monitoring and evaluation criteria and adaptation indicators used to assess the effectiveness of actions detailed under Question 4(c) and Question 4(d).

In addition to the 6 year do/review cycle under the Flood Risk Management (Scotland) Act, adaptive actions to come from the Orkney Coastal Change Adaptive Plan will be based on adaptive pathways and have identified trigger points for following actions. As such, monitoring and review will be central to these adaptive actions.

## Future priorities for adaptation

### 4g What are the body's top 5 climate change adaptation priorities for the year ahead?

Provide a summary of the areas and activities of focus for the year ahead.

Publish the Orkney Islands Regional Marine Plan - Consultation Draft for formal public consultation.  
Publish updated Flood Risk Management Plan for 2023.  
Assess and update adaptation relevant datasets.  
Continue public engagement on adaptation topics.  
Develop appropriate flood risk guidance for developers.

## Further information

### 4h Supporting information and best practice

Provide any other relevant supporting information and any examples of best practice by the body in relation to adaption.

N/a

## PART 5 Procurement

### 5a How have procurement policies contributed to compliance with climate change duties?

Provide information relating to how the procurement policies of the body have contributed to its compliance with climate changes duties.

The Sustainable Procurement Strategy (February) 2022 has been reviewed and updated following a period of public consultation incorporating updates to climate change and sustainability legislative changes. These include: The Equality Act 2010, the Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, The Fairer Scotland Duty, Equality Act (Part 1 of the Equality Act 2010) – commenced 2018, The Climate Change (Emissions Reduction Targets) (Scotland) Order 2015, Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020. The updated Sustainable Procurement Policy has incorporated the Scottish Procurement Policy Note issued by the Scottish Government, taking account of Climate and Circular Economy Considerations (SPPN) 01/2021 and the Implementation of Fair Work First in Scottish Procurement (SPPN) 03/2021.

The Orkney Islands Council Sustainable Procurement Impact Assessment (SPiA) screens climate related action in section 2, as follows:

#### 2.Climate Change:

Will the procurement minimise contribution to climate change and support goods, services and works that are well-adapted to the consequences of a changing climate. (Y/N)

### 5b How has procurement activity contributed to compliance with climate change duties?

Provide information relating to how procurement activity by the body has contributed to its compliance with climate changes duties.

Delivery of the commitments made in this policy will be supported through the implementation of the Council's Procurement Strategy 2019 to 2021 and the Council's Procurement Annual Report. Progress against the stated objectives will be monitored and reported on an annual basis as part of the Procurement Service Improvement Action Plan 2019 to 2021 via the Council's Performance Management System.

## Further information

### 5c Supporting information and best practice

Provide any other relevant supporting information and any examples of best practice by the body in relation to procurement.

This Policy outlines how the Council takes a responsible and sustainable approach to procurement. The Policy will be reviewed on an annual basis to ensure it is line with any emerging Council commitments on Climate Change and remains in accord with emerging Scottish Government Policy, reflected in the Paris Agreement on Climate Change, COP 26 and beyond, as appropriate. The detailed risks and opportunities in the sustainable procurement tools align with Scotland's National Performance Framework (NPF) and Scotland's National Outcomes and Indicators, achieving a line of sight between procurement activity and local and national strategic priorities:

- Climate Change.
- Materials.
- Waste.
- Hazardous Materials.
- Biosecurity.
- Biodiversity.
- Heritage.
- Water.
- Employment, Skills and Training.
- Communities.
- Equality.
- Fair Work.
- Fairly and Ethically Traded.
- Health and Wellbeing.
- Security and Crime.

**PART 6 Validation and Declaration**

**6a Internal validation process**  
 Briefly describe the body’s internal validation process, if any, of the data or information contained within this report.

The Report is presented for approval to a meeting of the Council's Policy and Resources Committee on 22 November 2022.

**6b Peer validation process**  
 Briefly describe the body’s peer validation process, if any, of the data or information contained within this report.

The Report is then presented for approval to the General Meeting of the Council on 6 December 2022.

**6c External validation process**  
 Briefly describe the body’s external validation process, if any, of the data or information contained within this report.

External validation of waste data is undertaken by the Scottish Environment Protection Agency. This is done on an annual basis of the Calendar year 1st January to 31st December.

**6d No Validation Process**  
 If any information provided in this report has not been validated, identify the information in question and explain why it has not been validated.

**6e Declaration**  
 I confirm that the information in this report is accurate and provides a fair representation of the body’s performance in relation to climate change.

<b>Name:</b>	Susan Shearer
<b>Role in the body:</b>	Service Manager (Development and Marine Planning)
<b>Date:</b>	31/10/2022



**Recommended Reporting: Reporting on Wider Influence**

**Wider Impact and Influence on GHG Emissions**

**Q1) Historic Emissions (Local Authorities Only)**

Please indicate emission amounts and unit of measurement (e.g. tCO<sub>2</sub>e) and years. Please provide information on the following components using data from the links provided below. Please use (1) as the default unless targets and actions relate to (2).

**Please note : These statistics cover territorial emissions of carbon dioxide (CO2), methane (CH4) and nitrous oxide (N2O), although not fluorinated gases, which are also included in the UK territorial greenhouse gas emissions statistics. Prior to the 2005 to 2020 publication the statistics covered emissions of carbon dioxide only**

(1) UK local and regional CO<sub>2</sub>e emissions: **subset dataset** (emissions within the scope of influence of local authorities):

(2) UK local and regional CO<sub>2</sub>e emissions: **full dataset**:

<https://data.gov.uk/dataset/723c243d-2f1a-4d27-8b61-cdb93e5b10ff/emissions-of-carbon-dioxide-for-local-authority-areas>

Local Authority:(Please State)	Orkney Islands
BEIS Dataset:(full or sub-set)	Subset

Source	Sector	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Units
BEIS Sectors	Total Emissions	159.35	173.03	159.63	163.65	157.92	148.54	140.11	131.60	127.63	124.81	118.77	110.68	ktCO <sub>2</sub> e
	Industry and Commercial	22.02	26.79	22.85	23.53	22.46	20.93	18.63	15.26	14.80	14.30	12.81	11.24	ktCO <sub>2</sub> e
	Domestic	64.82	70.02	63.13	65.82	61.86	54.50	49.76	44.13	40.66	39.60	36.65	36.36	ktCO <sub>2</sub> e
	Transport total	31.28	31.32	30.53	29.79	30.13	31.12	32.27	33.75	34.14	33.19	32.37	26.70	ktCO <sub>2</sub> e
	Per Capita	7.61	8.15	7.45	7.60	7.32	6.88	6.47	6.02	5.80	5.62	5.33	4.94	ktCO <sub>2</sub> e

**2a) Targets**  
Please detail your wider influence targets

Sector	Description	Type of Target (units)	Baseline value	Start year	Target	Target/End year	Saving in latest year measured	Latest Year Measured	Comments
Please select from drop down box		Please select from drop down box		Please select from drop down box		Please select from drop down box		Please select from drop down box	
Please select from drop down box		Please select from drop down box		Please select from drop down box		Please select from drop down box		Please select from drop down box	

**2b) Does the organisation have an overall mission statement, strategies, plans or policies outlining ambition to influence emissions beyond your corporate boundaries? If so, please detail this in the box below.**

Orkney Islands Council has facilitated and participated in the development of a number of wider community strategies that have an impact on climate change action in the region. These include:

- Orkney Sustainable Energy Strategy (2017-2025) - <https://www.oref.co.uk/wp-content/uploads/2017/10/Orkney-Sustainable-Energy-Strategy-2017-2025-1.pdf>
- Orkney Hydrogen Strategy - [https://www.orkney.gov.uk/Files/Strategic\\_Projects/Hydrogen%20projects/Hydrogen%20strategy.pdf#:~:text=The%20Orkney%20Hydrogen%20Strategy%20seeks%20to%20aid%20development,an%20increased%20resilience%20in%20the%20local%20energy%20system](https://www.orkney.gov.uk/Files/Strategic_Projects/Hydrogen%20projects/Hydrogen%20strategy.pdf#:~:text=The%20Orkney%20Hydrogen%20Strategy%20seeks%20to%20aid%20development,an%20increased%20resilience%20in%20the%20local%20energy%20system)
- Orkney Electric Vehicle Strategy (2018-2023) - <https://www.oref.co.uk/draft-orkney-electric-vehicle-strategy-2017-2022/>
- Orkney Sustainable Tourism Strategy (Draft)
- Strategic Tourism and Infrastructure Development Plan - <https://www.orkney.gov.uk/Files/Committees-and-Agendas/Development%20and%20Infrastructure/DI2022/DI15-02-2022/Item%2016%20%20Strategic%20Tourism%20Infrastructure%20Development%20Plan.pdf>
- Orkney Energy Action Plan
- Island Growth Deal - Islands Centre for Net Zero - Orkney Achieves Net Zero by 2030 - <https://www.islandsdeal.co.uk/leading-way-low-carbon-future/islands-centre-net-zero> (The Islands Centre for Net Zero project will be supported with joint investment of up to £16.5 million from the UK Government and Scottish Government (UKG £16 million/SG £0.5 million).
- The Scapa Flow Future Fuels Hub project will be supported with investment of up to £6.5 million from the Scottish Government - <https://www.orkney.gov.uk/Files/Council/Our%20Future/Islands%20Deal%20Programme.pdf>

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**Q3) Policies and Actions to Reduce Emissions**  
**Please detail any of the specific policies and actions which are underway to achieve your emission reduction targets**

Q4) Partnership Working, Communications and Capacity Building  
 Please detail your Climate Change Partnership, Communication or Capacity Building Initiatives below.

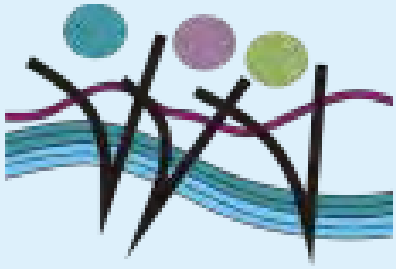
Key Action Type	Description	Organisation's project role	Lead Organisation (if not reporting organisation)	Private Partners	Public Partners	3rd Sector Partners	Outputs
Partnership Working	Orkney Partnership Sustainable Recovery Group	Participant	Orkney Partnership	ASPIRE	Orkney Islands Council, NatureScot, NHS Orkney		Local Outcome Improvement Plan
Partnership Working	Orkney Renewable Energy Forum	Participant	Orkney Renewable Energy Forum	The European Marine Energy Centre Ltd, Aquatera Ltd, Heriot-Watt University	Orkney Islands Council	Community Energy Scotland	Various sustainable energy strategies in the area, networking and consultation response.
Partnership Working	Scottish Flood Forum member	Participant	Scottish Flood Forum		Orkney Islands Council, Highlands and Islands Enterprise, Royal Society for the Protection of Birds, NatureScot		Various - including North Isles Active Travel Improvements, community wildlife recording and educational projects.
Partnership Working	North Isles Landscape Partnership	Participant	Historic Environment Scotland				

**Other Notable Reportable Activity**

Q5) Please detail key actions relating to Food and Drink, Biodiversity, Water, Procurement and Resource Use in the table below

Key Action Type	Key Action Description	Organisation's Project Role	Impacts	Comments
Resource Use	Orkney Islands Council participates in and facilitates a number of high profile hydrogen projects including: BIGHIT, HySeas3, HyDime as well as participation in a number of research and collaboration projects. These demonstrate the production and use of green hydrogen across various sectors of energy use including heat, power and transport (terrestrial, aviation and marine). There are ~2MW of green hydrogen capacity, a refueling station at 350bar, 5x mobile storage units (1.25tn storage) and 2x electrolysis sites. The Council own and operate 5x symbio hydrogen fuel cell vans as part of the fleet. ~£45m project value.	Participant		
Resource Use	Community Wind Farm projects - up to 86Mw of wind development across various sites in Orkney. A number of sites have been submitted for planning permission. As well as having the potential to bring Orkney to a NET carbon zero (not total reduction in fossil fuel use), they support the needs case for an improved grid connection between Orkney and the Scottish Mainland. The projects also have the potential to generate significant revenue for the community in Orkney.	Lead		
Resource Use	Orkney Islands Council is a participant and facilitating partner in the Orkney £26.5m ReFLEX UKRI funded project. ReFLEX Orkney is pioneering an integrated, affordable, low-carbon energy system for the future. ReFLEX (Responsive Flexibility) Orkney is a £28.5 million project aiming to create an Integrated Energy System (IES) in Orkney, Scotland. Funded by UKRI through the Industrial Strategy Challenge Fund, the project is led by the European Marine Energy Centre (EMEC) with cross-sector partners including Aquatera, SMS, Community Energy Scotland, Heriot-Watt University and Orkney Islands Council.	Participant		
Biodiversity	The Council is a member of the Orkney Local Biodiversity Action Plan Steering Group and helps prepare and implement the Orkney Local Biodiversity Action Plan (LBAP). First published in 2002 then revised in 2008, 2013 and 2018, the LBAP identifies actions which can be taken locally, and which will contribute to the conservation of those species and habitats identified as being 'at risk' or 'threatened' in the UK. All four versions of the LBAP are available on the Council's website at <a href="https://www.orkney.gov.uk/Service-Directory/B/Biodiversity.htm">https://www.orkney.gov.uk/Service-Directory/B/Biodiversity.htm</a>	Participant		

**Q6) Please use the text box below to detail further climate change related activity that is not noted elsewhere within this reporting template**



# The Orkney Partnership

*Working together for a better Orkney*

## Annual Report<sup>1318</sup> 2021 to 2022

Incorporating a progress report on  
Orkney's Local Outcomes Improvement Plan 2021 to 2023

# Welcome to the Orkney Partnership's Annual Report 2021-22

Covid-19 and the national response to the pandemic had a profound impact on Orkney. The Orkney Partnership decided that it needed to take a shorter term approach than usual to promote recovery and, for 2021/23, created a two-year Community Plan or "recovery LOIP". The Board adopted a new set of strategic priorities which reflected the need for urgent action to address the immediate problems facing Orkney's people and communities, without losing sight of the Partnership's long-term ambitions:

- Connectivity
- Community Wellbeing
- Sustainable Recovery

**Connectivity** addressed both digital connectivity and transport. These priorities gained a new urgency from the impact of lockdown. Home working and education highlighted digital inequality, while lockdown underlined Orkney's vulnerability to any interruption in lifeline transport services, and the urgent need for modernised transport infrastructure.

Councillor James Stockan  
Chair  
Orkney Partnership Board



**Community Wellbeing** focused on both individual and community wellbeing and the need to help people retake control of their lives. During Covid, many households faced poverty due to loss of income and increased living costs, especially in the ferry-linked isles where local food prices and fuel costs are higher. Mental health took a battering and many people were exhausted after repeated lockdown, family separation and relentless bad news.

**Sustainable Recovery** brings together two complementary strategies. The first is the ASPIRE Orkney strategy for Orkney's economic recovery: to build a better future, Orkney must aspire to be Ambitious, Sustainable, Prosperous, Inclusive, Resilient and Enterprising. Coupled and integrated with this agenda is the Partnership's strategy to combat climate change and move towards a more sustainable Orkney for all.

This report describes the Orkney Partnership's progress during the first year of our Community Plan 2021/23.



Meghan McEwen  
Vice Chair  
Orkney Partnership Board

# Our structure during 2021-22



The Orkney Partnership Board is at the centre of our structure. During 2021-22, the Board was chaired by Councillor James Stockan, Council Leader, and the Vice Chair was Meghan McEwen, Chair of the Board of NHS Orkney. Membership is made up of all of the statutory partner organisations named in the Community Empowerment (Scotland) Act 2015, plus locally co-opted partners.

The Orkney Partnership Board is supported by an Executive Group comprising senior officers of the five partners with a duty to facilitate community planning, plus Voluntary Action Orkney.

Each of the Board’s strategic priorities is assigned to a Delivery Group, chaired by a member of the Board. Delivery Groups include representatives of any organisation or group that can actively help to deliver the priority assigned to their group.

The Board or Delivery Groups may create short life working groups to address specific issues. During 2021-22, the Partnership had two short life working groups, focusing on child poverty and economic recovery.

The Board regularly reviews and sometimes changes the Partnership’s strategic priorities, to make sure they are still right for Orkney and to address any new challenges we need to tackle.

# Membership of Orkney Partnership Board during 2021-22

Five partners have a collective duty to **facilitate** community planning



Other partners have a duty to **participate** in community planning



The Board includes these local and co-opted partners



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# Orkney Community Plan 2021-23

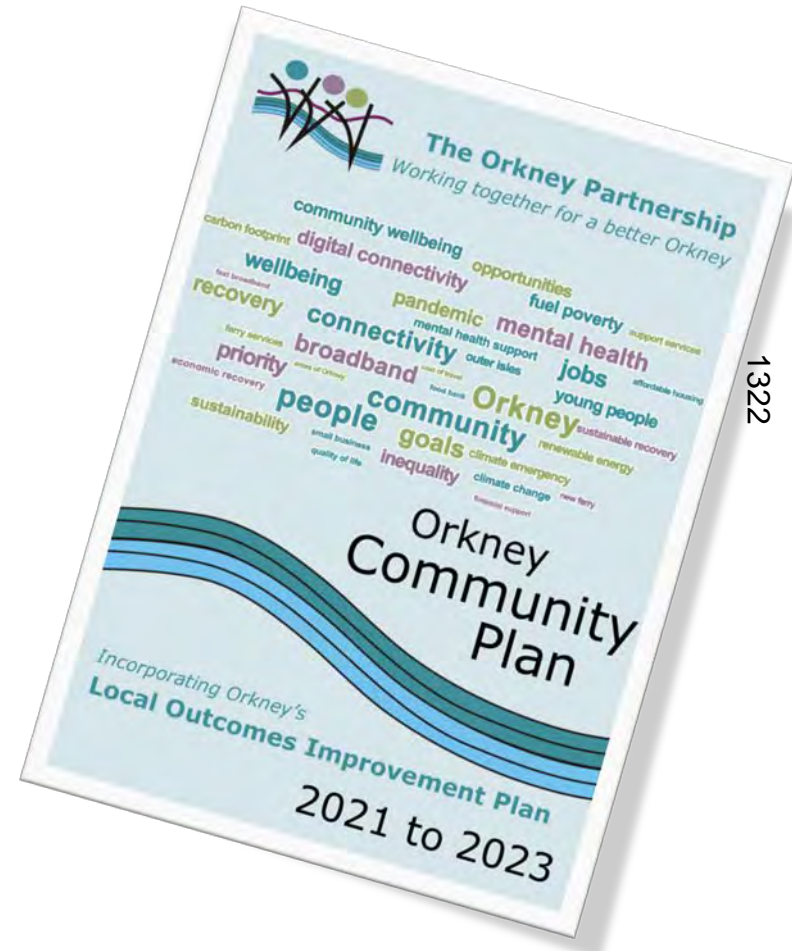
The Community Empowerment (Scotland) Act 2015 places a duty on community planning partnerships to prepare and publish a Local Outcomes Improvement Plan (often called the LOIP). The LOIP sets out the local outcomes that a partnership has prioritised for improvement. The Orkney Partnership chooses to publish a Community Plan, incorporating our LOIP.

Our LOIP had previously been a three-year rolling plan which was refreshed, updated and reissued every year. However, in 2020, The Orkney Partnership Board decided to develop a shorter term recovery plan to cover the two years 2021-23. Public consultation took place early in 2021 and the new community plan was adopted in June 2021. It can be found on the Partnership's website at [www.orkneycommunities.co.uk/CommunityPlanning](http://www.orkneycommunities.co.uk/CommunityPlanning).

The following pages describe the progress made by our delivery groups during the first year of the plan against their target outcomes. The performance measures reported by each group are not necessarily measures we can control, but are indicators of how well Orkney is doing. For example, the roll out of digital connectivity (The R100 Programme) is the responsibility of the UK and Scottish Governments.

To measure progress against particular outcomes, we rely on various national surveys and data. The Partnership uses for preference information that is collated nationally, to avoid disproportionate effort being put into researching data instead of implementing the plan. The data available nationally is generally reliable, although data collection during Covid-related lockdowns has not been straightforward.

Some of the data we use is not collected annually (e.g. the Scottish Government's survey for the National Islands Plan) but is published regularly enough for our longer term outcomes which require long term strategies. This report covers the first year of the 2021-23 plan and some of the indicators will not be available for the report until after the second year.



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## Community Wellbeing

	<b>What we aim to achieve</b>
	Our aim is to support Orkney's individuals and communities to withstand and recover from the Covid-19 pandemic and its socio-economic impacts.

	<b>Target outcomes</b>	<b>Progress during 2021-22</b>
A.	Consolidate and develop effective partnerships and collaborative work to support individuals and communities through recovery.	<ul style="list-style-type: none"> <li>• A £300,000 challenge fund was provided by the Council and distributed by Voluntary Action Orkney to Third Sector agencies to support people through Covid and the recovery period.</li> <li>• NHS Public Health launched a 'Making Money Count' leaflet and provided training to those in different agencies working with people at risk of poverty.</li> <li>• £95,500 funding was secured from the Community Recovery Fund to provide a range of support, advice, materials and equipment to community associations and other community spaces to enable them to resume their activities safely.</li> <li>• The Delivery Group was responsible for distributing £100,000+ Mental Health Wellbeing Fund to agencies providing support to people struggling during Covid.</li> </ul>
B.	Improve the resilience and sustainability of Orkney's fragile communities.	<ul style="list-style-type: none"> <li>• The Delivery Group supported applications to the Islands Housing Fund from Westray, North Ronaldsay, Shapinsay, Sanday and Stronsay.</li> <li>• The Enhancing Wellbeing in Our Island Communities continued to support individuals in the ferry-linked isles, with over 800 responses received to an evaluation sent out in May 2021.</li> <li>• Funding was secured to establish and deliver the isles digital self-management network. A co-ordinator was recruited, and activities began. There are 120 members from across the ferry-linked isles.</li> <li>• Funding was obtained to launch lunch clubs on the ferry-linked isles.</li> </ul>



<b>Measuring progress in Community Wellbeing</b>					
<b>How households are managing financially in Orkney</b> (Source: <a href="#">Scottish Household Survey 2019</a> and <a href="#">Data Explorer</a> )					
	2020-21 Baseline	2021-22 Milestone	2022-23 Target	Progress in 2021-22	Comment
Managing very well or quite well	66%	66%	66%	National figures have not been updated.	<p>In this period, it is likely that the position in Orkney has deteriorated:</p> <ul style="list-style-type: none"> <li>• Rising fuel prices when households in Orkney already pay a significantly higher than average proportion of their income on fuel.</li> <li>• Cost of living, especially food, has gone up and average wages in Orkney are less than the average for Scotland.</li> </ul> <p>Consequently, it is likely that the number of people who are managing very well or well has decreased.</p>
Get by all right	31%	32%	34%		
Don't manage very well and have some financial difficulties	3%	2%	0%		
<b>Percentage of dwellings in Orkney in Fuel Poverty 2017-19</b> (Source: <a href="#">Scottish House Condition Survey Local Authority Analysis 2019</a> )					
2020-21 Baseline	2021-22 Milestone	2022-23 Target	Progress in 2021-22	Comment	
30.5% (Scottish average 24.4%)	Reduce	Same as Scottish average	National figures have not been updated.	Updated figures have not yet been published but it is inevitable that fuel poverty will have been exacerbated by recent high price rises.	

<b>Percentage of dwellings in Orkney in Extreme Fuel Poverty 2017-19</b> (Source: <a href="#">Scottish House Condition Survey Local Authority Analysis 2019</a> )				
2020-21 Baseline	2021-22 Milestone	2022-23 Target	Progress in 2021-22	Comment
21.8% (Scottish average 11.9%)	Reduce	Same as Scottish average	National figures have not been updated.	Updated figures have not yet been published but it is inevitable that extreme fuel poverty will have been exacerbated by recent high price rises.
<b>Population of the ferry-linked isles</b> (Source: <a href="#">Scotland's Census</a> )				
2020-21 Baseline	2022-23 Target	Progress in 2021-22	Comment	
2,862 (Census 2011)	Maintain or increase (Census 2022)	The 2022 census has not yet been published.	National Records of Scotland will begin to release the local results of the 2022 census in 2023.  A local estimate as of January 2021 put the population at 2,743 ( <a href="#">2021-23 LOIP</a> ). The estimated figure indicates a small (4%) drop in the population since 2011, which is in line with long term trends.	
<b>Percentage of adult residents (18-75) planning to stay on the island for the next 5 years</b> (Source: <a href="#">National Islands Plan Survey Report 2020</a> and <a href="#">online results explorer tool</a> )				
	2020-21 Baseline	2022-23 Target	Progress in 2021-22	Comment
Orkney Mainland – Yes	87.2	Increase	Not applicable, survey only every two years.	This survey was originally planned to be repeated every two years but the 2022 survey has been put back to 2023. Scottish Government aim to complete it every two years thereafter.
No	4.4	Decrease		
Don't know	8.4	Decrease		

Orkney Outer Isles – Yes	79.0	Increase		Net migration for Orkney has been positive (i.e. the number moving to Orkney is greater than those leaving) for the last few decades. NRS estimates for 2019-20 indicate that net migration was 170 which is typical of previous years. <b>Check before publication</b>
No	8.7	Decrease		
Don't know	12.3	Decrease		

**Percentage of adults participating in some form of sport or exercise, including walking, in previous 4 weeks** (Source: [Scottish Household Survey 2019](#) and [Data Explorer](#))

2020-21 Baseline	2021-22 Milestone	2022-23 Target	Progress in 2021-22	Comment
86%	87%	88%	National figures have not been updated.	<p>Figures for 2020 and 2021 have not yet been published. Anecdotal evidence would indicate that during lockdown, exercise increased as many people took daily walks.</p> <p>The <a href="#">National Islands Plan Survey</a> found that 83.5% of people agreed that "...there are places I could go to take part in sports and physical exercise."</p>

**Access to Child and Adolescent Mental Health Services - waiting period of 18 weeks or less from referral to treatment** (source: [Orkney Health and Care Strategic Commissioning Implementation Plan 2021-22](#))

2020-21 Baseline	2021-22 Milestone	2022-23 Target	Progress in 2021-22	Comment
90% (NHS Delivery Standard)	90%	90%	Pending from NHSO	

## Sustainable Recovery

	<b>What we aim to achieve</b>
	Our aim is to exploit the synergy between two linked priorities: Orkney’s economic recovery from the Covid-19 pandemic and combatting the climate emergency.

	<b>Target outcomes</b>	<b>Progress during 2021-22</b>
	A demonstrable upturn in Orkney’s economy, supported through co-ordination and implementation of the ASPIRE Orkney action plan.	<ul style="list-style-type: none"> <li>• The Economic Recovery Steering Group supported the successful implementation of the Kickstart apprenticeship scheme for young people and worked alongside Community Learning and Development on overlapping employability opportunities.</li> <li>• The Local Employment Partnership was established and that has supported numerous projects which have helped many people obtain ongoing employment.</li> <li>• Funding was provided by Orkney Islands Council to appoint a Programme Manager to support the work of the Economic Recovery Steering Group from June 2021.</li> <li>• A report was developed for the ERSG and SRDG to better understand the housing demand and supply constraints affecting Orkney’s economy.</li> </ul>
	A “Just Transition” towards a well-being economy with a focus on climate change, fair work, and diversity.	<ul style="list-style-type: none"> <li>• The Orkney Partnership and Skills Development Scotland drew up and launched a Skills Charter which committed the Partners to skilling up local people so that they can benefit from the employment opportunities that will arise in the local economy, notably from the expanding renewables sectors.</li> </ul>
	Measurable progress towards Scotland’s target of net zero emissions by 2045.	<ul style="list-style-type: none"> <li>• Following the Council’s Climate Emergency Declaration, a dedicated full-time post of Climate Change Officer was created, and work begun in drawing up plans to reduce Orkney’s carbon emissions.</li> <li>• The SRDG recommended that Orkney should aim to achieve Net Zero by 2030, a target which was subsequently approved by the Orkney Partnership Board.</li> </ul>

	<p>An adaptation strategy to protect our citizens, businesses, habitats and wildlife from the effects of climate change.</p>	<ul style="list-style-type: none"> <li>• While the SRDG has been unable to develop an overarching strategy for Orkney owing to the lack of resource, substantial work is being done by many agencies, notably the Council, to make necessary adaptations.</li> <li>• The Council worked closely with the Scottish Flood Forum (SFF) in raising awareness of flood risk, supporting week-long visits 2021 and 2022 by SFF to share information on property level flood protection and carry out free Property Floor Resilience surveys to householders in Orkney. These visits have led on to members of the community from St Margaret's Hope and Burray forming Orkney's first Flood Action Group, supported by SFF and the Council.</li> </ul>
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Measuring progress in Sustainable Recovery					
Measurement					Comments
<b>Employment rate (16-64 years)</b> (source: <a href="#">NOMIS Official labour market statistics</a> )					
2018-19 Baseline	2019-20 target	2020-21 target	2021-22 target	Actual 2021-22 figure	
88.7%	>85%	>85%	>85%	78.5%	This is a significant drop in the employment rate because of lowered economic activity in Orkney, especially in the tourist sector, as a result of the impact of Covid-19 and may also be a result of some people deciding to retire early. As the economy recovers, these figures will be monitored to ensure that they move closer to the target.
<b>% of 16-19 year olds participating in education, employment and other training and development activities</b> (source: <a href="#">Skills Development Scotland, Annual Participation Measure August 2019</a> and <a href="#">2021</a> )					
2018-19 Baseline	2019-20	2020-21	2021-22	Actual 2021 figure	

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95.4%	Target: Maintain	Target: Maintain	Target: Maintain	93.4%	The figure for Orkney is still higher than the average for Scotland (92.2%) but has dropped 2% in Orkney, while nationally it has increased by 0.6%.
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**Businesses in the Highlands and Islands that are optimistic over their future prospects in the next 12 months (Source: [HIE Business Panel June 2021 report](#) and [HIE Business Panel Report, February/March 2022 report](#)).**

2020-21 Baseline	2021-22 Milestone	2022-23 Target	Five-year target 2026-27	Feb/March 2022	Comment
75% Jan/Feb 2020	80% June 2021	Maintain or improve	>80%	77%	While the target has not been met, there has been some improvement.

**House build completions in Orkney, all sectors (source: [Scottish Government housing statistics](#); source for 2020-21: OIC Development and Marine Planning)**

2020-21 Baseline	2021-22 Milestone	2022-23 Target	Five-year target 2026-27	First two quarters of 21-22	Comment
92	144	130	225	33	TBC (different sources inconsistent)

**% Orkney pupils' journeys to school by walking/cycling/scooter/skate (all schools excluding nursery) (Source: [Sustrans Hands Up Scotland Survey 2020 and 2021](#))**

2020-21 Baseline	2021-22 Milestone	2022-23 Target	Five-year target 2026-27	2021	Comment
33.7%	Improve	Improve	>40%	36.7%	There has been significant progress in meeting the five-year target.

**% Walking journeys to work as a proportion of all journeys in Orkney (Source: Scottish Government [2019 Transport – Travel to Work and Other Purposes](#))**

2020-21 Baseline	2021-22 Milestone	2022-23 Target	Five-year target 2026-27	2021-22	Comment

27%	Improve	Improve	>35%	The figures have not been updated by the SG.	Pending updated figures.
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Local Authority territorial CO2 emissions estimates 2019 and 2020 (kilotonnes CO2) (Sources – [UK Government local authority and regional carbon dioxide emissions national statistics 2005-2019](#) and [2005-2020](#))

	2019 Baseline*	2021-22 Milestone	2022-23 Target	Five-year target 2026-27	2020 (latest figure)	Comment
Commercial	8.9 (5.6) kt	Reduction commensurate with achieving NetZero by 2045	Reduction commensurate with achieving NetZero by 2045	Reduction commensurate with achieving NetZero by 2045	3.8 kt	Progress has been made towards meeting the target.  Should the Partnership adopt a net zero target of 2030 in the next LOIP, these targets may need to be revisited.
Public Sector	2.6 (2.4) kt				2.5 kt	
Domestic	42.0 (36.4) kt				36.4 kt	
Transport	31.1 (32.4) kt				26.7 kt	
LULUCF**	135.6 (124.1) kt				123.9 kt	
Total for Orkney	277.2 (251.6) kt				240.3 kt	

\*The 2019 estimates, since the publication of the LOIP, were recalculated and the new figure is set out in brackets.

\*\*Land Use, Land Use Change and Forestry

## Priority: Connectivity

### What we aim to achieve

	<p>Our aim is to improve Orkney's connectivity by resolving the issues holding up the delivery of 21st century mobile, broadband and transport networks to all of Orkney's communities.</p>	<p>In 2021-22, the Delivery Group focused on Transport. The leading agencies on transport are the Orkney Islands Council and the Scottish Government, and the Partnership, which brings together the key public authorities, the third Sector Interface (Voluntary Action Orkney) and the business sector (including through the Economic Recovery Strategy Group). The Delivery Group did work identifying Orkney's transport needs and that contributed to the development of the Local Transport Strategy and informed lobbying by the Partnership and Partners of the Scottish (<a href="#">Strategic Transport Projects Review 2</a>) and UK Governments.</p>
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### Our target outcomes are:

	<p>Equal standards of digital connectivity to elsewhere in the UK, with mobile and broadband services available and affordable to all in Orkney.</p>	<ul style="list-style-type: none"> <li>• The Government's R100 programme was examined by the Delivery Group, the short comings identified, and Partners lobbied government and providers leading to adjustments to the scheme and, in summer 2022, to the provision of extra resources.</li> </ul>
	<p>Integrated, sustainable and affordable transport services which meet the needs of Orkney's residents, businesses and visitors.</p>	<ul style="list-style-type: none"> <li>• Lobbying by Partners of the Scottish Government had led to the Government providing additional revenue funding for the inter-island ferries but, to date, no funding had been secured to begin to replace the fleet.</li> <li>• The replacement public bus fleet, procured by Orkney Islands Council, was now in use and the Council have reported that since the fleet had been deployed, no complaints about the service had been received.</li> <li>• Free bus fares were introduced for all under 22s from January 2022.</li> </ul>



<b>Measuring progress in Connectivity</b>					
<b>% Orkney premises unable to access 10Mbps/s Broadband (Sources: <a href="#">Ofcom Connected Nations 2020</a> and <a href="#">Ofcom Connected Nations 2022</a>)</b>					
2020-21 Baseline	2021-22 Milestone	2022-23 Target	2022 Figure	Comment	
20.7%	10%	0%	19.7%	The Scottish Government launched the Reaching 100% programme (R100) in 2017 with the aim of having full coverage in Scotland for all premises with a minimum speed for 30 Mb by 2021. There were significant delays during the tendering progress and these targets have not been met. In summer 2022, further investment was announced that will extend R100 to an additional 1000 properties in Orkney and the Council is working with the Scottish Government to improve on that.	
<b>% Orkney premises unable to access 30Mbps/s Broadband (Sources: <a href="#">Ofcom Connected Nations 2020</a> and <a href="#">Ofcom Connected Nations 2022</a>)</b>					
2020-21 Baseline	2021-22 Milestone	2022-23 Target	Five-year target 2026-27	2022 Figure	Comment
31.5%	20%	10%	0%	32.9%	As set out in the previous section.
<b>% Orkney residents whose internet connection at home is fast enough to do what they want online (Source: <a href="#">National Islands Plan Survey Report 2020</a> and <a href="#">online results explorer tool</a>)</b>					
	2020-21 Baseline	2022-23 Target	Five-year target 2026-27	2022	Comment
Orkney Mainland	70%	Increase	100%	Not applicable,	As set out in the previous section.

Ferry-linked isles	45%	Increase	100%	survey only every two years.	
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**% Orkney residents who have a good mobile phone signal at home (Source: [National Islands Plan Survey Report 2020](#) and [online results explorer tool](#))**

	2020-21 Baseline	2022-23 Target	Five-year target 2026-27	2022 Figure	Comment
Orkney Mainland	78%	Increase	100%	Not applicable, survey only every two years.	The Scottish Government is leading on this, and the Shared Rural Network (SRN) is an agreement involving the 4 largest mobile network operators: EE, O2, Three and Vodafone. Government has provided subsidies to build masts but even with these subsidies, the companies consider there is little commercial case for many developments. Four EE sites have been built which include two (September 2022) waiting to go live.
Ferry-linked isles	27%	Increase	100%		

**% of people in Orkney very or fairly satisfied with the quality of public transport (Source: [Scottish Household Survey 2019](#) and [Data Explorer](#))**

2020-21 Baseline	2021-22 Milestone	2022-23 Target	2022 Figure	Comment
61%	70%	80%	National figures have not yet been updated.	Although the figures for 2022 are not yet available, the Council has reported receiving no complaints regarding buses since the roll out of the new fleet (Oradian, 15 September 2022).

**% of Orkney residents who agree “When I make journeys to or from my home, it is easy connecting between different forms of transport” (Source: [National Islands Plan Survey Report 2020](#) and [online results explorer tool](#))**

	2020-21 Baseline	2022-23 Target	2022 Figure	Comment

Orkney Mainland	46%	60%	Not applicable, survey only every two years.	As set out in the previous section.
Ferry-linked isles	29%	50%		



# Activity of Short Life Working Groups in 2021-22

## Child Poverty Task Force

*“I feel there is a big divide - some people seem to have a lot and some (probably more than we know of) have very little. I think making everyone aware of that and trying to find ways that we can all help each other would be good, but I don't know how we do that.”*  
 “Making Ends Meet” survey respondent, 2021

During 2021-22, we saw the economy start to recover from the pandemic, but any gains from this have been offset for many families by the steep rise in the cost of living. Inflated food and energy prices have caused household bills to jump sharply and record numbers of households in Orkney have sought advice and assistance, some for the first time. Published statistics indicate that at least three hundred families in Orkney are struggling to get by but there may well be more than we know of, as our survey respondent suggested.

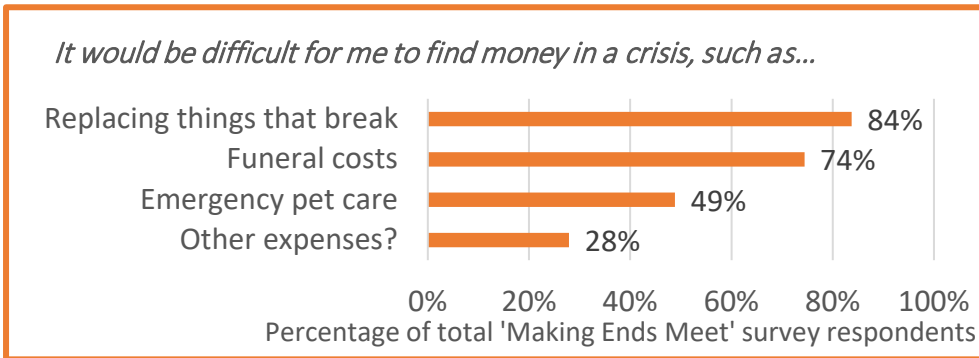
Local authorities and health boards in Scotland have a duty to report annually on activity they are taking, and plan to take, to reduce child poverty. In Orkney, these reports have to date been compiled by the Child Poverty Task Force, a short life working group of The Orkney Partnership, which published its fourth Local Child Poverty Action Report for 2021-22 in October 2022.

During 2021-22, the Task Force developed a new strategy to provide a coherent framework for the joint planning and implementation of future action to combat child poverty, monitor progress and report on results. We held a public consultation in autumn 2021, “Making Ends Meet”, asking families for their experiences of living in hardship in Orkney, and what would make the most difference to them. Many families told us about their own day to day challenges, bringing to life the statistics on poverty and underlining the importance of this work.

We are grateful to everyone who responded, and we have used the results to inform Orkney’s Child Poverty Strategy 2022-26. The strategy includes an outline action plan to meet our ambitions for children and families in Orkney, around five themes. The actions include measures to support families through the immediate cost of living crisis, together with longer-term actions which will address the underlying causes of poverty and help parents into sustainable work.

1335

<b>Pockets</b> Every family can make ends meet	<b>Prospects</b> Every child has a good start in life	<b>Places</b> Every family has a sustainable home	<b>Prevention</b> Future generations can escape from poverty	<b>Priorities</b> No child is left behind
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Related partnership work during 2021-22 included the Orkney Food Dignity Project led by Voluntary Action Orkney, which reported in May 2022. The recommendations from this project, together with the actions in the Child Poverty Strategy, are being co-ordinated by a new Cost of Living Task Force, bringing together the various groups and workstreams addressing poverty across Orkney. An underlying principle of this group is to develop a “cash first” approach which enables people who find themselves in difficulty to avoid falling into crisis, maintain their dignity and regain control of their lives.

## Economic Recovery Steering Group

The Economic Recovery Steering Group was created in 2020 as a short life working group with a brief to create a strategy for Orkney's economic recovery from the Covid-19 pandemic. The group developed the ASPIRE strategy, adopted by The Orkney Partnership in November 2020 to steer recovery and ongoing development:

- A**mbitious: harnessing Orkney's unique resources to drive our future
- S**ustainable: balancing the interests of people with those of the planet
- P**rosperous: investing in the local economy to build community wealth
- I**nclusive: committing to equal wellbeing, opportunity and access
- R**esilient: bouncing back from adversity, challenge and change
- E**nterprising: empowering our communities to achieve their ambitions

In 2021, the ERSG created a special-purpose vehicle in the form of a not-for-profit company, Aspire Orkney Ltd, to help implement the strategy, with financial support from the Council. A Programme Manager was recruited by Aspire Orkney Ltd. to support this work. During 2021-22, the Economic Recovery Steering Group focused on the following workstreams:

- The development of an online engagement platform, EngageOrkney, for use by Partnership groups and individual community planning partners.
- Research and data analysis to support strategy development and funding bids by Partnership groups and community planning partners.
- Supporting the Kickstart programme to fund start-up jobs with local employers for young people at risk of long term unemployment.
- Opening channels of communication with businesses and business sector groups on a range of topics.
- The establishment of a Skills Think-and-Do Tank to assess the skills requirements of different business sectors and develop options to help fill skills gaps and prepare for the future.
- Engagement with sectoral groups, local and national organisations in order to connect common objectives, activities and ideas, and to aggregate local cross-sectoral feedback.
- Engagement with Scottish Government to input local intelligence into various proposals including the use of Islands Bonds to reverse population decline in Scotland's islands, economic development in an island context and island profile datasheets.
- Engagement with local stakeholders on data-sharing projects.

## The Orkney Partnership

Our shared mission is: *Working together for a better Orkney*

Our shared values are:

Resilience  
Enterprise  
Equality  
Fairness  
Innovation  
Leadership  
Sustainability

All the information in this report, and much more, can be found at:  
[www.orkneycommunities.co.uk/CommunityPlanning](http://www.orkneycommunities.co.uk/CommunityPlanning)

If you would like this report in a different language or format, or just  
require more information, please contact us at:

[community.planning@orkney.gov.uk](mailto:community.planning@orkney.gov.uk)





# **Procurement Annual Report**

**1 April 2021 to 31 March 2022.**

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## Definition of Key Terms

Contract.	An agreement between the Council and any Contractor made by formal agreement or by issue of acceptance or an official order for Supplies, Services or Works.
Contractor(s).	Includes any sole trader, partnership or company (limited or unlimited) or any duly incorporated trade, professional or commercial body.
Delegated Authority.	Officers who have been given formal written authority by their Executive Director or Chief Officer to manage procurement exercises within a specified value range on behalf of the Council.
Threshold.	The threshold for determining the application of the Regulations. In the case of the Public Contracts (Scotland) Regulations 2015 the threshold is £213,477 (indicative value excluding 20% VAT £177,897) for Supplies and Services and £5,336,937 (indicative value excluding 20% VAT £4,447,897) for Works. In the case of the Utilities Contracts (Scotland) Regulations 2016 the threshold is £426,955 (indicative value excluding 20% VAT £355,795) for Supplies and Services and £5,336.937 (indicative value excluding 20% VAT £4,447,897) for Works.
Framework Agreement.	An overarching agreement with supplier(s) to establish terms governing individual contracts that may be awarded during the life of the agreement ('call-offs'), concluded in accordance with Section 34 of the Public Contracts (Scotland) Regulations 2015.
Health and Social Care Services.	A public contract or framework for social and other specific services listed in Schedule 3 of the Public Contracts (Scotland) Regulations 2015.
Life-Cycle Costing.	All consecutive or interlinked stages, including research and development to be carried out, production, trading and its conditions, transport, use and maintenance, throughout the existence of the product or the works or the provision of the service, from raw material acquisition or generation of resources to disposal, clearance and end of service or utilisation.
Procurement.	The process leading to the award of a public contract or framework agreement or establishment of a dynamic purchasing system for the acquisition of works, supplies or services from an economic operator.

Public Contracts Scotland (PCS) portal.	The Scottish Government's official national advertising <a href="#">portal</a> for public sector contract opportunities.
Quick Quote (QQ).	An online quotation facility which allows the Council to obtain competitive quotes electronically for: <ul style="list-style-type: none"> <li>• Low value requirements between £10,000 and £50,000; and</li> <li>• Unregulated Works Contracts, depending on complexity of contract (as defined in Clause 17 of the Council's Contract Standing Orders).</li> </ul>
Quotation.	A formal offer to supply or purchase supplies, execute works or provide services where the estimated value of the contract does not exceed £50,000.
Regulated Procurement.	As defined by the Procurement Reform (Scotland) Act 2014 and referred to as the Reform Act 'slice' a regulated procurement for Goods or Services Contracts with a value of over £50,000 and for Works Contracts over £2,000,000 and less than the relevant Thresholds.
Regulations.	The Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014, the Procurement (Scotland) Regulations 2016 and / or the Concession Contract (Scotland) Regulations 2016 as the context requires, but where the Council is acting as a Harbour Authority and chooses to do so, the Utilities Contracts (Scotland) Regulations 2016.
Supplies.	Goods or the hire of goods and for any siting or installation of those goods.
Tender.	A formal offer to supply or purchase supplies, execute works or provide services where the estimated value of the contract is £50,000 (excluding VAT) or more.
Unregulated Works Procurement.	A contract for Works with a value of between £50,000 and £2,000,000, being a procurement not covered by the Regulations and procured utilising the Council's database of pre-approved contractors.
Works.	Building construction, building maintenance or engineering works.

## Introduction

Orkney Islands Council ('the Council'), provides a range of facilities and services to a community with a population estimated as 22,190 in mid-2018 by the Office of National Statistics. The Council is also the Harbour Authority with a port estate of 29 piers and harbours, a Roads Authority for the islands and operates a network of internal air and ferry services.

The Council provides procurement and related services for a wide range of works, supplies and services with an annual spend, for the financial year 2021 to 2022, of over £53 million.

The Council operates a devolved model of procurement across five directorates. The central Procurement Services Team is now based within Legal and Governance, having moved from Building Services, and consists of 4.7 full-time equivalent staff: a Service Manager (Procurement), three Procurement Officers and an Assistant Procurement Officer post (currently vacant). The Service Manager's responsibilities include the development of a network of 19 trained and experienced officers across the Council who are assigned delegated responsibility for the procurement of supplies, services and works.

The Council published its Procurement Strategy, as required by the Procurement Reform (Scotland) Act 2014 ('the Act'), in December 2016 and updated this in January 2019 and subsequently in June 2020. In order to report compliance with its Procurement Strategy and the Act itself, the Council must publish an annual report.

There are 11 key priorities identified in the Procurement Strategy as follows:

- Sustainability.
- Working with suppliers.
- Value for money.
- Collaboration and partnering.
- Governance.
- Contract management.
- Communication.
- E-Procurement.
- Monitoring and measurement.
- Guidance.
- Training.

The six key priority areas where targets have been identified and are attributable for the Procurement Strategy reporting period ending 31 March 2023 remain the same as for the previous year and are as follows:

- Sustainability.
- Working with suppliers.
- Value for money.
- Collaboration and partnering.
- Contract management.
- E-Procurement.

The guidance and template issued by the Scottish Government has been used for this fifth Procurement Annual Report. The reporting period for this fifth annual report is from 1 April 2021 to 31 March 2022.

In addition to the required information set out in the Act, this report includes performance against several strategic indicators as detailed in the Council's Procurement Strategy 2021 to 2023.

To evidence our progress against our strategic targets and the new duties introduced by the Act, the published Annual Report details the form of measurement taken. The statistics presented in this report provide the evidence which should, over time, show how the Council is progressing against both the national and local objectives. Targets were set in the Council's Procurement Strategy and progress towards these has been noted in this fifth Procurement Annual Report.

## **Section 1 – Summary of Regulated Procurements Completed**

Section 18(2) of the Act requires organisations to include ‘**a summary of the regulated procurements that have been completed during the year covered by the report**’.

As defined by the Act and referred to as the Reform Act ‘slice’ a regulated procurement is for Goods or Services Contracts with a value of over £50,000 and for Works Contracts over £2,000,000 and less than the relevant Thresholds.

A Regulated Procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. This includes contracts and framework agreements.

Appendix 1 provides the breakdown of the Regulated Procurements completed for the reporting period of 1 April 2021 to 31 March 2022.

## **Section 2 – Review of Regulated Procurement Compliance**

All procurement exercises carried out by the Council are required to be carried out in accordance with the Council's Contract Standing Orders (CSOs) and these are regularly updated to take account of changes in legislation and best practice in procurement.

Prior to the point of contract award, all recommendation reports are required to include a statement that the CSOs have been complied with, therefore full compliance is anticipated. Examples of internal and external review of the Council's processes and compliance with these processes are detailed in the audit / improvement capability outcomes as follows:

### **Procurement and Commercial Improvement Programme (PCIP)**

The Council first completed Scotland Excel's PCIP in July 2017. The PCIP is undertaken every two years and a second PCIP assessment for the Council took place on 3 September 2019. Outcomes and recommendations from this exercise are incorporated as a process of ongoing procurement improvement. An assessment would have been due in Autumn 2021, this was delayed due to Covid and a new proposed date is awaited from Scotland Excel which is now likely to be in 2023.

The objective of the PCIP is to assist the Council to improve its structure, capability, processes and ultimately performance by attaining a level of procurement performance that is appropriate to the scale and complexity of its business. As part of the PCIP the Council is required to demonstrate a prudent and well-planned approach to defining its supply needs. Assessment of the Council's procurement improvement capability is carried out every two years by Scotland's Centre of Expertise Scotland Excel and covers procurement activities carried out by the Council's Officers with Delegated Authority in the Procurement, Capital Projects, Facilities and Engineering Teams.

### **Internal Audit**

#### **Contract Management**

An internal audit of contract management was completed prior to the end of the reporting period 2020/21. The findings of this report were presented to the Monitoring and Audit Committee on 1 April 2021 and provided adequate assurance that the processes and procedures relating to contract management were well controlled and managed. There were 4 audit recommendations. The Audit Report is available [here](#).

#### **Quarry Stone**

The Council's Interim Chief Executive became aware of an order raised for the importation of approximately 80,000 tonnes of stone. There was significant public interest in this purchase including concerns about the environmental, and local economy sustainability, nature of the exercise. There was also widespread public concern amongst the community over the non-inclusion of local businesses in the procurement process.

The Interim Chief Executive requested that the Chief Internal Auditor carry out an urgent audit in relation to Cursiter Quarry Procurement Procedures, and compliance with OIC processes, policies and regulations. This was done in early 2021 with the completed report completed on 5 March 2021. This report was presented to the Monitoring and Audit Committee on 11 March 2021 with an overall audit opinion of unsatisfactory and resulted in five recommendations. The Audit Report is available at the following link:

[Item 5: Appendix 1 - Quarry Procurement Audit Report \(orkney.gov.uk\)](http://orkney.gov.uk)

This review was carried out by Internal Audit in its primary role of an assurance function which provides an independent and objective opinion on the adequacy of the Council's control environment. Internal audit work is designed to add value to and improve an organisation's operations, in particular in evaluating and improving the effectiveness of risk management, control and governance processes. This review was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing.

The review highlighted that purchasing activity had been carried out by obtaining quotations and raising of purchase orders in a manner outwith an open procedure which is required within the Council's own policies and law.

All actions relevant to procurement have been completed within the reporting period and incorporated into the Contract Standing Orders issued in July 2022.

As a result of the audit report, it is now a requirement that a procurement plan, which includes an assessment of the use of lots for each contract, must be submitted to the Service Manager (Procurement) for all contracts over the value of £10,000. The procurement plan is authorised by the Service Manager (Procurement), and forwarded to the relevant Head of Service and Corporate Director or Chief Officer for further approval.

A Sustainable Procurement Impact Assessment (SPIA) has been developed and is carried out where appropriate for goods, services and works procured which use carbon based energy and discharge associated emissions.

## **Contract Standing Orders**

The Council's CSOs were significantly updated, revised and published in June 2016 to include the provisions of the Act and the Procurement (Scotland) Regulations 2016. The CSOs were also updated to include recommendations of an internal audit on procurement at the Council. The CSOs were approved by General Meeting of the Council 5 July 2016. Since then the CSOs have been updated a number of times. In October 2017 and March 2018 respectively to reflect an additional procedure to ensure there is documentation to evidence that there are no conflicts of interests for evaluation team members and to update the EU Threshold for procurement, and then in January 2020 which included the new EU thresholds and included an update on new procurement procedures in use by the Council. Changes to the CSOs were highlighted to Senior Managers and key procurement staff, and within the organisation, by way of the Procurement Services Bulletin. The CSOs were further updated in July 2022 which amongst other national policy changes incorporated the need to include VAT, where applicable, when calculating the estimated value of contracts under the procurement regulations from 1 January 2022.

## **Procurement Strategy**

The Council's Procurement Strategy was first published in December 2016.

The Strategy was updated in January 2019 and has subsequently been updated again for the period 2021 to 2023 with the intention that a public consultation will be undertaken in 2023. This will commence and be underpinned by the new Council Plan for 2023 onwards following adoption by the Council.

Appendix 2 attached to this report is the Procurement Service Improvement Action Plan which contains the Procurement Strategy targets set and records the progress made over the last financial year.



## Section 3 – Community Benefit Summary

The Council has a Sustainable Procurement Policy. This policy sets out the general principles that the Council will follow across all its procurement and commissioning activities to ensure that it is undertaken in a sustainable manner.

This Policy also sets out how the Council will plan and manage its procurement activities to meet the Council's corporate aims and objectives and comply with regulatory and legislative requirements. Finally, the policy supports the Council's commitment to sustainable procurement which is set out in the Council's Corporate Procurement Strategy 2019 to 2021.

The Procurement Strategy has now been further updated, for the period 2021 to 2023, with the intention that a public consultation will be undertaken in 2023. This will commence and be underpinned by the new Council Plan for 2023 onwards following adoption by the Council. This will ensure that the Procurement Strategy for 2023 onwards dovetails with the new Council Plan and which is to be presented to the Policy and Resources Committee.

[Procurement Strategy \(orkney.gov.uk\)](https://www.orkney.gov.uk)

The Procurement Strategy is intended for all of those who are involved in, or affected by, the Council's procurement activities throughout our community and beyond. The Council spends tens of millions of pounds each year on a diverse range of goods, services and works from third parties. It is important therefore that this spending power is used to support key Council objectives. The Sustainable Procurement Policy has been developed to help the Council to meet its legal duties and to deliver its key strategic objectives. The Sustainable Procurement Policy was updated and approved by Council in March 2022.

Sustainable procurement supports the Council's values, as outlined in the [Council Plan 2018-2023 and the Council Delivery Plan 2018-2023](#).

The Strategic Themes identified are as follows:

- Connected Communities.
- Caring Communities.
- Thriving Communities.
- Enterprising Communities.
- Quality of Life.

It is a statutory requirement that Community benefits must be considered for all procurement processes at or above £4 million in value to meet the Council's requirement to meet the sustainable procurement duty.

For each individual Regulated Procurement exercise, Officers with Delegated Procurement Authority must complete a 'Commodity Strategy for all Regulated Procurements' which includes a section on Community Benefits to be considered where applicable.

## Procurements that have included Community Benefits

There have been three procurements, where Community Benefits for procurements with a contract value over the £4,000,000 threshold, have been included and have been carried out by the Council.

For procurement of Category C (local contract / framework including local collaborative framework agreements) Contracts which are undertaken by the Council, Community Benefits are included without exception as part of the award criteria where the value of the contract is over £4 million. This is recorded in the Procurement Strategy Improvement Action Plan, attached at Appendix 2.

These contracts are as follows, and have either been completed or have ongoing spend within the reporting period for this annual report:

<b>Date of Award.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
01/02/2019.	Supply of Two New Towage Boats.	12,000,000.	11/02/2019.	September 2021.
05/01/2021	Inter-island Air Services	4,880,363.	01/04/2021.	31/03/2025.
09/04/2021	School and Public Bus Contracts	4,672,014.	16/08/2021.	15/08/2031.

Where the Council can access Category A (national collaborative) contracts or Category B (sectoral collaborative) contracts via Framework Agreements the overall anticipated value of the Framework is inevitably of a high value and likely to be over the £4 million threshold for the inclusion of community benefits.

Contracts awarded under Framework Agreements are required to achieve Community Benefits as mandatory. However, for contracts awarded via a Framework Agreement it is more difficult to identify Community Benefits which will be realised locally, except where the local supply chain is involved in the delivery of the Contract.

Monitoring of Community Benefits for exercises before this year have continued as planned.

For the two new Tugboats, sea and shore staff have been trained in the use of new equipment and maintenance prior and following the vessels being delivered to Orkney waters. There is also a requirement for the knowledge of modern technology to effectively be passed on to increase the knowledge base of local suppliers. This will be necessary due to the requirement for a higher level of shore side backup for these vessels.

There has been no increase in the number of contracts over the value of £4 Million with Community Benefit Clauses over the past financial year, however the inclusion of Community Benefit Clauses are routinely considered where appropriate for all procurements.

<b>Community Benefit Analysis.</b>	<b>1 April 2021 to 31 March 2022.</b>
Total Number of Contracts where Community Benefit Clauses have been included.	33
Number of *Applicable Contracts with Community Benefit Clause.	3.
Percentage of total *Applicable Contracts with Community Benefit Clauses.	100%.

\*The remaining 30 contracts noted relate to those under the £4M threshold.

## Other considerations

The following factors are routinely taken into consideration in relevant procurements, especially in construction or social care procurement. However, these may not always be specifically labelled as Community Benefit Award Criteria:

- Climate change (carbon and energy consumption, carbon in production, adaption, carbon in vehicle emissions).
- Materials (scarcity, security).
- Waste (production, reuse / recondition / remanufacture).
- Hazardous materials / emissions.
- Bio-diversity (protection and enhancement).
- Heritage (protection and enhancement).
- Water (consumption and production).
- Employment (skills and training, SMEs / social enterprises / supported businesses).
- Communities.
- Fair and ethical trading (working conditions, conflict materials).
- Equality (protected characteristics).

Following the legislative changes, and as recorded for the financial years covered by this report on the Council's On-Contract Spend Register, there have been a total of 107 procurements undertaken including live ongoing contracts to the end of the March 2022 reporting period where Sustainability Clauses have been part of the award criteria.

The most notable significant procurement exercises which were undertaken during the current reporting period include the new Public and School Transport services, the outer isles Kerbside Collection Services and the isles haulage services which incorporated proportionate Community Benefit clauses and have resulted in positive contributions from bidders.

In accordance with the Council's Sustainable Procurement Policy, the inclusion of sustainable procurement clauses in award criteria are considered for all contracts where this is appropriate. The following table illustrates the number of contracts where sustainable procurement clauses have been included regardless of value.

<b>Sustainability Clauses Analysis.</b>	<b>1 April 2021 to 31 March 2022.</b>
Number of Contracts where Sustainability Procurement Clauses have been included.	107.
Percentage of total Category C (local contract / framework including local collaborative framework agreements) Contracts with Sustainable Procurement Clauses.	48%.

A summary of the Community Benefits and Sustainable Procurement clauses as part of the award criteria for the procurements included within the reporting period are as follows:

- Employment (skills and training, small or medium-sized enterprises (SMEs) / social enterprises / supported businesses).
- Fair Work Practices.
- Transport and emissions.
- Employment opportunities for people who experience barriers to employment.

## **Section 4 – Supported Businesses Summary**

The [Act](#) included a new classification for supported business, and defined a supported business as ‘an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged’.

Public organisations can restrict the right to participate in procurement for the award of a public contract / framework to supported businesses only.

This change expanded the potential for more businesses to be included in this category however the Council’s contract activity for the reporting year has not provided an opportunity to carry out such an exercise.

## **Section 5 – Future Regulated Procurements Summary**

The Procurement team has worked with Corporate Directors across the Council to develop a forward procurement plan for their service areas. These plans identify the Council's anticipated procurement activity for the coming year for Category C and C1 procurement (excluding Category A and B activity).

The Act has extended this timeframe to two years and Appendix 3 includes information regarding anticipated Regulated Procurements for that period. As referenced in the introduction above, this report includes information on all procurement activity and this is included in the Forward Plan, i.e. it also covers 'non-regulated' procurement.

See Appendix 3 for the Council's Forward Plan.

## Section 6 – Other Information

### Supplier Development

A Meet the Buyer event has been held annually for the years 2018 to 2020.

Given the Covid-19 pandemic there has not been an over-arching Meet the Buyer event organised during 2020 to 2022, however contract specific market engagement events have taken place in a format compatible with Coronavirus restrictions in place at the time where required and on a case by case basis. The events are organised by the Council's Procurement Team, together with service colleagues and the Business Gateway. An example of this was the Mini-Meet the Buyer event advertised via a Prior Information Notice for the Kerbside Collection Service for the Outer Isles in 2021. The focus of this event was to explain the rationale for the forthcoming procurement exercise and signpost the support available via the Business Gateway Orkney Service and the Supplier Development Programme.

Scotland Excel have presented in person to the last three Meet the Buyer events. Similarly the Supplier Development Programme has been active in providing support to contractors and has also actively involved in helping local firms do business better with the Council. The events have attracted between 10 and 50 individuals over the last four occasions and have been well received by attendees.

The following commitments have been made as part of the Council's Procurement Improvement Action Plan:

- To increase attendance at 'meet the buyer' or equivalent events to cover areas of concern, engage with local suppliers and advise on how to become a supplier to the Council. Encourage main contractors to engage with SMEs through the inclusion of Community Benefit clauses.
- Encourage suppliers to the Council to access support available to businesses, via Business Gateway Orkney and the Supplier Development Programme.

Meet the Buyer events, following the format of the Kerbside Collection Service going forward have either taken place or are planned for contract/sector specific market engagement, for example, fleet, food procurement and Orkney Harbours Masterplan projects.

### Collaboration and Partnering Opportunities

In accordance with the Council's Procurement Strategy there is a Council commitment regarding collaboration and partnering. It is recognised that greater efficiencies can be achieved by improved collaboration between different organisations within the public sector with similar requirements, whether within the local government sector or in other areas of the public sector, such as the Scottish Government, the Crown Commercial Service, Non-Departmental Public Bodies and the National Health Service (NHS).

Collaboration maximises the value of procurement whether it be through aggregation of demand or through the sharing of resources to reduce administration. Framework Agreements are noted as either a Category A Contract or a Category B Contract or Category C1 for local collaborative contracts in place. The Council's use of these is shown in the tables below.

The Council's internal contract register lists all purchases for works, services and supplies known to have a contract in place. This register does not include ad hoc purchases for values typically under the £10,000 minimum threshold as noted in the Council's CSOs. There are exceptions to this rule where the nature or complexity of the contract does warrant having a contract in place regardless of being of low value (under £10k, for example, IT licensing agreements, cleaning contracts etc.

In total there are 503 live contracts listed in the Council's contract register for the year 1 April 2021 to 31 March 2022.

Tables 1, 2, 3, 4, 5 and 6 below summarise all live contracts as recorded on the Council's Contract Register by category for the previous six complete financial years and a corresponding split between Services, Supplies and Works.

**Table 1 – 1 April 2016 to 31 March 2017**

<b>Contract Category Analysis of Contracts (as recorded on the Contracts Register).</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	21.	11.64%.	2,830,560.07.
Category B (sectoral).	18.	7.45%.	1,811,503.54.
Category C (local single supplier).	163.	72.64%.	17,663,409.07.
Category C1 (local contract / framework including local collaborative framework agreements). (Example for Category C1 are the collaborative contracts in place with the Council as the lead with NHS Orkney for the provision of food for the schools, residential homes and the Balfour Hospital and specialist legal services working collaboratively and e-learning working.)	23.	2.00%.	486,816.67.
Category O (other).	101.	6.26%.	1,523,172.78.
<b>Total.</b>	<b>326.</b>	<b>100.00%.</b>	<b>24,315,462.12.</b>

<b>Type of Contract.</b>	<b>Number of Contracts.</b>	<b>Percentage of Total Contracts.</b>	<b>Value of Contracts (£).</b>	<b>Percentage of Total Value.</b>
Service.	240.	73.62%.	14,116,677.76.	58.06%.
Supply.	65.	19.94%.	4,814,221.17.	19.80%.
Works.	21.	6.44%.	5,384,563.20.	22.14%.
<b>Total.</b>	<b>326.</b>	<b>100.00%.</b>	<b>24,315,462.12.</b>	<b>100.00%.</b>



**Table 2 – 1 April 2017 to 31 March 2018**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	18.	10.41%.	3,151,612.07.
Category B (sectoral).	43.	7.77%.	2,354,034.99.
Category C (local single supplier).	187.	74.85%.	22,667,547.25.
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	26.	1.60%.	484,316.67.
Category O (other).	112.	5.37%.	1,625,027.23.
<b>Total.</b>	<b>386.</b>	<b>100.00%.</b>	<b>30,282,538.21.</b>

<b>Type of Contract.</b>	<b>Number of Contracts.</b>	<b>Percentage of Total Contracts.</b>	<b>Value of Contracts (£).</b>	<b>Percentage of Total Value.</b>
Service.	256.	66.32%.	15,853,299.03.	52.35%.
Supply.	82.	21.24%.	4,589,907.12.	15.16%.
Works.	48.	12.44%.	9,839,332.06.	32.49%.
<b>Total.</b>	<b>386.</b>	<b>100.00%.</b>	<b>30,282,538.21.</b>	<b>100.00%.</b>

**Table 3 – 1 April 2018 to 31 March 2019**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	120.	9.29%.	3,239,609.60.
Category B (sectoral).	29.	6.76%.	2,356,310.38.
Category C (local single supplier).	190.	75.57%.	26,339,687.96.

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	12.	1.05%.	364,900.00.
Category O (other).	117.	7.33%.	2,553,243.36.
<b>Total.</b>	<b>468.</b>	<b>100.00%.</b>	<b>34,853,751.30.</b>

<b>Type of Contract.</b>	<b>Number of Contracts.</b>	<b>Percentage of Total Contracts.</b>	<b>Value of Contracts (£).</b>	<b>Percentage of Total Value.</b>
Service.	244.	52.14%.	17,163,049.95.	49.24%.
Supply.	162.	34.61%.	4,896,225.17.	14.05%.
Works.	62.	13.25%.	12,794,476.18.	36.71%.
<b>Total.</b>	<b>468.</b>	<b>100.00%.</b>	<b>34,853,751.30.</b>	<b>100.00%.</b>

**Table 4 – 1 April 2019 to 31 March 2020**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	35.	7.63%.	£3,158,775.74.
Category B (sectoral).	33.	5.83%.	£2,413,179.78.
Category C (local single supplier).	201.	71.40%.	£29,559,423.37.
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	12.	0.75%.	£311,378.48.
Category O (other).	145.	14.39%.	£5,959,463.85.
<b>Total.</b>	<b>426.</b>	<b>100.00%.</b>	<b>£41,402,221.23.</b>

Type of Contract.	Number of Contracts.	Percentage of Total Contracts.	Value of Contracts (£).	Percentage of Total Value.
Service.	277.	65.02%	£18,328,542.27	44.27%
Supply.	80.	18.78%	£12,044,994.21	29.09%
Works.	69.	16.20%	£11,028,684.75	26.64%
<b>Total.</b>	<b>426.</b>	<b>100.00%.</b>	<b>£41,402,221.23</b>	<b>100.00%.</b>

Table 5 – 1 April 2020 to 31 March 2021

Contract Category Analysis.	Number.	Percentage of Total Value.	Estimated Contract Value (£).
Category A (national).	25.	7.69%.	£2,828,299.00.
Category B (sectoral).	29.	7.24%.	£2,662,194.74.
Category C (local single supplier).	212.	58.82%.	£21,618,832.83.
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	13.	1.02%.	£373,967.50.
Category O (other).	149.	25.23%.	£9,540,039.67.
<b>Total.</b>	<b>428.</b>	<b>100.00%.</b>	<b>£37,023,333.74.</b>

Type of Contract	Number of Contracts	% of Total Contracts	Value of Contracts	% of Total Value
Service	275.	64.25%.	£19,064,537.13.	51.49%.
Supply	57.	13.32%.	£10,829,453.22.	29.25%.
Works	96.	22.43%.	£7,129,343.39.	19.26%.
<b>Total.</b>	<b>428.</b>	<b>100%.</b>	<b>£37,023,333.74.</b>	<b>100%.</b>

Table 6 – 1 April 2021 to 31 March 2022

Contract Category Analysis.	Number.	Percentage of Total Value.	Estimated Contract Value (£).
Category A (national).	54	2.39%	£1,002,229.10
Category B (sectoral).	58	10.21%	£4,282,885.39

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category C (local single supplier).	222	63.22%	£26,531,161.52
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	10	1.20%	£503,333.29
Category O (other).	159	22.98%	£9,643,541.36
<b>Total.</b>	<b>503</b>	<b>100.00%</b>	<b>£41,963,150.67</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service	323	64.21%	£22,203,979.34	52.91%
Supply	109	21.67%	£4,544,836.92	10.83%
Works	71	14.12%	£15,214,334.41	36.26%
<b>Total.</b>	<b>503</b>	<b>100%</b>	<b>£41,963,150.67</b>	<b>100%</b>

## Procurement Annual Spend Data

The Council is required by the Scottish Government to input its annual spend data to the Procurement Hub which records all purchasing transactions made by the Council for each financial year. The information is processed and released back to the Council for the purposes of analysis and forward planning.

The following table provides a summary of key data for the Council spend data for the past six financial years.

<b>Financial Year.</b>	<b>2016/17.</b>	<b>2017/18.</b>	<b>2018/19.</b>	<b>2019/20.</b>	<b>2020/21.</b>	<b>2021/22.</b>
Total Spend (£).	40,922,973.	43,949,847.	45,158,580.	45,351,144.	40,405,786.	53,235,315.
Core Trade Spend (£).	36,836,233.	38,934,328.	40,890,739.	41,136,579.	37,412,755.	50,458,363.
Input suppliers.	2,245.	2,249.	2,129.	2,143.	1,802.	2,205.
De-dedicated Suppliers.	2,216.	2,218.	2,091.	2,103.	1,764.	1,998.
Duplicate Suppliers.	29.	31.	38.	40.	38.	27.
SME Suppliers.	733.	702.	671.	730.	670.	971.
Local Suppliers.	225.	228.	238.	249.	217.	294.
Transactions.	34,655.	34,292.	34,684.	35,299.	29,226.	34,999.

Financial Year.	2016/17.	2017/18.	2018/19.	2019/20.	2020/21.	2021/22.
Average Spend per supplier (£).	18,467.	19,815.	21,596.	21,564.	22,906.	26,644.
Percentage of SME Spend.	75%.	63%.	67%.	65%.	61%.	62%.
Percentage of Local Spend.	43%.	41%.	47%.	41%.	38%.	41%.
Percentage of Core Trade Spend of Total Spend.	90.01%.	88.59%.	90.55%.	90.70%.	92.59%.	94.50%.

### Key to categories in Procurement Annual Spend table:

- Total Spend - the total amount of spend for the financial year.
- Input Suppliers - The number of suppliers, before de-duplication.
- De-duplicated Total Suppliers - The number of unique suppliers.
- Duplicate Suppliers - The number of suppliers which are duplicates of another supplier.
- Transactions - The total number of transactions.
- Avg. spend per supplier - The average spend per unique supplier.
- Core Trade Spend - Core Trade is a sub-set of your supply base that includes all Trade Suppliers and Social Care Provider with whom you have spent £1,000 or more in the financial year.
- SME Supplier - Small and Medium sized businesses where the supplier has less than 249 employees or where the annual revenue is less than £22.8m.
- SME Spend - Spend with SME as a percentage of Core Trade Spend.
- Local Suppliers – Spend with suppliers within the same local authority area as your organisation (based on Postcodes).
- Local Spend – Spend with local suppliers as a percentage of Core Trade Spend.

### Procurement Spend – National Context

The Council has the fourth highest value (38%) in comparison to the whole of Scotland for the reporting period 2020 to 2021, for total procurement spend on local SMEs (Figure 2).

Orkney's procurement spend on local SMEs is 11% above the 'all Scotland' national average of 29% (Figure 1).

Please note that the figures referred to in this section are the percentages of the Council's spend on local SMEs which is a different data set to the figures recorded for percentage of SME Spend and percentage of Local Spend in the table above. This information is sourced from the Local Government Benchmarking data sets and are the 2020 to 2021 figures. These are the most up to date statistics available to illustrate the national context.

### What percentage of my council's procurement is spent on local enterprises?

Figure 1: Percentage of Council Procurement spent on local SMEs 2020 to 2021. Source: [www.improvementservice.org.uk](http://www.improvementservice.org.uk), accessed 8 June 2022. Orkney Islands Council spend on local enterprise is 38%, higher than the national average of 29%.

What percentage of my councils' procurement is spent on local enterprises?



Figure 2: Percentage of Council Procurement spent on local SMEs – Scottish Local Authorities 2020 to 2021. Orkney Islands Council is ranked 4th across all Scottish Local Authorities. (Source: as above).

What percentage of my councils' procurement is spent on local enterprises?

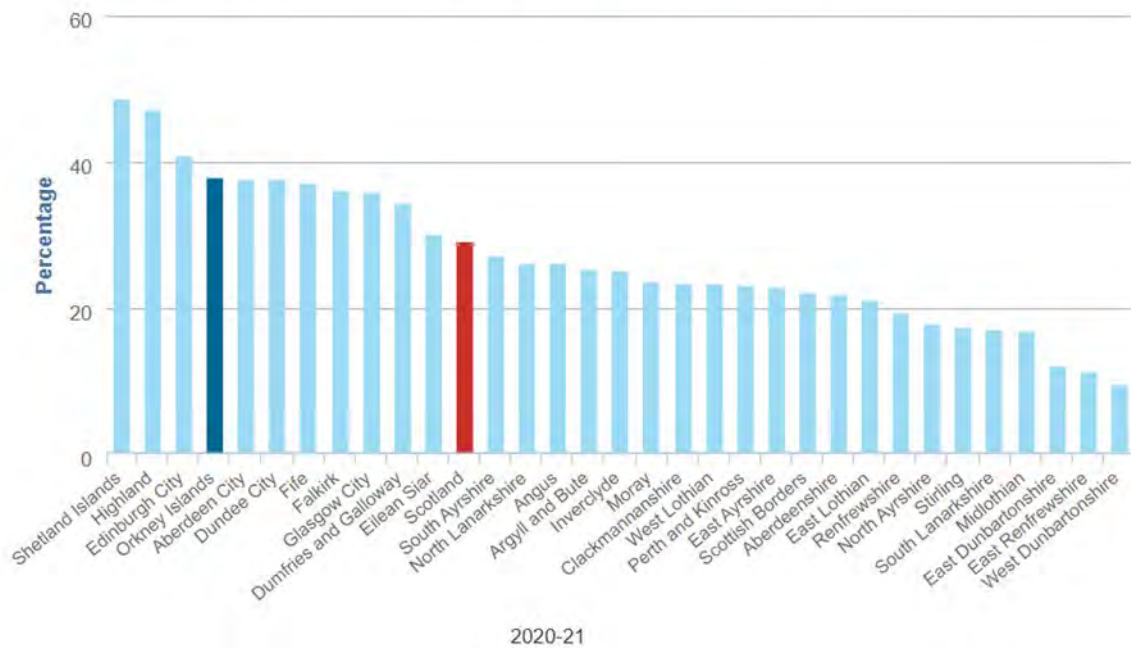
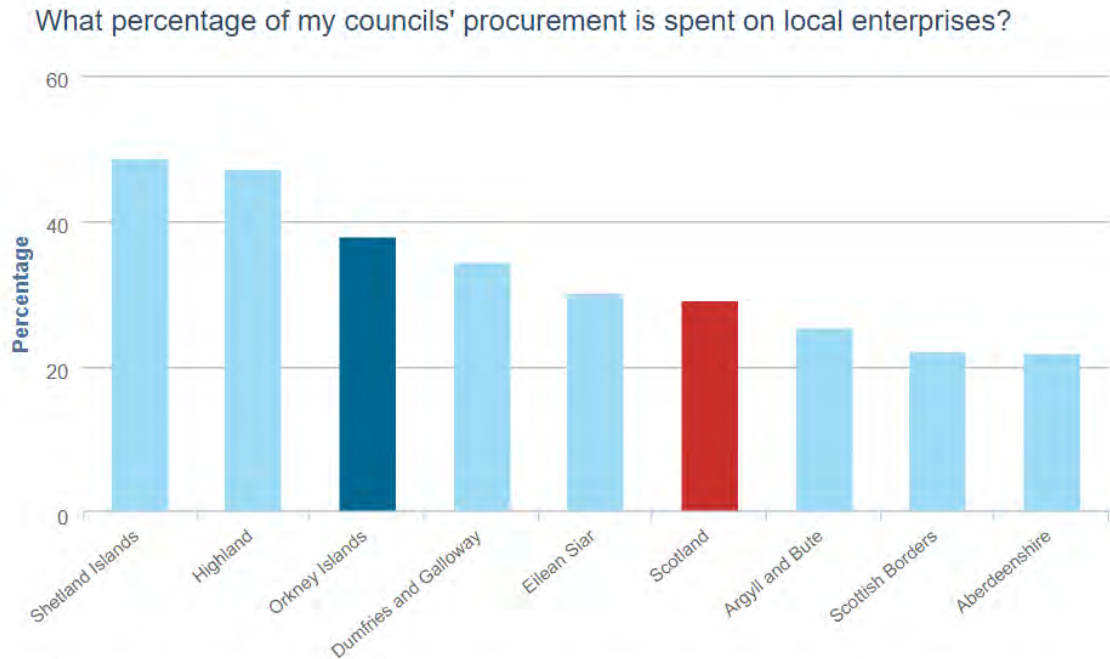


Figure 3: Percentage of Council Procurement spent on local SMEs –Compared to similar Scottish Local Authorities 2020 to 2021. (Source: as above).



For Corporate Services, Economic Development, Environmental Services, Culture and Leisure Services, Financial Sustainability and Tackling Climate Change similar types of councils are grouped by their population density

## Climate Change Duties

The Climate Change (Scotland) Act 2009 places 'Climate Change Duties' (CCD) on public bodies, which require them to:

- Contribute to national carbon emissions reduction targets.
- Contribute to climate change adaptation.
- To do this sustainably.

All public bodies are required to prepare reports on compliance with climate change duties for submission to the Sustainable Scotland Network at the Edinburgh Centre for Carbon Innovation, setting out what they are doing to fulfil their CCD. The Council will be statutorily required to provide the above in annual reports from reporting year 2021/22 onwards, as part of The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2020.

The Council's 2020/21 annual CCD report was agreed by Council in October 2021. Copies of previous CCD reports may be accessed [here](#).

## Biodiversity Duty

Part 1 of the Nature Conservation (Scotland) Act 2004 places a 'Biodiversity Duty' on public bodies, requiring them to 'further the conservation of biodiversity' when carrying out their functions. Local authorities are well placed to deliver biodiversity conservation; as land managers and planning authorities, they can have a significant positive impact on biodiversity protection, as well as identifying opportunities for enhancement. Across a range of functions there are also opportunities for education, community engagement,

sustainable resource management, projects and initiatives which can deliver significant benefits for biodiversity.

The Wildlife and Natural Environment (Scotland) Act 2011 requires public bodies in Scotland to provide a publicly available report, every three years, describing the actions which they have taken to meet their Biodiversity Duty. Orkney Islands Council has already published Biodiversity Duty reports in 2014, 2017 and 2020, the most recent of which is available on the Council's website [here](#).

The Council is a member of the Orkney Local Biodiversity Action Plan Steering Group and helps prepare and implement the Orkney Local Biodiversity Action Plan (LBAP). First published in 2002 then revised in 2008, 2013 and 2018, the LBAP identifies actions which can be taken locally, and which will contribute to the conservation of those species and habitats identified as being 'at risk' or 'threatened' in the UK. All four versions of the LBAP are available on the Council's website [here](#).

## **Changes to Procurement Legislation at the end of the EU Exit Transition Period**

The Scottish Government produced a policy note [SPPN 11/2020](#) on 17 December 2020 regarding changes to Procurement legislation at the end of the EU Exit Transition period in January 2021. This policy note was subsequently updated on 19 April 2021 with a further policy note [SPPN 5/2021](#) issued on 18 August 2021.

The Council's key policy documents have been amended in accordance with the guidance issued by the Scottish Government during the period covered by this Procurement Annual Report and into the 2022/23 reporting period. This will continue as further policy notes are issued.

## **Changes in Scotland's Public Procurement Reporting Requirements for 2022-23**

The Scottish Government produced a policy note [SPPN 5/2022](#) on 22 August 2022 regarding future reporting requirement for the 2022 to 2023 period.

In May 2021, following consultation across the public sector and with representatives from business and the third sector, the Public Procurement Group (PPG) published a set of seven priorities for all public procurement leaders across Scotland. These priorities, high level aims and aspirational delivery statements for all public procurement leaders, demonstrate the Scottish Government's commitment to using the power of procurement to deliver and influence outcomes that are good for the people of Scotland. Following a period of review, the public procurement priorities were updated for 2022 to 2023. Whilst public bodies are not being asked to report against the priorities for the period for 2021 to 2022, the Scottish Government intend to issue a separate commission to bodies at the end of 2022-2023.



## Appendix 1 – Summary of Regulated Procurements completed 1 April 2021 to 31 March 2022

Date of Award.	Supplier Name.	Subject Matter.	Estimated Value (£).	Start Date.	End Date.
01/04/2020	SXL Framework Suppliers various	Personal Protective Equipment	£424,999.12	01/04/2020	31/03/2021
09/04/2021	Various	Local School and Public Bus Transport	£5,198,024.30	17/08/2021	30/06/2031
01/04/2020	SXL Framework Suppliers various	Covid 19 PPE	£57,989.50	01/04/2021	31/03/2022
17/06/2021	Enable Scotland	Framework 0533 Call off 016 (NR)	£742,186.14	01/07/2021	30/06/2024
05/01/2021	Loganair	Provision of Air Services	£4,747,600.00	01/04/2021	31/03/2025
02/02/2021	Northwards	Variation to Container Shipment of Waste	£1,951,571.95	01/04/2021	31/03/2024
02/02/2021	Tripod, Ranstad & Sanctuary	Agency Social Workers - SXL Framework	£118,865.00	01/04/2021	31/03/2022
07/04/2021	Start Point Media	Promoting Orkney - Digital Media Management	£82,952.00	01/04/2021	31/03/2022
Various	Colas Ltd	Bitumen Products (Surface Dressing Binder)	£195,004.00	01/03/2021	28/02/2022
Various	Nynas UK AB	Bitumen Products (Penetration Binder)	£254,980.00	01/03/2021	28/02/2022
01/04/2021	Golder Orkney Ltd	Grounds Maintenance Services Extension	£299,093.28	01/04/2021	31/03/2022

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<b>Date of Award.</b>	<b>Supplier Name.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
24/02/2021	Fisher Associates	Harbour Master Plan Phase 1 Outline Business Plan	£59,194.00	24/02/2022	31/03/2022
09/07/2021	Terberg DTS UK Ltd	Airfield Fire Appliance	£54,047.36	09/07/2021	Purchase Only
31/05/2021	Dennis Eagle Ltd	26T Refuse Collection Vehicle	£208,465.00	31/05/2021	Purchase Only
21/06/2021	Robertsons Orkney Ltd	Tractor	£55,953.00	21/06/2021	Purchase Only
05/05/2021	Bill Mackie Engineering Ltd	MV Shapinsay 2021 - Refit	£79,063.07	03/05/2021	14/05/2021
16/04/2021	Viatec UK Ltd	Pothole Repair Materials	£75,000.00	28/02/2021	29/02/2024
27/04/2021	Iain Laird Events & Security	Security Services Interim Service	£75,000.00	01/06/2021	30/11/2021
06/07/2021	Mellor Bus	Disabled Access Minibus (TPPL)	£85,716.00	06/07/2021	Purchase Only
01/12/2021	Profile Security Services	Security Service For Orkney Harbour Authority (Re-run)	£221,368.22	01/01/2022	01/01/2025
18/08/2021	Oil Technics Limited	Supply of Firefighting Foam	£53,740.00	19/08/2021	Purchase Only
17/02/2022	Skips Units Limited	Supply of Various Skips	£90,665.00	17/02/2022	Purchase Only
18/08/2021	Royston Ltd	Replacement Generators for Sigurd & Thorfinn	£70,529.26	18/08/2021	Purchase Only
24/08/2021	Enable Scotland	Tripartite Agreement	£250,915.00	06/08/2021	31/12/2021
01/04/2021	The Social Care Community Partnership	SXL Social Care Agency Workers	£95,076.80	01/04/2021	31/03/2022
19/10/2021	Casey Construction Ltd	External Fabric Repairs - Stromness Town Hall	£370,257.65	01/10/2021	30/09/2022

<b>Date of Award.</b>	<b>Supplier Name.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
10/12/2021	Toyota GB Plc	Small Panel Electric Vans x3	£68,605.20	10/12/2021	Purchase Only
16/09/2021	Earley West	Pupil Laptops	£153,600.00	16/09/2021	Purchase Only
07/09/2021	Bill Mackie Engineering Ltd	Thorsvoe Refit 21	£77,211.24	20/09/2021	01/10/2021
01/12/2021	Orkney Aggregates	Winter Maintenance Island Salt Storage	£58,500.00	01/12/2021	Purchase Only
19/10/2021	Agritrend Ltd	Self Loading Tractor Mounted Gritters (x3)	£98,893.00	19/10/2021	Purchase Only
10/10/2021	R Clouston Ltd	Measured Term Contract 19-22 Value Extension	£400,000.00	10/10/2021	31/03/2022
01/04/2021	Vohkus Ltd	Various IT Peripherals	£65,311.00	01/04/2021	Purchase Only
N/A	Seven Resourcing Ltd	Social Care Agency Staff - Seven - Care Homes	£182,000.00	30/10/2021	29/10/2022
N/A	Seven Resourcing Ltd	Social Care Agency Staff - Seven - Homecare	£521,400.00	30/10/2021	29/10/2022
24/12/2021	Bill Mackie Engineering Ltd	MV Earl Sigurd - Refit 2022	£104,747.91	10/01/2022	24/01/2022
21/01/2022	Bill Mackie Engineering Ltd	MV Varagen - Refit 2022	£98,227.18	21/02/2022	07/03/2022
18/01/2022	Bill Mackie Engineering Ltd	Earl Thorfinn Refit	£97,281.04	31/01/2022	11/02/2022
05/09/2022	Pipedream Plumbing	Heat Pump & MVHR Servising - Various OIC Properties	£501,000.00	06/01/2022	31/05/2025

<b>Date of Award.</b>	<b>Supplier Name.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
01/02/2022	Lift Fitness (UK) Ltd	Exercise Bikes	£90,173.82	01/02/2022	Purchase Only
21/02/2022	HUB North Strategic Support Partnering Services	Learning Estate Outline Business Case	£59,000.00	21/01/2022	31/02/2022
03/08/2022	Bill Mackie Engineering Ltd	Hoy Head Refit 2022	£90,328.50	14/03/2022	25/03/2022
21/01/2022	Advante Ltd	Supply of Solar Powered Cruise Reception Facility	£86,152.58	21/01/2022	30/04/2022
03/01/2022	Robert Potter & Partners LLP	Conservation Architectural Services	£169,013.25	03/01/2022	31/03/2022
17/03/2022	Life Fitness Uk	Gym Equipment (SG Inlands Infrastructure Fund 21/22)	£330,561.74	17/03/2022	Purchase Only
24/03/2022	Kongsberg Maritime	Essential Thruster Spare - Towage Vessels	£99,356.42	24/03/2022	Purchase Only
14/10/2021	Curo Salus Ltd	Residential Educational	£273,000.00	14/10/2021	Not Known
11/05/2021	A Sinclair Ltd	Papdale East Play Park	£771,000.00	01/10/2021	28/09/2022
29/03/2021	R S Rendall Ltd	St Olafs cemetery extension	£226,145.00	24/05/2021	10/07/2022
22/12/2021	Leask Marine	Warehouse Building - Sea source heat pump upgrade	£117,086.87	19/04/2021	25/11/2022
11/09/2020	R Clouston Ltd	St Colms Re Roofing	£411,093.96	11/09/2022	26/06/2022
18/12/2020	R Clouston Ltd	Window Replacements - Mainland	£222,169.58	02/08/2021	12/02/2021
04/08/2021	Orkney Builders (Contractors) Ltd	Window Replacements - North Isles	£171,012.50	07/01/2021	26/02/2021

<b>Date of Award.</b>	<b>Supplier Name.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
24/11/2021	RS Rendall Ltd	Extension to Finstown Cemetery	£108,021.86	24/01/2022	13/05/2022
02/08/2021	Casey Construction Ltd	Works to West Entrance Vestibule at St Magnus Cathedral	£191,498.00	03/08/2021	24/03/2022
16/06/2020	R Clouston Ltd	8 House Development at Coplands Road, Garson, Stromness	£981,547.46	09/01/2020	31/03/2021
06/03/2021	Orkney Builders (Contractors) Ltd	Extension & Alterations to Glaitness Primary School	£1,564,790.46	07/05/2021	30/08/2022
02/01/2021	Casey Construction Ltd	Extension & Refurbishment to St Andrews School	£1,490,154.41	15/03/2021	09/11/2022
01/04/2021	Hewlett Packard	Mobile Client Devices	£158,250.00	01/04/2021	31/03/2022
05/02/2021	Andrew Sinclair Ltd	Kirkwall Pier Capsil Replacement	£87,712.14	01/04/2021	22/07/2021
30/03/2021	Leask Marine Ltd	Egilsay & Wyre Lighting	£89,250.00	12/06/2021	04/09/2021
23/07/2021	BDS Ltd	RMP 21-22: Surfacing	£307,693.00	27/08/2021	05/11/2021
06/01/2022	BDS Ltd	RMP 21-22: Surfacing Ferry Road/Church Road	£69,120.00	27/01/2022	31/03/2022
19/10/2021	Andrew Sinclair Ltd	RMP 21-22: A965 Finstown Reconstruction	£50,610.00	09/11/2021	14/03/2022
16/09/2021	BDS Ltd	RMP 21-22: Patching	£153,947.00	24/09/2021	14/03/2022
16/09/2021	BDS Ltd	RMP 21-22: Stromness Street Repairs	£93,499.00	27/09/2021	12/03/2022
16/12/2021	Andrew Sinclair Ltd	RMP 21-22 Bridge Maintenance	£66,903.25	10/01/2022	02/04/2022

<b>Date of Award.</b>	<b>Supplier Name.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
18/01/2022	Andrew Sinclair Ltd	CWSR: Kirkwall Crossings 21-22	£67,628.17	14/02/2022	01/04/2022
20/12/2021	BDS Ltd	CWSR: Gateway signs 21-22	£59,927.00	10/01/2022	25/03/2022
18/11/2021	Andrew Sinclair Ltd	Kirkwall Drainage CCTV & Cleaning	£52,811.55	17/01/2022	28/02/2022
05/08/2021	BDS Ltd	NI Terminals Surfacing & Lining	£94,054.00	05/08/2021	02/09/2021
09/11/2021	Leask Marine	NI Fender Repairs (Sanday & Westray)	£119,548.28	30/11/2021	18/03/2022
30/03/2021	Leask Marine	Egilsay & Wyre Pier Lighting	£89,250.00	30/03/2021	11/06/2021
16/09/2021	Causeway Geotech Ltd	SDWQ & Hatston Marine SI	£1,103,808.25	07/10/2021	21/03/2022
16/09/2021	Causeway Geotech Ltd	SDWQ & Hatston Land SI	£229,268.50	07/10/2021	14/03/2022
05/08/2021	BDS Ltd	Coplans Dock Access Walling & Planting	£66,640.00	05/08/2021	14/10/2021
18/03/2022	Andrew Sinclair Ltd	Cursiter Quarry Advance Works	£899,466.33	04/04/2022	03/03/2023

## Appendix 2 – Procurement Service Improvement Action Plan 2021 to 2022

<b>1. Sustainability.</b>	<b>The Council is conscious that its procurement decisions must take account of the social, economic and environmental impact it has on the people and communities of Orkney and elsewhere.</b>
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Council Commitment.	Action.	Progress to Date.	Completion date.	Status.
1.1 To embed sustainability into the procurement process where it is relevant to the subject matter of the contract and to comply with the Council's Sustainability Duty.	Consideration of sustainability built into individual commodity strategy as evidence.	Development of a commodity strategy for each individual procurement as included in the reviewed CSOs approved in June 2016. Complete in Central Procurement Unit (CPU), roll out to other services in progress, where appropriate.	March 2018.	Complete.
1.2. Implementation of the Scottish Government 10 steps to Sustainable Procurement to assist sustainability and other responsible procurement themes.	Sustainable Procurement Policy 2017 to 2018 in place. Part of the new suite of legislation effective from June 2016. Ensure all proforma documentation is updated accordingly.	Sustainability clause in all Invitation to Quote and Invitation to Tender documentation issued by the CPU. Incorporated into all documentation when appropriate.	March 2018.	Complete.
1.3. To engage with the local supplier base to develop Community Benefit Clauses to	Consultation event for spring / summer 2017 on Sustainable	Consultation complete and final Strategy published March 2018.	September 2018.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
maximise the potential of the local economy to compete for Council business for the economic benefit and sustainability of Orkney.	Procurement Policy update 2017 to 2018.			
1.4. To implement the use of Community Benefit Clauses in contracts as appropriate.	Update CSOs and procurement proformas for the Commodity strategy and the contract award recommendation report updated to ensure compliance with the new requirement to consider the inclusion of a community benefit clause for all procurement with a value over £4 million.	CSOs revised and updated 2018, proformas being updated accordingly.	March 2018.	Complete.
		Sustainability training to be developed for network of procurement officers with delegated authority.	March 2023.	TBC.

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<b>Indicators: 1. Sustainability</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Percentage of relevant Procurements where Community Benefit Clauses have been	5% (100%).	10% (100%).	N / A.	N / A.	N / A.	



<b>Indicators: 1. Sustainability</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
included in the award criteria. This indicator was replaced by the one below in 2018 / 2019.						
Number of Procurements where Community Benefit Clauses have been included in the award criteria.	3.	4.	6 (5).	8 (5).	10 (5).	10 (33).
Percentage of overall spend with the third sector and supported businesses.	7% (5.52%).	8% (10.65%).	11% (11.91%).	12% (10%).	13% (15%).	15% (3.66%).
Percentage of contract spend with local supplier base in Orkney.	50% (43%).	52% (41%).	55% (47%).	56% (41%).	57% (35%).	50% (41%).

<b>2. Working with Suppliers.</b>	<b>The Council recognises that there is a popular view amongst suppliers and contractors, and particularly amongst SMEs, that Councils are difficult to do business with and that communications are often poor.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
2.1 At all times adopt a professional approach in all of its business	Recording of evaluation decisions integrated to procurement process.	Feedback provided as required by law and within the 15-day mandatory timescale. European Social Fund /	June 2017.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
undertakings with suppliers and contractors. Where decisions are made every effort will be made, within the confines of the law and commercial confidentiality, to provide a full explanation of the reasoning behind the procurement decision making process.		Scottish Government audit report recommendation to keep all individual evaluations on record incorporated into the procurement manual update.		
2.2. To ensure that the procurement process is appropriate to the value and complexity of the goods, services and works that are being acquired and to keep bidding costs to the minimum necessary and remove barriers to participation by, for example small firms, the self-employed and the third sector without discriminating against others.	Documentation prepared that is proportionate to the value and complexity of the procurement.	Documentation and method of advertising considered as per CSOs in a proportionate and accessible manner, utilising Quick Quote wherever possible and contacting suppliers prior to release of advert or QQ.	April 2019.	Complete.
		How to Tender workshops run by Business Gateway on a regular basis.	April 2019.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
2.3. To engage with the local supplier sustainability of Orkney.	Reviewed on an ongoing basis.	Standard method statements in place for low value procurements and evaluation of submissions. Minimal documentation in place.	April 2019.	Complete.
2.4. Use outcome based tender specifications wherever possible – to allow businesses to propose innovative and alternative solutions to the Council's needs.	Method statements adopted.	Consider outcome-based specification training for delegated authority officers.	March 2023.	TBC.

<b>Indicators: 2. Working with Suppliers.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target. (Actual)</b>	<b>Target (Actual)</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Percentage of local supply base registered with the Supplier Development Programme. This indicator was replaced by the one below in 2018 / 2019.	8% (no systems in place to record this data).	12% (no systems in place to record this data).	N / A.	N / A.	N / A.	N / A.
Number of local suppliers registered with the Supplier Development Programme.	N / A	36.	40 (36).	45 (51).	50 (53).	55 (61).

<b>Indicators: 2. Working with Suppliers.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target. (Actual)</b>	<b>Target (Actual)</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Number of local supply base registered on the PCS Advertising Portal.	N / A	N / A	89 (83).	95 (84).	100 (86).	100 (88).
Percentage of outcome-based specifications in place.	2% (no systems in place to record this data).	5% (no systems in place to record this data).	N / A.	N / A.	N / A.	N / A.
Percentage of Council spend attributed to SMEs.	50% (75%).	52% (63%).	65% (67%).	66% (65%).	67% (61%).	68% (62).
Number of Local Suppliers (Local suppliers providing goods, services or works to the Council).	250 (225)	265 (228).	230 (238).	235 (249).	240.(217).	240 (294).

<b>3. Value for money.</b>	<p><b>Section 1, Local Government in Scotland Act 2003 places a statutory duty on the Council to secure best value. Procurement activities which deliver value for money will contribute to the achievement of value for money.</b></p> <p><b>Best Value is continuous improvement in the performance of the Council's functions. In accordance with Best Value principles all proposed and current services arrangements shall be subject to review and option appraisal.</b></p>
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**The aim of Council procurement must be the achievement of value for money (the optimum combination of whole life cost and quality) for the Council.**

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
3.1 To further develop tender evaluation procedures in order that contracts awarded represent value for money (or Most Economically Advantageous Tender where the full provisions of the Procurement Regulations apply) taking quality and price into consideration and not just lowest price.	Procurement advice and CSOs.	New Regulations June 2016 mandate regulated procurement and over to utilise Most Economically Advantageous Tender (MEAT) in all tender – CSOs reviewed in June 2016 include this requirement. Procurement Manual updated to include this.	June 2017.	Complete.
3.2. As part of value for money considerations the Council will take account of other relevant Council policies in relation to corporate social responsibility, sustainability and Community Benefits.	Sustainable Procurement Policy.	Example clause and link referring to Sustainable Procurement Policy included in all Invitation to Quote (ITQ) and Invitation to Tender (ITT) documentation issued by the CPU.	December 2017.	Complete.
		Procurement Bulletin distributed to Officers with Delegated Procurement featured new Sustainable Procurement Policy.	April 2019.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
3.3. To raise awareness internally of potential framework savings and make recommendations to ensure a more consistent approach across all Council services.	Awareness training and improve visibility of available framework agreements to service areas.	Awareness training provided to Corporate Admin Group.	March 2018.	Complete.
		Contract information on the staff portal reviewed and updated.	March 2018.	Complete.

<b>Indicators: 3. Value for money.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022</b>
Percentage savings target secured through increase on-contract spend.	1% (no systems in place to record this data).	2.5% (no systems in place to record this data).	N / A.	N / A.	N / A.	N / A.
Percentage of procurement spend covered by a contract.	55% (66%).	60% (78%).	80% (77%).	85% (91%).	88% (99%).	99% (83%).
Savings targets for frequently purchased items.	£50,000 (systems under development to record this).	£103,000 (systems under development to record this).	£97,000 (systems under development to record this).	TBC.	TBC.	TBC.

<p><b>4. Collaboration and partnering.</b></p>	<p><b>Greater efficiencies can be achieved by improved collaboration between different organisations within the public sector with similar requirements, whether within the local government sector or in other areas of the public sector, such as the Scottish Government, the Crown Commercial Service, Non-Departmental Public Bodies and the NHS. Collaboration maximise the value of procurement whether it be through aggregation of demand or through the sharing of resources to reduce administration.</b></p>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
<p>4.1 Where collaborative arrangements provide a benefit to the Council there will be a strong presumption towards the use of contracts that have been established by Procurement Scotland (the national centre of procurement expertise) and Scotland Excel (the local government centre of procurement expertise).</p>	<p>Increase the use of framework agreements.</p>	<p>Use of frameworks the default position where no local market identified. Category C contracts only put in place where no local market or framework available that demonstrates best value.</p>	<p>June 2016.</p>	<p>Complete.</p>
		<p>New CSOs include section for framework agreements.</p>	<p>June 2016.</p>	<p>Complete.</p>

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
4.2. Where it is demonstrated that collaborative contracts represent value for money to the Council the use of such contracts should be mandatory across the Council to reduce off-contract buying.	Ensure all service areas are aware of collaborative contracts available and arrangement for purchasing goods and services.	Change programme review in progress to identify where use of framework agreements could be maximised. Now business as usual.	March 2018.	Complete.
		Procurement Bulletin distributed to Officers with Delegated Procurement featured new Sustainable Procurement Policy.	April 2019.	Complete.
4.3. Where there is a known local supply base as well as collaborative contracts available for the Council to use, a twin track approach should be used to ensure best value is achieved and the local market has the opportunity to respond to contract opportunities.	All procurement exercises considered on this basis on a case by case basis. Procurement Manual to incorporate this approach.	Procurement Manual updated to incorporate this where contracting opportunity is below the threshold for regulated procurements.	April 2019.	Complete.
4.4. To collaborate wherever possible with the various Centres of Expertise and Procurement Expertise to maximise the value of strategic procurement.	Links with Scotland Excel strengthened, and regular commercial User Intelligence Group held with area representative.	Increase in use of framework agreements and an increase in the range of framework providers utilised.	April 2019.	Complete.



<b>Indicators: 4. Collaboration and partnering.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Percentages of contract spend utilising Collaborative Contracts.	15% (21.09%).	20% (19.78%).	22% (17.11%).	23% (14.47%).	25% (15.45%)	25% (13.82).
Percentage of locally based contractors participating in Collaborative / Framework Contract Opportunities.	0% (0%).	1% (0%)	1% (0%).	1% (0%).	1% (0%).	1% (0%).
Percentage of contract opportunities where local supply base has had the opportunity to submit bids.	N / A.	N / A.	10%. (systems under development to record this data).	15%. (system established for 2020 / 21 contract register).	20%. (reporting system remains to be fully implemented)	25%. (reporting system remains to be fully implemented)
Percentage of contract spend with local supplier base in Orkney.	50% (43%).	52% (41%).	50% (47%).	50% (41%).	50% (38%).	47% (41%).

<b>5. Governance.</b>	<b>The Council currently has a highly devolved procurement structure with the majority of services still carrying out a sizeable procurement role. The culture of compliance with the Councils governance arrangements is difficult to manage. The Council expects that all possible attention is given to the issue of accountability and governance in the area of procurement.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
5.1 The Council's Procurement Member Officer Working Group (PMOWG) will consider the strategic direction of Procurement.	PMOWG re-established and terms of reference reviewed.	PMOWG Terms of Reference agreed.	April 2019.	Complete.
		PMOWG meets as needed throughout the year and has been amended to be a Consultative Group.	April 2019.	Complete.
5.2. The Council will introduce an embedded procurement officer network (a network of staff who are formally authorised to undertake procurement activities on behalf of the Council).	A network of lead procurement officers across service areas has been established. Delegated authority forms and guidance reviewed in consultation with Heads of Service.	Delegated authority forms reviewed and completed by relevant Directors.	April 2019.	Complete.
5.3. Suppliers will be given notice that goods, services and works should only be provided to the Council on the award of a contract or purchase order.	Confirm the position with colleagues in Finance.	This will be instigated when Purchase to Pay (P2P) has been established.	March 2020.	Correspondence sent to inform suppliers of new P2P system.
5.4. That no member of Council staff may award a contract or purchase order without written delegated authority.	CSOs and financial standing orders reviewed in 2014. (Reviewed again in 2016).	Register of Officers with delegated approval for procurement and purchase orders in place.	April 2019.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
5.5. The key roles of budget holder and procurer will not be performed by the same member of staff.	CSOs reviewed.	Highlighted to relevant service areas via discussions with key Managers Procurement Manual and CSOs reviewed.	April 2019.	Complete.
5.6. The Council will ensure there are no potential conflicts of interest in the procurement process.	Officers with delegated authority to carry out procurement to be made aware of the requirement to declare any potential conflict of interest.	Proforma form developed and in use by staff who are involved in the evaluation of tenders.	July 2017.	Complete.
5.7. The Council will comply with the <a href="#">Scottish Procurement Policy Handbook</a> .	Scottish Government Routes 1, 2 and 3 are integral to the CSOs and the Procurement Manual.	CSOs and Procurement Manual are reviewed regularly (latest review carried out and completed in March 2018 for the CSOs and in April 2019 for the Procurement Manual). Future reviews scheduled for 2020, or when there are legislative changes.	July 2018 / April 2019.	Complete.
5.8. The Council will comply with the <a href="#">Contract Standing Orders</a> .	CSOs updated to reflect new legislation. iLearn	Updated CSOs available on the Council Website and Staff Portal.	July 2017.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
	Procurement Awareness iLearn module developed.	iLearn training module under development.	March 2023.	TBC.

<b>6. Contract management.</b>	<b>Active contract management is increasing across the Council with segmentation used to identify high value / high risk contracts to ensure targeting of staff resources to develop and apply a contract management plan at the implementation stage following contract award.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
6.1 To strengthen contract management procedures by holding regular meetings with major contractors to review performance and improve levels of contract compliance.	Contract management clause written into all relevant ITTs documentation.	Contract manager and administrator roles in place for Schools Investment Programme and high value / high risk projects.	March 2018.	Complete.
6.2. To roll out contract management arrangements to all high value high risk contractors.	Contract management clause written into all relevant ITTs. Segmentation approach to be embedded in proforma	Service areas responsible for contract management for works and part of the Joint Contracts Tribunal (JCT) / New Engineering Contracts (NEC). Services operate effective contract management in consultation with CPU.	March 2018.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
	documentation as appropriate.	Formal contract management proforma to be developed for service contracts. Enhanced section is now included in the Procurement Manual	April 2019.	Complete.
		Documentation to be updated to reflect segmentation and identification of high risk / high cost projects as appropriate. Included in the Procurement Manual update.	April 2019.	Complete.
6.3. Exit strategy to be considered and documented for all contracts where appropriate.	Exit strategy to be considered as an integral part of contract management.	Procurement manual to be updated to reflect the importance of exit strategies in contract management processes where appropriate to the subject matter of the contract.	April 2019.	Complete.

<b>Indicators: 6. Contract management.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Percentage of contracts Classified as high value / high risk with an appropriate contract management plan in place.	25% (26.99%).	30% (53.85%).	60% (52.5%).	65% (57.98%).	70% (43.22%).	70% (61%).
Percentage of contracts with an exit plan in place where appropriate.	N / A.	N / A.	60% (no systems in place to record this data).	65% (system established for reporting in the 2020 / 21 contract register).	70%. (reporting system remains to be fully implemented)	70% . (reporting system remains to be fully implemented)
Percentage value of savings negotiated during the annualised contract period where there is a contract in place.	1% (no data available).	2% (no data available).	N / A.	N / A.	N / A.	N / A.
Percentage of contracts where improvements have been agreed and implemented.	1% (no data available).	2% (no data available).	N / A.	N / A.	N / A.	N / A.

<b>7. Communication.</b>	<b>It is recognised that, key to the successful implementation of any new procurement processes or policy, there has to be an understanding amongst all stakeholders of the reasons behind such actions.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
7.1 To inform and advise its stakeholders by means of: Increasing the use of the <a href="#">Public Contracts Scotland website</a> .	Promote the use of the PCS portal.	Significant increase in usage of PCS – Paper copies of tenders are now available on an exception basis only.	March 2020.	Complete.
7.2. Increasing the use of the procurement page on the Council's intranet (portal).	Increase awareness amongst council staff via bulletins and briefing notes to Senior Management Team (SMT) / Corporate Management Team (CMT).	Awareness raising ongoing amongst CPU staff and the network of procurement officers with delegated authority to carry out procurement is ongoing.	March 2018.	Complete.
7.3. Increasing the use of the procurement section of the Council's website.	Website information regularly updated.	Awareness raising via How to Tender workshops and Meet the Buyer Event.	August 2016.	Complete.
		Contracts register link on website and promoted via news item on the Council website.	August 2016.	Complete.
7.4. Increase attendance at 'meet the buyer' or equivalent events to cover areas of concern, engage with local suppliers and advice on how to become a supplier to the Council. Encourage main contractors to engage with SMEs through the inclusion of Community Benefit clauses.	Organise a Council wide Meet the Buyer event and consider joining the Supplier Development Requirement for Inclusion of Community Benefit clause now mandatory for all	Meet the Buyer events took place in August 2016, October 2017 and October 2018. Membership of the Supplier Development Programme. Continuing membership under review. Fourth Meet the Buyer Event held 9 October 2019. No event	August 2016.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
	contracts with a value of over £4m.	planned for 2020 / 21 given the pandemic.		
7.5. Encourage suppliers to the Council to access support available to business, via Business Gateway Orkney and the Supplier Development Programme.	Construction was one of the main focus areas for the Meet the Buyer Event (MTBE) on 25 August 2016.	MTBE 2018 October event planning commencing May 2018, a different focus planned for each next event, possibly Transport to be confirmed.	October 2018.	Complete.

<b>8. e-Procurement.</b>	<b>The Council has yet to implement a process for the replacement of all paper-based purchase ordering systems with a modern e-Procurement system and where appropriate with corporate purchasing cards.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
8.1. To implement an e-Procurement system by December 2017.	PCS portal is used for all tender opportunities with a value of over £50,000 for goods and services and works providing an effective	PCS portal use is mandated across the Council. Contract award reminders sent out monthly to all service areas.	January 2018.	Complete.



<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
	and secure e-procurement system.			
8.2. To consider (as appropriate) use of e-procurement tools (e.g. e tendering and e European Standard Procurement Document (ESPD) (i.e. PCS-Tender)).	Training of staff needed prior to authorised usage of PCS-Tender.	Training has been completed for PCS-Tender which took place in January 2018. Electronic-ESPD now available for PCS which is in use by a number of Procurement Officers.	December 2017	Complete.
8.3. To maximise the use of the PCS 'QQ' facility for low value / low risk procurements.	Briefing note distributed to all staff. Alternative methods of information dissemination iLearn modules under consideration.	QQ usage significantly increased – paper tenders only used on an exceptional basis only.	March 2018.	Complete.
		iLearn module under development.	March 2023.	TBC.

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<b>Indicators: 8. E-Procurement.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Percentage of invoices paid within 30 days.	80%.	90% (81%).	81% (81%).	77% (71%).	90% (84%).	85% (83%).

<b>Indicators: 8. E-Procurement.</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>	<b>Target (Actual).</b>
	<b>2016 to 2017.</b>	<b>2017 to 2018.</b>	<b>2018 to 2019.</b>	<b>2019 to 2020.</b>	<b>2020 to 2021.</b>	<b>2021 to 2022.</b>
Percentage of invoices using e procurement / purchase to pay system.	4% (systems not in place yet).	25% (systems not in place yet).	60% (17%).	60% (32%).	60% (tbc)	100%.
Percentage of procurement undertaken using e tendering system i.e. PCS-Tender or ESPD Module.	N / A.	N / A.	10% (12%, applicable contracts 76%).	50% (36%, applicable contracts 90%).	100% (46.2% of applicable contracts).	100%.

<b>9. Monitoring and measurement.</b>	<b>Performance measurement within the Council has developed significantly in recent years. In order to measure improvement in effectiveness and efficiency it is important that an agreed set of standard indicators are adopted. The methods of monitoring and measuring procurement performance are required to be proportionate to the scale and complexity of the Council's procurement activities.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
9.1. The Council will implement as standard, the Best Practice Indicators (BPIs) that were	BPIs uploaded to the procurement hub.	Key Performance Indicators (KPIs) reported on via corporate performance reporting system.	July 2017.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
recommended by the Public Procurement Reform Board as a means of measuring the effectiveness and efficiency of the procurement function.		Not all BPIs reported on directly, Performance Capability Assessment / PCIP pick up these in an alternative format.		
9.2. The PCIP performance reporting framework to be considered for incorporation and adoption of additional BPIs as appropriate.	Participation in the PCIP planned for July 2017.	Outcomes and recommendations from 2017 assessment incorporated into Procurement Improvement Plan.	March 2018. (Participation ongoing).	Complete.

<b>10. Guidance.</b>	<b>An important aspect of the role of the procurement function is to provide guidance and advice to both Council services and to all stakeholders.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
10.1. The Council will continue to develop procedural guidance as follows: The introduction of standard procurement guidance.	Update procurement manual in line with 2016 legislation and to incorporate new Strategic commitments.	Procurement Manual updated.	July 2018.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
10.2 Provide training in the use of standard procurement guidance.	Training to be developed and accessible for existing and new staff members.	Training accessed via Scottish Government and disseminated to new staff prior to taking up delegated procurement officer duties. Basic operational training under development for roll out as an iLearn module.	December 2021.	On track.
10.3 To develop a purchasing guide for those involved in the ordering of supplies and services.	Procurement manual in place.	Procurement manual under reviewed to match updated CSOs. Liaise with finance / review of relevant procurement sections.	July 2018.	Complete.
		Purchase to pay procedures to be developed in conjunction with the Integra Project Team.	March 2020.	Complete.
10.4. To review and publish standard selection questionnaire (ESPD), tender documentation and standard letters.	Standard documentation developed and in place.	ESPD (which replaces the Pre-Qualification Questionnaire) Standard documentation is in place for supplies and services. JCT and NEC contracts utilised for engineering and works contracts. New CSOs provide for the adoption of the ESPD and use of Routes 1, 2 and 3 of the procurement journey ensuring that the most up to date documentation is used.	March 2019.	Complete.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
10.5. One suite of terms and conditions for all Council Requirements.	Standard terms and conditions under review.	Reviewed terms and conditions published on staff portal and Council website by end of 2017. New General Data Protection Regulations legislation incorporated and published on the Council's website.	May 2018	Complete.

<b>11. Training.</b>	<b>The Council recognises that training and development are essential to an effective procurement function and that this is a key element of the McClelland Review and the ongoing Procurement Capability Assessments.</b>
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<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
11.1. Develop training to ensure that procurement activities are compliant with legislation and obtaining value for money.	Training materials to be developed or accessed via Scottish Government or Scotland Excel training courses.	Training to ensure a wide range of officers both operational and at a strategic level were aware of the implications of the new legislation was undertaken in March 2016.	March 2016.	Complete.
		Suite of iLearn training modules under development.	March 2023.	TBC.

<b>Council Commitment.</b>	<b>Action.</b>	<b>Progress to Date.</b>	<b>Completion date.</b>	<b>Status.</b>
11.2. Develop a training plan to meet the training needs of the Network of Procurement Officers with Delegated Authority to carry out procurement activities. Ensure that Procurement Officers with Delegated Authority receive training in relevant legislation when changes take place.	Procurement awareness iLearn and fraud awareness under development. Resources for sustainable procurement and contract management iLearn modules or similar to be identified.	Draft training plan to include a suite of iLearn modules under development to include, procurement awareness, contract management, sustainable procurement and procurement fraud awareness. Consideration of potential e learning modules in progress. Still under development.	March 2023.	TBC.
			March 2023.	TBC.
11.3. To maintain a lessons learned log to ensure that organisational learning is captured and available for continuous improvement.	Distribute lessons learned log to network of Procurement Officers with delegated authority and share materials from training events attended by senior officers where relevant.	Lessons learned log updated on a regular basis, located on the staff portal and referred to in a briefing note to SMT / CMT.	November 2017.	Completed.

### Appendix 3 – Forward Plan for Regulated and Unregulated Procurements April 2022 to March 2024

Subject matter of Contract.	New / Extended / Re-let.	Expected Contract Notice / Publication Date.	Expected Award Date.	Expected Start Date.	Estimated Value of the Contract (£).	Regulated / Unregulated.
Cleaning Services (Waiting Rooms and Public Conveniences various mainland and island locations).	Re-let.	Various 2020 to 2022.	Various throughout 2020 to 2022.	Various throughout 2020 to 2022.	TBC.	Unregulated.
Vehicles and Plant replacement.	New.	Various throughout 2022 and 2023.	TBC.	TBC.	£1,800,000 per financial year.	Regulated / Unregulated.
Vessel Re-fits 2022 individual contracts.	Re-let.	Various throughout 2022 and 2026.	TBC.	TBC.	TBC.	Regulated.
Vessel Re-fit and Strategic Repair Framework 2023 to 2027.	New and re-let.	Various throughout 2023 to 2027.	Various throughout 2023 to 2027.	Various throughout 2023 to 2027.	£8,000,000 over potential 4-year duration	Regulated.
Service Reviews Cultural Services, Library and Archive, and Leisure Services.	New	Autumn 2022	Winter 2022	2022/23	£160,000.	Unregulated / Unregulated
Supply of Food Various	Re-Let	September 2022 to June 2023.	November 2022 to July 2023	November 2022 to July 2023	£4,000,000 over potential 5-year duration	Regulated.
New Nursery Service Operation	New	TBC	TBC	TBC	TBC	Regulated

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<b>Subject matter of Contract.</b>	<b>New / Extended / Re-let.</b>	<b>Expected Contract Notice / Publication Date.</b>	<b>Expected Award Date.</b>	<b>Expected Start Date.</b>	<b>Estimated Value of the Contract (£).</b>	<b>Regulated / Unregulated.</b>
Provision of School Teacher Transport – Various	Re-let. To be reviewed.	TBC	Late 2022	2023	TBC (2-year contract).	Unregulated.
Paper and Stationery Supply.	New.	2022/ 2023.	TBC.	TBC.	TBC.	Regulated.
Various IT Contracts.	New and Re let.	Various 2022 to 2024.	TBC.	TBC.	TBC.	Regulated / Unregulated.
Banking Services.	Re-let.	Prior to end of 2022/ early 2023.	Autumn 2022.	Autumn 2022.	£72,000 (4-year contract).	Regulated.
Provision of Care and Repair Services.	Re-let.	Winter 2022.	Winter 2022.	Spring 2023.	TBC (5-year contract).	Regulated.
Provision of Business Gateway Services.	Re-let.	Autumn 2022.	Autumn 2022.	December 2022.	£520,000 (5-year contract).	Regulated.
Boiler and Controls replacement Stromness Swimming Pool.	New.	Autumn 2023.	Winter 2023 / 2024.	Winter 2023 / 2024.	£150,000.	Unregulated.
External Wall Insulation to Hope Primary.	New.	Spring 2023.	Spring 2023.	Summer 2023.	£402,000.	Unregulated.
Soulisquoy Infrastructure.	New.	Winter 2022/23.	Spring 2023.	Summer 2023.	£3,000,000.	Regulated.
Demolition of the Former Papdale Halls of Residence.	New.	TBC.	TBC.	TBC.	£2,500,000.	Regulated.

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<b>Subject matter of Contract.</b>	<b>New / Extended / Re-let.</b>	<b>Expected Contract Notice / Publication Date.</b>	<b>Expected Award Date.</b>	<b>Expected Start Date.</b>	<b>Estimated Value of the Contract (£).</b>	<b>Regulated / Unregulated.</b>
Stromsay and Eday School Transport Services.	Re-let.	Autumn / Winter 2021.	December 2021.	January 2022.	TBC.	Regulated.
Scapa Shore Power Upgrade: Civils.	New.	2022.	2022.	2022.	£180,000.	Unregulated.
Kirkwall Pier Refurbishment Ph3.	New.	2022.	2022.	2022.	£400,000.	Unregulated.
Hatston Pier Marshalling Area.	New.	2022.	2022.	2022.	£250,000.	Unregulated.
Salt Barn D&C.	New.	2022.	2022.	2022.	£750,000.	Unregulated.
Kirkwall Pier Break Tanks D&C	New	2023	2023	2023	250,000	
Roads Maintenance 2022/23: A965 Finstown West	New	Nov 2022	Jan 2023	Feb 2023	200,000	Unregulated.
Roads Maintenance 2022/23: A965 Finstown drainage	New	2023	2023	2023	100,000	Unregulated.
Kirkwall SWMP Modelling PSC	New	Nov 2022	Dec 2022	Jan 2023	60,000	Unregulated
Cursiter Quarry Geotechnical Assessment PSC	New	Nov 2022	Dec 2022	Jan 2023	10,000	Unregulated

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<b>Subject matter of Contract.</b>	<b>New / Extended / Re-let.</b>	<b>Expected Contract Notice / Publication Date.</b>	<b>Expected Award Date.</b>	<b>Expected Start Date.</b>	<b>Estimated Value of the Contract (£).</b>	<b>Regulated / Unregulated.</b>
Orkney Coastal LiDAR	New	Nov 2022	Jan 2023	April 2023	175,000	Unregulated
Roads Maintenance 2023/24: surfacing	New	Mar 2023	May 2023	June 2023	tbc	Unregulated
Roads Maintenance 2023/24: bridges	New	2023	2023	2023	tbc	Unregulated
Pier Fender Re-design and installation (Kirkwall & Lyness)	New	2023	2023	2023	160,000	Unregulated
Kirkwall Pier Deck Slab Replacement (North Pier)	New	2023	2023	2023	185,000	Unregulated
Pier Lighting Replacements - various	New	2023	2023	2023	tbc	Unregulated
Hatston Slip Repairs	New	2023	2023	2023	100,000	Unregulated
A961 Road Realignment	New	2023	2023	2023	2,000,000	Regulated / Unregulated
Geotechnical Investigation – Orkney Community Wind Farms	New	2023	2023	2023	200,000	Unregulated
Kirkwall Town Hall – External Stone Works.	New.	Spring 2024.	Spring 2024.	Summer 2024.	£450,000.	Unregulated.

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<b>Subject matter of Contract.</b>	<b>New / Extended / Re-let.</b>	<b>Expected Contract Notice / Publication Date.</b>	<b>Expected Award Date.</b>	<b>Expected Start Date.</b>	<b>Estimated Value of the Contract (£).</b>	<b>Regulated / Unregulated.</b>
Orphir School External Wall Insulation and Boiler Replacement.	New.	Winter 2023.	Spring 2024.	Spring 2024.	£462,000.	Unregulated.
Pickaquoy Centre – Running Track Replacement.	New.	Winter 2022/23.	Spring 2023.	July 2023.	£161,000.	Unregulated.
Garden House.	New.	Winter 2022/23.	Spring 2023.	Spring 2023.	£900,000.	Unregulated.
New Kirkwall Nursery.	New.	Winter 2022.	Spring 2023.	Spring 2023	£1,800,000.	Unregulated.
Cathedral Boilers.	New.	Winter 2022.	Winter 2022.	Spring 2023.	£100,000.	Unregulated.
Ness Campsite Drainage.	New.	Winter 2022.	Winter 2022.	Spring 2023.	£100,000.	Unregulated.
Oil Boiler Maintenance (oct 22).	Re-let.	Autumn 2022.	Autumn 2022.	Autumn 2022.	TBC.	Unregulated.
Fire Fighting Equipment Maintenance.	New.	Summer 2022.	Summer 2022.	Summer 2022.	TBC.	Unregulated.
Duct Hygiene cleaning of ventilation duct work (3 year contract)	Re-let	Winter 2023/24	Winter 2023/24	Winter 2023/24	£120,000	Unregulated
Water Services Management (3 year contract)	Re-let	Winter 2023/24	Winter 2023/24	Winter 2023/24	£214,000	Unregulated
Fixed Gym Equipment (3 year contract)	Re-let	Spring 2024	Spring 2024	Summer 2024	£214,000	Unregulated

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<b>Subject matter of Contract.</b>	<b>New / Extended / Re-let.</b>	<b>Expected Contract Notice / Publication Date.</b>	<b>Expected Award Date.</b>	<b>Expected Start Date.</b>	<b>Estimated Value of the Contract (£).</b>	<b>Regulated / Unregulated.</b>
Grease Filter Cleaning (3 year contract)	Re-let	Autumn 2023	Autumn 2023	Autumn 2023	£140,000	Unregulated
Vermin control (3 year contract)	Re-let	Spring 2024	Spring 2024	Spring 2024	£90,000	Unregulated
PSO Air Services (4 year contract)	Re-Let	Spring 2024	Autumn 2024	Spring 2025	TBC.	Regulated

### Anticipated Long Term Capital Projects.

Subject matter of Contract.	New / Extended / Re-let.	Expected Contract Notice / Publication Date.	Expected Award Date.	Expected Start Date.	Estimated Value of the Contract (£).	Regulated / Unregulated.
Orkney Integrated Waste Management facility.	New.	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.
Renewables Project (Scale Wind) various.	New.	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.
Renewables Project (Scale Wind) owners engineer.	New	Winter 2022	TBC	TBC	TBC	Regulated
Renewables Project (Scale Wind) Turbine Construction and infrastructure	New	TBC	TBC	TBC	TBC	Regulated
Private Wire Project various.	New.	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.
Port Master Plan Various.	New.	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.
Scapa Deep Water Quay Development	New.	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.
Orkney Logistics Base Hatston	New.	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.
North Walls School Insulation upgrade	New	TBC.	TBC.	TBC.	TBC.	Regulated / Unregulated.

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<b>Subject matter of Contract.</b>	<b>New / Extended / Re-let.</b>	<b>Expected Contract Notice / Publication Date.</b>	<b>Expected Award Date.</b>	<b>Expected Start Date.</b>	<b>Estimated Value of the Contract (£).</b>	<b>Regulated / Unregulated.</b>
Papdale Primary School – Thermal upgrade	New	Spring 2023	Spring 2023	Summer 2023	£110,000	Unregulated
Stromness Academy Thermal upgrade Ph 5, 6 & 7	New	Spring 2023	Summer 2023	Summer 2023	TBC	Unregulated
Stromness Town Hall – Boiler replacement	New	Winter 2022/23	Spring 2023	Summer 2023	£60,000	Unregulated

## Appendix 4 - Public Procurement Priorities – Public Sector Organisation Progress Report FY 2022-23

**Guidance:** Please complete a short narrative on your organisation’s overall progress against the Priorities (max 300 words) and the boxes below to indicate your organisation’s progress. The Priorities and their Aims (Table 1) and suggested Success Indicators (Table 2) are included as a guide below. The indicators are precisely that – you may have other examples of how you have delivered against the Priorities.

<b>Organisation</b>	Please enter the name of your organisation and author (of the response)
<b>Date</b>	Please enter the completion date

<p><b>Summary Narrative of Progress against the 7 Priorities (300 words)</b></p> <p>Please use this space to provide a high-level overview of progress against the Priorities. Are there any Priorities that you have focused on? Are there specific activities that you have undertaken? Do you wish to share any best practice examples?</p>
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<b>Progress Indicator</b> (Place an ‘x’ in the box that best represents progress – do so for each priority)				
<b>Priority</b>	<b>Fully Delivered</b>	<b>Good Progress</b>	<b>Partial Progress</b>	<b>No Progress</b>
<b>Leadership &amp; visibility</b>	Place an ‘x’ in the box that best represents progress			
<b>Sustainable economic recovery</b>				
<b>Supply chain resilience (Public Sector)</b>				
<b>Maximise impact of the Sustainable Procurement Duty</b>				
<b>Climate emergency</b>				
<b>Achieving professional excellence</b>				
<b>Develop our use of systems to drive sustainable outcomes and support reporting</b>				

**Table 1: The Public Procurement Priorities and their Aims**

Priority	Leadership & visibility	Sustainable economic recovery	Supply chain resilience (Public Sector)	Maximise impact of the Sustainable Procurement Duty	Climate emergency (including carbon reduction and circular economy)	Achieving professional excellence (against national policy and standards)	Develop our systems to drive sustainable outcomes and support reporting
Aims	Engage and influence organisation leaders and stakeholders	Mainstream Sustainable Procurement and related tools	Manage business continuity through supply chain shocks	Understand and exploit any flexibility within current rules and our international obligations to support economic recovery	Embed climate considerations in a 'whether', 'what', 'how' and 'how much' we buy approach	Create and develop the talent we require now, and in the future, to deliver on our ambitions	Embed national and tailored sectoral systems and best practice tools across the Scottish public sector and supply base
	Raise profile with better communications internally & externally	Use of intelligent data & local partnerships	Build/support immediate and longer-term resilience in critical supply chains	Explore further options to maximise priority outcomes and financial wellbeing to ensure Scotland maintains its competitive position in the world	Integrate climate action in contract and supplier management activities	Develop and/or implement collaborative targeted capability programmes to build skills and competencies, driving consistency in approaches	Increase the visibility / use of other systems in use across sectors
	Identify and own escalated issues	Inclusive & responsible supply chains	Collaborate on opportunities to grow capacity & capability in targeted sustainable supply chains		Seek local leaders, stakeholders and suppliers commitment to developing cross-functional roadmaps that exploit opportunities for economic development while delivering on our climate ambitions	Ensure that training and professional development continues to be available to the sector during the pandemic and post-pandemic period	Develop a strategy to enable the sharing of these systems and tools across sectors to enhance outcomes
Understand what good looks like, tracking performance and tackling opportunities to deliver better outcomes							



**Table 2: The Public Procurement Priorities and Success Indicators – What success could look like<sup>1</sup>**

Priority	Leadership & visibility	Sustainable economic recovery	Supply chain resilience (Public Sector)	Maximise impact of the Sustainable Procurement Duty	Climate emergency (including carbon reduction and circular economy)	Achieving professional excellence (against national policy and standards)	Develop our systems to drive sustainable outcomes and support reporting
<p>Delivery/ Success Statement</p> <p>(What success <i>could</i> look like)</p>	<p>Increasing the visibility of procurement.</p> <p>Reviewing and refreshing existing engagement with key stakeholders.</p> <p>Improving communications.</p> <p>Empowering leaders to understand their role in driving impactful procurement.</p> <p>Identification, management, and mitigation of potential risk.</p> <p>Identifying opportunities for cross-sector and cross-functional working.</p>	<p>Utilising Sustainable Procurement tools to support the delivery of social, economic, or environmental benefits for communities (local or connected through supply chains).</p> <p>Utilising responsible procurement practices.</p> <p>Creating opportunities for local and third sector businesses to bid for, and win, contracts.</p> <p>Using data, where appropriate, to support well-reasoned decision making and highlight future opportunities.</p>	<p>Being dependable to partners within supply chains, taking adequate precaution against supply chain disruption.</p> <p>Arranging contingency processes should conventional ways of working be disrupted by unforeseen or unpredicted events.</p> <p>Where offset of risk is impossible, having a process for the mitigation and management of potentially disruptive events.</p> <p>Where possible, working collaboratively to both reinforce and grow links in supply chains.</p>	<p>Utilising the Sustainable Procurement Duty to deliver social, economic and/or environmental benefits from organisational spend.</p> <p>Using the duty to advance other key shared priorities as it relates to Fair Work, Circular Economy, Community Wealth Building, increasing access to skills development and training.</p>	<p>Identifying and mitigating risks within your org's supply chains.</p> <p>Reporting against specific priorities in annual reports.</p> <p>Utilising existing tools and service to access guidance and resources.</p> <p>Carbon mapping to understand procurement activity emissions.</p> <p>Using climate impact reduction road-mapping.</p> <p>Aligning climate and economic development objectives.</p> <p>Sourcing guidance from benchmarking and best practice .</p>	<p>Promoting training and development to support the professionalisation of procurement in Scotland.</p> <p>Taking steps to enhance commercial capability of procurement teams and championing continuous improvement.</p> <p>Working collaboratively to share best practice and contribute to knowledge sharing with similarly oriented organisations.</p> <p>Creating development plans aligned to the Procurement Competency Framework</p>	<p>Development of organisational norms around the use of PCS, PCS-T, Procurement Hub &amp; PECOS.</p> <p>Commitment to improving competence with and familiarity of updates to system/service functionality.</p> <p>Ensuring that relevant personnel have the required competence to utilise systems in order to deliver on key shared priorities.</p>

<sup>1</sup> The Delivery/ Success statements **in full** can be found at [Public Procurement Priorities](#)