Minute

Policy and Resources Committee

Tuesday, 22 June 2021, 09:30.

Microsoft Teams.

ORKNEY ISLANDS COUNCIL

Present

Councillors James W Stockan, W Leslie Manson, Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Robin W Crichton, David Dawson, Andrew Drever, Barbara Foulkes, Steven B Heddle, J Harvey Johnston, Rachael A King, John T Richards, Stephen Sankey, John A R Scott, Gwenda M Shearer, Graham L Sinclair, Magnus O Thomson, Owen Tierney, Duncan A Tullock and Heather N Woodbridge.

Clerk

- Hazel Flett, Senior Committees Officer.

In Attendance

- John W Mundell, Interim Chief Executive.
- Gavin Barr, Executive Director of Development and Infrastructure (for Items 1 to 22 and 24 to 29).
- Stephen Brown, Chief Officer/Executive Director, Orkney Health and Care.
- James Wylie, Executive Director of Education, Leisure and Housing.
- Gareth Waterson, Head of Finance.
- Gavin Mitchell, Head of Legal Services.
- James Buck, Head of Marine Services and Transportation.
- Peter Diamond, Head of Education (for Items 1 to 18).
- Karen Greaves, Head of Executive Support.
- Hayley Green, Head of IT and Facilities.
- Andrew Groundwater, Head of HR and Performance.
- Jim Lyon, Interim Head of Children and Families and Criminal Justice and Chief Social Work Officer (for preliminaries and Items 13 to 18).
- Roddy Mackay, Head of Planning, Development and Regulatory Services (for Items 1 to 23).
- Frances Troup, Head of Community Learning, Leisure and Housing.
- Garry Burton, Leisure and Culture Service Manager (for Item 22).
- Kerry Spence, Community Learning and Development and Employability Service Manager (for Items 1 to 18).
- Rosemary Colsell, Procurement Manager (for Items 7 to 12).
- Lorna Richardson, Strategic Policy and Projects Manager (for Items 1 to 19).
- Ian Rushbrook, Capital Programme Manager (for Items 19 to 22).

- Emma Chattington, Equalities Officer (for Items 1 to 9).
- Adele Lidderdale, Climate Change Project Officer (for Items 22 and 23).

Observing

- David Sawkins, Deputy Harbour Master (Strategy and Support) (for Items 8 to 15).
- David Custer, Engineering Services Manager (for Items 22 to 24).
- Alex Rodwell, Improvement Programme Manager (for Items 22 to 24).
- Anna Whelan, Strategy Manager (for Items 15 to 17).
- David Hartley, Communications Team Leader.
- Andrew Hamilton, Performance and Best Value Officer (for Items 1 to 5).
- Christie Hartley, Volume Tourism Development and Management Officer (for Items 1 to 12).
- Raema Lyon, Business Improvement Officer (for Items 22 to 24).
- Rebecca McAuliffe, Press Officer (for Items 3.3 to 20.1).

Declarations of Interest

- Councillor Norman R Craigie – Items 24 and 25.
- Councillor Gwenda M Shearer – Item 11.

Chair

- Councillor James W Stockan.

1. Disclosure of Exempt Information

The Committee noted the proposal that the public be excluded from the meeting for consideration of Items 23 to 28, together with Appendix 1 of Item 19, as the business to be discussed involved the potential disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

2. Disclosure of Confidential Information

The Committee noted that the public must be excluded from the meeting for consideration of Item 22, as the business to be discussed included confidential information of the class described in Section 50A(3)(a) of the Local Government (Scotland) Act 1973 as amended.

Councillor Owen Tierney joined the meeting at this point.

3. Performance Monitoring

3.1. Chief Executive's Service

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Head of Executive Support, the Committee:

Scrutinised:

3.1.1. The performance of the Chief Executive's Service for the reporting period 1 October 2020 to 31 March 2021, as set out in sections 3 to 5 and Annexes 1 and 2 of the report by the Chief Executive, and obtained assurance.

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

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

- 03 – Islands Act – Deliver the agreed joint programme of work with Shetland Islands Council and Comhairle nan Eilean Siar.
- 08 – Change Programme – Review – Review the Change Programme workstreams and develop revised programme of work.

3.1.3. That the undernoted actions be amended as indicated and thereafter incorporated within the Chief Executive's Service's Service Plan:

- 01 – Review of Twinning – target date extended to 30 April 2022.
- 06 – Internal Communication – target date extended to 30 April 2022.
- 07 – Council Website – target date extended 30 April 2022.

3.1.4. That the Chief Executive's Service Risk Register, attached as Appendix 1 to this Minute, be approved.

3.2. Corporate Services

After consideration of a joint report by the Chief Executive, the Executive Director of Development and Infrastructure and the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of HR and Performance, the Committee:

Scrutinised:

3.2.1. The performance of Corporate Services for the reporting period 1 October 2020 to 31 March 2021, as set out in sections 3 to 5 and Annexes 1 and 2 of the joint report by the Chief Executive, the Executive Director of Development and Infrastructure and the Executive Director of Education, Leisure and Housing, and obtained assurance.

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

3.2.2. That the undernoted actions be amended as indicated and thereafter incorporated within Corporate Services' Service Plan:

- 01 – HR/Payroll System Development – target date extended to 30 September 2021.
- 09 – Business Continuity Plan – target date extended to 31 December 2021.
- 10 – Participatory Budgeting – target date extended to 31 March 2023.

3.2.3. That Corporate Services' Risk Register, attached as Appendix 2 to this Minute, be approved.

3.3. Council Delivery Plan

After consideration of a joint report by the Chief Executive and the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of HR and Performance, the Committee:

Scrutinised:

3.3.1. Progress made in respect of the targets within the Council Delivery Plan 2018 to 2023 for the period 1 October 2020 to 31 March 2021, as set out in Annex 1 to the joint report by the Chief Executive and the Executive Director of Education, Leisure and Housing, and obtained assurance.

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

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

- 2.1 – Mental Wellbeing of Our Children and Young People – We will support the mental wellbeing of our children and young people by co-producing preventative approaches in consultation with young people as well as supporting early intervention and recovery/ restorative services.
- 2.8 – Health and Social Care Workforce Plan – We will work in partnership with NHS Orkney and the Integration Joint Board to develop a health and social care workforce plan that sets out the workforce and skills we need in Orkney to deliver required health and care services.
- 3.5 – Community Learning Programme – We will develop lifelong learning opportunities through the Community Learning programme which will include a family learning programme.
- 3.8 – Local Housing Strategy – We will review the Local Housing Strategy.
- 5.2 – Youth Work Approaches – We will take youth work approaches to promote and encourage social responsibility in young people for example, through volunteering opportunities.
- BV1d(ii) – Customer Services Platform – Complete the introduction of the Customer Services Platform, and the Council Website redesign.

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

- 5.3 – North Isles Landscape Partnership Project – target date extended to 31 March 2024.
- 5.10 – Island Games – the description of this action be amended to reference the 2025 Island Games which will be hosted in Orkney.
- 2.11 – New Build Residential Care Home – Kirkwall – target date extended to 31 December 2024.
- 4.2 – Strategic Investment – target date extended to 30 September 2023.
- 4.5 – Establish the Crown Estates Marine Management Pilot Status – target date extended to 31 December 2021.

- 4.9 – Islands Deal – target date extended to 31 March 2022.
- 5.4 – Orkney Local Biodiversity Action Plan – target date extended to 31 December 2023.

4. Corporate Risk Register

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Committee:

Resolved to **recommend to the Council** that the updated Corporate Risk Register as at June 2021, attached as Appendix 3 to this Minute, incorporating the risk tolerance levels set for all risks by the Senior Management Team, be approved.

5. Police and Fire Sub-committee

After consideration of the draft Minute of the Meeting of the Police and Fire Sub-committee held on 25 May 2021, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor Andrew Drever, seconded by Councillor David Dawson, to approve the Minute of the Meeting of the Police and Fire Sub-committee held on 25 May 2021, attached as Appendix 4 to this Minute, as a true record.

Councillor Stephen Sankey joined the meeting at this point.

6. National Audit Report

Local Government in Scotland – Finance Overview 2019/20

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

Noted:

6.1. The national audit report, Local Government in Scotland – Financial Overview 2019/20, published in January 2021 by Audit Scotland, attached as Appendix 1 to the report by the Head of Finance.

6.2. The key messages in the national audit report, summarised in section 4.2 of the report by the Head of Finance.

6.3. That references to Orkney in the national audit report, summarised in section 4.3 of the report by the Head of Finance, generally presented the Council as being in a favourable financial position, with low levels of debt and generous levels of reserves, despite receiving a lower per head level of income than the other island authorities.

7. Contract Standing Orders

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Committee:

Noted:

7.1. That, on 26 November 2019, the Policy and Resources Committee recommended that revised Contract Standing Orders be approved.

7.2. That the Contract Standing Orders had since been updated to reflect changes following the United Kingdom's exit from the European Union, together with recommendations arising from the internal audit on the procurement and importation of stone to Cursiter Quarry, reported to the Monitoring and Audit Committee on 11 March 2021.

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

7.3. That the updated Contract Standing Orders, attached as Appendix 5 to this Minute, be approved.

Councillor Stephen G Clackson joined the meeting at this point.

8. Sustainable Procurement Policy

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Committee:

Noted:

8.1. That the Sustainable Procurement Policy, approved in March 2018, had been reviewed and updated to incorporate changes in legislation, Scottish Procurement Policy Notes and recommendations arising from the internal audit on the procurement and importation of stone to Cursiter Quarry, reported to the Monitoring and Audit Committee on 11 March 2021.

8.2. The draft Sustainable Procurement Policy, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which would be subject to public consultation.

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

8.3. That, subject to the undernoted being added to section 6, the draft updated Sustainable Procurement Policy referred to at paragraph 8.2 above, be approved for consultation:

- We will seek opportunities to share this approach with other statutory organisations and the third sector in Orkney to ensure best value and promote our circular economy.

8.4. That the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 21 September 2021, detailing the outcome of the consultation exercise, referred to at paragraph 8.3 above, together with a final version of the Sustainable Procurement Policy.

8.5. That the Sustainable Procurement Impact Assessment, attached as Appendix 6 to this Minute, be approved for immediate implementation.

9. Addressing the Pay Gap for Gender and Race

After consideration of a report by the Executive Director of Education, Leisure and Housing, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Equalities Officer, the Committee:

Noted:

9.1. That, in terms of the Equality Act 2010, the Council had a duty to publish gender pay gap information and an equal pay statement, including occupational segregation information.

9.2. The analysis of demographics of Orkney and workforce data of Orkney Islands Council in relation to gender, attached as Appendix 1 to the report by the Executive Director of Education, Leisure and Housing.

9.3. That, following an inquiry, the Scottish Parliament's Equalities and Human Rights Committee requested all public authorities to provide a commitment to take a minimum of three new actions to address their organisation's specific issues in relation to reducing the ethnicity pay gap and to ensure that there were more minority ethnic people in senior positions.

9.4. The initial analysis of demographics of Orkney and workforce data for Orkney Islands Council in relation to race, attached as Appendix 2 to the report by the Executive Director of Education, Leisure and Housing.

9.5. That future reporting by the Council on pay gap and occupational segregation information would include data on gender, race and disability.

9.6. That, on 16 February 2021, when considering actions to address gender pay gap and occupational segregation and findings in relation to the Scottish Parliament's Race Equality, Employability and Skills inquiry, the Policy and Resources Committee recommended:

- That consideration of the Gender Pay Gap Action Plan, together with the three actions identified as the Council's commitment in response to the Scottish Parliament's Equality and Human Rights Committee's request, be deferred, to enable the Executive Director of Education, Leisure and Housing to undertake consultation with the Youth Forum.
- That the Executive Director of Education, Leisure and Housing should submit a report, to the next available meeting of the Committee, on the outcome of the consultation with the Youth Forum, together with a revised Gender Pay Gap Action Plan.

9.7. That consultation had been undertaken with the Youth Forum and the Trade Unions and, although no amendments were proposed to the Gender Pay Gap Action Plan, the document had been revised to take account of comments made at the meeting of the Policy and Resources Committee held on 16 February 2021.

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

9.8. That the Gender Pay Gap Action Plan, attached as Appendix 7 to this Minute, be approved.

9.9. That the undernoted actions be approved as the Council's commitment in response to the request by the Scottish Parliament's Equality and Human Rights Committee, referred to at paragraph 9.3 above, and thereafter incorporated into the Gender Pay Gap Action Plan to create an integrated plan to address pay gaps and occupational segregation:

- Use the Scottish Government's recruitment toolkit designed to support employers to better recruit more people from minority ethnic backgrounds to help review our recruitment procedures and practice and make any necessary changes.
- Record and publish the Council's ethnicity pay gap and integrate any actions to address any inequalities identified, into the appropriate plans.
- Review the Dignity at Work Policy and training in conjunction with equality and diversity training to improve the awareness of staff to increase the understanding of racism and the way it can impact on people and to reinforce the Council's zero-tolerance for racism and discrimination.

10. Economic Recovery Steering Group – ASPIRE Orkney

Progress Update

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, the Committee:

Noted:

10.1. That, on 25 November 2020, the Council resolved that the detail of the ASPIRE Orkney programme be subject to further consideration, in the context of the Council's corporate plan, by the Policy and Resources Committee, with effect from January 2021, and thereafter as a standing item for the Policy and Resources Committee.

10.2. That progress updates in relation to ASPIRE Orkney's activity were presented to the Policy and Resources Committee on 23 February and 20 April 2021.

10.3. That the main activity undertaken during April and May 2021 was the recruitment process associated with the programme management resources, with interviews having taken place on 21 April 2021, and an offer of employment made thereafter.

11. Coronavirus Response Fund – Governance

Councillor Gwenda M Shearer declared a non-financial interest in this item, in that a close family member had received assistance from the Coronavirus Response Fund, however, after receiving legal advice, she concluded that her interest did not preclude her participation in the item, which related to matters of governance, rather than assistance under any individual scheme.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Planning, Development and Regulatory Services, the Committee:

Noted:

11.1. That, on 16 April 2020, when considering options to assist local businesses to survive the economic downturn that had arisen as a result of the Coronavirus pandemic, the Council resolved to establish a Coronavirus Response Fund, to be used for Business Hardship Support Grants and Business Loans, with an opening balance of £5,000,000.

11.2. That the Council subsequently approved a range of financial support measures, drawing from the Coronavirus Response Fund, with a total commitment of £3,102,533 as at 21 May 2021.

11.3. That, despite the significant levels of Government and Council financial support currently available, it was possible that new COVID-19 recovery demands to support the business sector, which were outwith the criteria of the formal schemes for which delegated authority for decision-making current existed, might arise.

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

11.4. That powers be delegated to the Chief Executive, in consultation with the Chair and Vice Chair of the Development and Infrastructure Committee, the Executive Director of Development and Infrastructure and the Head of Finance, to determine funding requests, received during the period 8 July to 22 August 2021 inclusive, in respect of COVID-19 recovery demands to support the business sector, which were outwith either the criteria of formal schemes or the scope of existing delegated authority, up to a value of £100,000 in respect of any application, to be met from the Council's Coronavirus Response Fund.

12. Third Party Funding Applications – Proposed Framework

After consideration of a joint report by the Executive Director of Development and Infrastructure and the Head of Finance, copies of which had been circulated, and after hearing a report from the Head of Planning, Development and Regulatory Services, the Committee:

Noted:

12.1. That, on 24 November 2020, the Policy and Resources Committee recommended:

- That the Executive Director of Development and Infrastructure and the Head of Finance should develop a draft framework that would allow the Council to submit applications to funding schemes available only to local authorities on behalf of community organisations.
- That the Executive Director of Development and Infrastructure and the Head of Finance, should submit a joint report, to a meeting of the Committee no later than June 2021, presenting the draft framework referred to above.

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

12.2. That the Third Party Funding Applications Framework, attached as Appendix 8 to this Minute, be approved.

12.3. That powers be delegated to the Community Development Fund Sub-committee to determine requests to the Council to submit funding applications on behalf of a third party.

13. UK Government – Levelling Up Fund

Strategy and Resources

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, the Committee:

Noted:

13.1. That the UK Government had launched a Levelling Up Fund of £4.8 billion to support infrastructure and transportation projects across the UK.

13.2. That councils were the lead authorities to apply to the Levelling Up Fund, with Orkney having eligibility to submit up to two bids, one for each of the infrastructure and transportation elements of funding.

13.3. That councils could be successful in only one bid for each category during the four year lifetime of the Levelling Up Fund.

13.4. That there were to be a number of rounds of funding bids to be invited by the UK Government, with the first round closing on 18 June 2021, and a further round anticipated later in 2021, with decisions in time for projects to commence at the start of financial year 2022/23.

13.5. That the UK Government would provide capacity funding of £125,000 to the Council, which could be utilised to support development of bids to the Levelling Up Fund, including staff resource.

13.6. That, in order to ensure appropriate governance and the highest quality and most beneficial projects were identified, it was proposed that the Council should not submit bids for the first phase of the Levelling Up Fund, which had a closing date of 18 June 2021.

13.7. The proposal that a temporary post of Projects and Funding Officer be established, to be funded from the capacity funding of £125,000 to be provided by the UK Government, in order to lead on the preparation of bids to the Levelling Up Fund, with the target for that work to be submission of bids to the anticipated late 2021/early 2022 round of funding.

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

13.8. That the Council should not submit a bid to the first round of applications to the UK Government Levelling Up Fund, which were due for submission by 18 June 2021.

13.9. That a temporary post of Projects and Funding Officer, G8, be established, for a period of up to 18 months, to be funded from the capacity funding to be provided by the UK Government, in order to lead in the preparation of bids to the Levelling Up Fund, with the target for that work to be submission of bids to the next round of funding, expected to be late 2021 or early 2022.

13.10. That the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 23 November 2021, setting out draft project options, proposed funding options for the minimum 10% contribution to project costs and a proposed stakeholder engagement plan.

14. Miscellaneous Piers and Harbours and Scapa Flow Oil Port

Minor Capital Improvement Programmes

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Marine Services and Transportation, the Committee:

Noted:

14.1. That the Non-General Fund capital programme included annual budget allocations in respect of minor capital improvements as follows:

- Miscellaneous Piers and Harbours – £300,000.
- Scapa Flow Oil Port – £150,000.

14.2. That, on 16 March 2021, the Harbour Authority Sub-committee approved, subject to adequate budgets being established, programmes of Minor Capital Improvements for Miscellaneous Piers and Harbours and Scapa Flow Oil Port for 2021/22, costed as follows:

- Miscellaneous Piers and Harbours – £620,000.
- Scapa Flow Oil Port – £85,000.

14.3. That the revenue budgets for 2021/22 in respect of Miscellaneous Piers and Harbours and the Scapa Flow Oil Port had been updated to reflect the associated loan charges in respect of the proposed minor capital improvement programmes.

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

14.4. That the capital allocation within the Non-General Fund capital programme for 2021/22 be increased from £300,000 to £620,000 in respect of minor capital improvement works for Miscellaneous Piers and Harbours.

14.5. That the capital allocation within the Non-General Fund capital programme for 2021/22 be reduced from £150,000 to £85,000 in respect of minor capital improvement works within Scapa Flow Oil Port.

15. Orkney Harbours Masterplan Phases 1 and 2

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Marine Services and Transportation, the Committee:

Noted:

15.1. That, on 25 May 2021, the Harbour Authority Sub-committee recommended, to the Policy and Resources Committee, that, in order to progress works in respect of the Orkney Harbours Masterplan Phase 2, the Miscellaneous Piers and Harbours revenue budget for financial year 2021/22 be enhanced by £165,000, utilising prior year accumulated balances held in the Miscellaneous Piers and Harbours Fund.

15.2. That, on 8 June 2021, the Development and Infrastructure Committee recommended that the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisals in respect of the proposed Scapa Flow Deep Water Quay and the proposed extension of and seabed reclamation at Hatston Pier.

15.3. The estimated costs in respect of carrying out further studies, investigations and preparing all the necessary documentation required for the Stage 2 Capital Project Appraisals in respect of the undernoted projects:

- Proposed Scapa Deep Water Quay – £2,628,675.
- Hatston Pier – Proposed Extension and Seabed Reclamation – £1,553,838.

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

15.4. That the Miscellaneous Piers and Harbours revenue budget for 2021/22 be enhanced by £165,000, utilising prior year accumulated balances held in the Miscellaneous Piers and Harbours Fund, in order to progress works in respect of the Orkney Harbours Masterplan Phase 2.

15.5. That the Miscellaneous Piers and Harbours budgets for 2021/22 and 2022/23 be enhanced by £1,976,838 and £651,837 respectively, in respect of carrying out further studies, investigations and preparing all the necessary documentation required to produce the Stage 2 Capital Project Appraisal for the proposed Scapa Deep Water Quay.

15.6. That the Miscellaneous Piers and Harbours budgets for 2021/22 and 2022/23 be increased by £1,151,919 and £401,919 respectively, in respect of carrying out further studies, investigations and preparing all the necessary documentation required to produce the Stage 2 Capital Project Appraisal for the proposed extension of and seabed reclamation at Hatston Pier.

16. Local Child Poverty Action Report

After consideration of a report by the Chief Officer/Executive Director, Orkney Health and Care, copies of which had been circulated, and after hearing a report from the Interim Head of Children and Families and Criminal Justice and Chief Social Work Officer, the Committee:

Noted:

16.1. That the Child Poverty (Scotland) Act 2017 placed a duty on local authorities and health boards in Scotland to report annually on activity they were taking, and would take, to reduce child poverty, with reports to be submitted to the Scottish Government by 30 June following the end of the reporting year.

16.2. The Local Child Poverty Action Report 2020-2021, attached as Appendix 1 to the report by the Chief Officer/Executive Director, Orkney Health and Care, which had been drafted by the Child Poverty Task Group of The Orkney Partnership.

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

16.3. That the draft Local Child Poverty Action Report 2020-2021, attached as Appendix 9 to this Minute, be approved for submission to the Scottish Government, insofar as it applied to the Council.

17. Primary Education Provision – Flotta Primary School

After consideration of a report by the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of Education, the Committee:

Noted:

17.1. That, on 9 June 2021, when considering the developing situation regarding the requirement for primary education on Flotta, the Education, Leisure and Housing Committee recommended:

- That Flotta Primary School be partially reopened as a satellite classroom of Orphir Primary School, commencing in school year 2021/22.
- That the Executive Director of Education, Leisure and Housing should submit a report, to the Policy and Resources Committee, requesting that the estimated budget shortfall to support the partial re-opening of Flotta Primary School, be funded as follows:
  - o Financial year 2021/22 – up to £110,000 to be met through a one-off contribution from the General Fund Contingency.
  - o Financial year 2022/23 onwards – an unavoidable service pressure to be considered as part of the budget setting process.

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

17.2. That the estimated budget shortfall to support the partial reopening of Flotta Primary School, be funded as follows:

- Financial year 2021/22 – up to £110,000 to be met through a one-off contribution from the General Fund Contingency.
- Financial year 2022/23 onwards, that an unavoidable service pressure be considered as part of the budget setting process.

18. Kickstart Scheme

After consideration of a report by the Executive Director of Education, Leisure and Housing, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Community Learning and Development and Employability Service Manager, the Committee:

Noted:

18.1. That the Community Learning and Development service was responsible for a variety of employability support work, at a time when the employability agenda was rapidly evolving with additional requirements for local government.

18.2. That, in September 2020, the UK Government introduced the Kickstart Scheme, which provided funding to create new jobs for 16 to 24-year olds on Universal Credit who were at risk of long-term unemployment.

18.3. That, in January 2021, a local Kickstart Gateway Organisation partnership bid, under the ASPIRE Orkney banner, secured a total of 57 possible Kickstart placements with local employers, with Orkney Construction Training Group providing the administrative support and the Community Learning and Development service offering support to the employers and the young people taking up the placements.

18.4. That the Community Learning and Development service was working in close collaboration with Human Resources to develop and encourage supported and inclusive employment opportunities.

On the motion of Councillor W Leslie Manson, seconded by Councillor Stephen Sankey, the Committee resolved to **recommend to the Council**:

18.5. That an allocation of up to £106,600, to be met from the Council's Coronavirus Response Fund, be committed to enable the Council to employ up to 20 young people, aged 16-24, depending on availability of management and supervisory support, for a six-month period under the Kickstart Scheme.

18.6. That the Executive Director of Education, Leisure and Housing should submit a report, to the Committee no later than March 2022, evaluating the six-month pilot of the Kickstart Scheme and considering proposals for a further phase.

Councillors Andrew Drever and John A R Scott left the meeting at this point.

19. Islands Deal

After consideration of a joint report by the Chief Executive and the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Strategic Policy and Projects Manager, the Committee:

Noted:

19.1. That Heads of Terms for the £100 million Islands Deal were signed in March 2021, containing the approved list of projects to be funded through the Deal.

19.2. That signing of the Islands Deal, currently anticipated for March 2022, was dependent on each project providing an approved Business Case developed in accordance with Treasury Green Book standards and following the five-case Business Model.

19.3. That a Programme Management Office would be required to oversee implementation of the Islands Deal, with costs shared amongst the three Island Authorities.

19.4. That, on 16 February 2021, the Policy and Resources Committee recommended:

- That the balance remaining on the original allocation from the Renewables, Regeneration and Redevelopment Fund, in respect of progressing the Islands Deal, amounting to £166,503, be utilised as follows:

- o To fund the Council's share of the costs of the Programme Director for three years, estimated at a total cost of £90,000.

- o To progress finalisation of the Deal by enabling specialist external support to develop Final Business Cases for each Deal project.

- o To enable any necessary temporary project resource requirements required to manage the transition to the Programme Management Office.

- That, following final definition of the resource requirements of the Programme Management Office, the Chief Executive and the Executive Director of Development and Infrastructure should submit a joint report, to the next available meeting of the Committee, detailing any necessary additional funding.

19.5. That, as at 31 May 2021, the remaining balance on the original allocation from the Renewables, Regeneration and Redevelopment Fund had increased from £166,503 to £171,905.

19.6. That project teams had now submitted their requirements to develop projects to the next stage of the process, as detailed in Appendix 1 to the joint report by the Chief Executive and the Executive Director of Development and Infrastructure, which, together with the Council's share of the Programme Management Office, for a period of three years, which would oversee implementation of the Deal, as required by Government, and ensure that appropriate management and scrutiny processes were incorporated, amounted to £476,926.

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

19.7. That further budgetary provision of £305,021 be allocated to progress the Islands Deal, to be met from the Renewables, Regeneration and Redevelopment Fund, specifically in respect of the following:

- Estimated costs for completing the necessary Outline and Full Business Cases for the Deal projects.
- The Council's share of the Programme Management Office for three years.

20. Stage 2 Capital Project Appraisals

20.1. House Build Programme – Housing Development at Carness Road, Kirkwall

After consideration of a report by the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of Community Learning, Leisure and Housing, the Committee:

Noted:

20.1.1. That the Scottish Government had awarded further funding, amounting to £3,980,000, in respect of affordable housing development in Orkney for 2021/22.

20.1.2. That Council and Orkney Housing Association Limited housing projects, aiming to utilise approximately £2,550,000 of the available funding for 2021/22, were already on site and underway.

20.1.3. That, in addition to the projects already on site, the Council and Orkney Housing Association Limited were looking at additional projects to utilise the remaining funding, amounting to £1,430,000.

20.1.4. That, on 11 November 2020, when considering additional social housing development projects, the Education, Leisure and Housing Committee recommended that, as an exception to the Capital Project Appraisal process, in order to maximise time limited Scottish Government grant funding, the Executive Director of Education, Leisure and Housing should submit, to the Policy and Resources Committee, Stage 2 Capital Project Appraisals in respect of various proposed house build projects.

20.1.5. That the projects referred to at paragraph 20.1.4 above included Phase 2 of the housing development at Carness Road, Kirkwall, consisting of eight two-bedroom and six three-bedroom properties, at an estimated cost of £2,364,151, which would be the final phase of housing on the Carness Road site.

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

20.1.6. That the Stage 2 Capital Project Appraisal in respect of Phase 2 of the housing development at Carness Road, Kirkwall, attached as Appendix 10 to this Minute, be approved.

20.1.7. That, as an exception to the Capital Project Appraisal process, in order to maximise time limited Scottish Government grant funding, Phase 2 of the housing development at Carness Road, Kirkwall, be added to the Non-General Fund capital programme for 2021/22 onwards, at a gross capital cost of £2,364,151.

Councillor W Leslie Manson left the meeting at this point.

20.2. Proposed Heating Upgrades to Council Housing

After consideration of a report by the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of Community Learning, Leisure and Housing, the Committee:

Noted:

20.2.1. That, in September 2020, the Scottish Government launched the Social Housing Heat Fund with the aim of assisting social housing providers to deliver zero carbon heating upgrades to their housing stock.

20.2.2. That the Council submitted a bid for funding from the Social Housing Heat Fund in respect of the installation of 20 air to water heat pump systems in Council properties currently heated by solid fuel or oil central heating, at a total cost of £322,600.

20.2.3. That the Council's bid for funding from the Social Housing Heat Fund was successful, resulting in a grant award of £161,300.

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

20.2.4. That the Stage 2 Capital Project Appraisal in respect of proposed heating upgrades to Council housing, attached as Appendix 11 to this Minute, be approved.

20.2.5. That, as an exception to the Capital Project Appraisal process, due to the tight timescales for delivery associated with external grant funding, namely by 31 March 2022, the proposed heating upgrades to Council housing be added to the Non-General Fund capital programme for 2021/22 onwards, at a gross cost of capital of £322,600.

21. Exclusion of Public

On the motion of Councillor James W Stockan, seconded by Councillor Heather N Woodbridge, the Committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved:

- The disclosure of confidential information of the class described in Section 50A(3)(a) of the Local Government (Scotland) Act 1973 as amended.
- The disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

Councillor W Leslie Manson rejoined the meeting at this point.

22. Stage 2 Capital Project Appraisal

Proposed Development and Upgrading of Point of Ness Campsite

Under section 50A(2) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of confidential information as defined in section 50A(3)(a) of the Act.

After consideration of a report by the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Leisure and Culture Service Manager, the Committee:

Noted:

22.1. That the 2019 Quality Business Advice Report for the Point of Ness Campsite, issued by VisitScotland, made reference to the site's toilet and wash facilities, stating that they should be considered for total refurbishment.

22.2. That, on 3 February 2021, VisitScotland confirmed that the application to the Rural Tourism Infrastructure Fund was successful and that grant funding, amounting to £260,000, had been awarded towards the development and upgrading of Point of Ness Campsite.

22.3. That, on 16 February 2021, the Policy and Resources Committee recommended:

- That a contribution of £97,075 be approved as match funding towards developing and upgrading the Point of Ness Campsite, to be met from the Crown Estate Fund.
- That the Executive Director of Education, Leisure and Housing should submit a Stage 2 Capital Project Appraisal, in respect of developing and upgrading the Point of Ness Campsite, to the Policy and Resources Committee.

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

22.4. That the Stage 2 Capital Project Appraisal in respect of the proposed development and upgrading of Point of Ness Campsite, attached as Appendix 12 to this Minute, be approved.

22.5. That, as an exception to the Capital Project Appraisal process, due to the tight timescales for delivery associated with external grant funding, namely by March 2022, the proposed development and upgrading of Point of Ness Campsite be added to the capital programme for 2021/22 onwards, at a gross capital cost of £357,075.

23. Conference of Parties – Glasgow, November 2021

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Planning, Development and Regulatory Services, the Committee:

Noted:

23.1. That, on 14 May 2021, the UK Government reaffirmed the intention that the COP26 event would go ahead in person, although it remained likely that the in-person delivery model would be blended with online and virtual content.

23.2. That, although there was appetite at the local level to develop COP26 themed content and host events for local community groups, business members, individuals and visitors, no financial resource was committed to developing a local programme and there was limited officer resource.

23.3. That planning for the COP26 event remained extremely changeable in light of health and travel implications associated with the COVID-19 pandemic.

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

23.4. That the Executive Director of Development and Infrastructure should continue to engage with Government, business and community groups to identify relevant opportunities to participate in COP26 themed events with regard to raising awareness around climate change.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

24. Grounds Maintenance

Councillor Norman R Craigie declared a non-financial interest in this item, in that a close family member was connected to a company undertaking grounds maintenance works for the Council, and was not present during discussion thereof.

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6, 8 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, the Committee:

Noted:

24.1. That, on 24 November 2020, when considering the outcome of a review of grounds maintenance and the next steps, the Policy and Resources Committee recommended:

- That the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 22 June 2021, detailing the outcome of the options appraisal for future contract delivery, together with final specification models for grounds maintenance services, based on consistent standards across all areas.

24.2. That the burial grounds service was currently undertaking work to standardise maintenance standards across all kirkyards.

24.3. The proposed specifications for grounds maintenance, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which supported the theme of consistency through future contracts to ensure all categories were cut to the same standard across Orkney as a whole.

24.4. The proposal that a procurement exercise be undertaken for future grounds maintenance for a period of four years, to be advertised in Autumn 2021.

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

24.5. That the Executive Director of Development and Infrastructure should undertake a procurement exercise for a new general grounds maintenance contract and football pitch contract, to commence in April 2022, for a period of four years, incorporating the specifications attached as Appendix 13 to this Minute.

24.6. That, although no change was proposed in respect of current arrangements for burial grounds maintenance, the Executive Director of Development and Infrastructure should undertake consultation with community councils on consistent maintenance standards for all kirkyards, with any financial implications reported through the Development and Infrastructure Committee.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

25. Request for Loan Finance

Councillor Norman R Craigie declared a non-financial interest in this item and was not present during discussion thereof.

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 4 and 6 of Part 1 of Schedule 7A of the Act.

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

Resolved to **recommend to the Council** what action should be taken with regard to a request for loan finance.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

26. Pension Fund Sub-committee together with Pension Board

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of the draft Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 26 May 2021, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, to approve the Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 26 May 2021, attached as Appendix 14 to this Minute, as a true record.

27. Investments Sub-committee

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of the draft Minute of the Meeting of the Investments Sub-committee held on 27 May 2021, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor Rachael A King, to approve the Minute of the Meeting of the Investments Sub-committee held on 27 May 2021, attached as Appendix 15 to this Minute, as a true record.

28. Asset Management Sub-committee

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of the draft Minute of the Meeting of the Asset Management Sub-committee held on 1 June 2021, copies of which had been circulated, the Committee:

Resolved:

28.1. On the motion of Councillor James W Stockan, seconded by Councillor Norman R Craigie, to approve the Minute of the Meeting of the Asset Management Sub-committee held on 1 June 2021 as a true record.

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

28.2. That the recommendations at paragraphs 3, 8.7, 8.8 and 8.9 of the Minute of the Meeting of the Asset Management Sub-committee held on 1 June 2021, attached as Appendix 16 to this Minute, be approved.

29. Conclusion of Meeting

At 15:30 the Chair declared the meeting concluded.

Signed:

Chief Executive's Service Risk Register – 31 March 2021

Operational Risks

Cluster.	Risk number.	Owner.
Financial.	5.	Head of Finance.
Staffing.	3, 4.	Heads of Service and all Managers.
Economic Recovery and Sustainability.		
Political.		
Partnerships.		
Governance.	6.	Head of Executive Support.
Communication.	1, 2.	Heads of Service and all Managers.

Strategic Risks

Cluster.	Risk number.	Owner.
Financial.	5.	Head of Finance.
Staffing.		
Economic Recovery and Sustainability.		
Political.		
Partnerships.		
Governance.		
Communication.		

			IMPACT				
			1.	2.	3.	4.	5.
			Insignificant	Minor	Moderate	Major	Severe
LIKELIHOOD	5.	Almost Certain.	Medium	Medium	High	High	Extreme
	4.	Likely.	Medium	Medium	Medium	High	Extreme
	3.	Possible.	Low	Medium	Medium	High	High
	2.	Unlikely.	Low	Low	Medium	Medium	High
	1.	Rare.	Low	Low	Low	Medium	High

Risk Title: 01 – Internal Communication and Engagement.

Likelihood.	3.	Impact.	3.	RAG.	Yellow.	Current Risk Score.	9.	Target Risk Score.	4.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The Service could improve its internal communication with staff to facilitate improved working relationships and understanding between Services.	We fail to explain clearly to staff key Service and Council information and we fail to meet internal customer's expectations.	Disengagement and resistance to change; Uncertainty among some staff; Poor staff morale; Lack of ownership of the change agenda and the need for change; Unhappy customers; Disruption to achieving Service objectives.	01.1. Monitor regularly at Chief Executive's Service Management Team meetings. 01.2. Consideration of improved internal communications using new intranet and other media. 01.3. Review the actions arising from the previous Staff Survey in relation to communications. 01.4. Managers to ensure distribution of correspondence, minutes of meetings.

Risk Title: 02 – Social Media Communication.

Likelihood.	4.	Impact.	3.	RAG.	Yellow.	Current Risk Score.	12.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Instant, uncontrollable and unpredictable nature of the medium is highly resource intensive and 24/7.	Failure to manage how we respond to social media.	Reputational risk; Impact on staff directly; Impact on staff morale; Legal implications.	02.1. Ensure Communications staff have the knowledge to respond effectively via social media. 02.2. Communication strategy for budget setting process includes social media. 02.3. Written guidance developed and distributed to those managing social media accounts

Risk Title: 03 – Continuity of staffing and knowledge.

Likelihood.	5.	Impact.	3.	RAG.	Amber.	Current Risk Score.	15.	Target Risk Score.	9.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Smaller teams are less resilient and more vulnerable. Recruitment and retention is ongoing challenge due to changing job markets.	Unplanned and planned staff absence; Unexpected and unplanned events.	Impact on staff morale and ability to take leave; Impact on team effectiveness; Poor communication; Impact on management capacity; Inefficient use of staff; Inability to implement planned work and deliver statutory functions.	03.1. Staffing arrangements are constantly under review. 03.2. Take a flexible approach to staffing to help cover workloads. 03.3. Develop a flexible post / job description to cover more than one area in the service.

Risk Title: 04 – Staff Training and development.

Likelihood.	3.	Impact.	3.	RAG.	Yellow.	Current Risk Score.	9.	Target Risk Score.	4.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Staff may not be fully trained or experienced; Staff may not be aware of or may inadvertently breach Council policy or Code of Practice; Limited access to training budget. Staff may not feel valued if no investment in continuing professional development is made.	The Service and Council are unable to deliver functions effectively; Lack of corporate consistency.	Lack of resilience; Poor staff morale; Legal and financial implications; Reputational loss; Increased rate of error; Unable to meet professional ERD requirements.	04.1. Continue annual ERDs and review Service and team training plans. 04.2. Promote Council's Learning and Development programmes and resources.

Risk Title: 05 – Inability to deliver core services and expand demand-led services in line with expectation.

| Likelihood. | 5. | Impact. | 4. | RAG. | Amber. | Current Risk Score. | 20. | Target Risk Score. | 9. |

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The risk of insufficient financial resources to meet current and future demand.	The Council's inability to deliver essential services within the funding package provided by Scottish Government; Expectations outstrip capacity to deliver.	Community unrest; dissatisfied service users and elected members; Unmet demand; Loss of credibility of the Council; Failure to deliver the range of services expected.	05.1. Revenue Budget monitoring process and procedures. 05.2. Communication with Scottish and Westminster Governments including through the Our Islands Our Future campaign. 05.3. Implement strategy for efficiency savings and, with the SMT, develop for longer term strategic planning.

Risk Title: 06 – Insufficient ongoing training and development programme for elected members and co-opted members.

| Likelihood. | 3. | Impact. | 3. | RAG. | Yellow. | Current Risk Score. | 9. | Target Risk Score. | 6. |

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
An inadequate ongoing training and development programme may lead to decisions which are made with inadequate information or training around governance processes.	Members do not receive relevant information for informed decision making within governance arrangements.	Decisions are made which may be unlawful or ultra vires resulting in reports from the Monitoring Officer. Complaints regarding the conduct of members in respect of governance may be made to the Standards Commission if members are unaware of governance procedures.	06.1. Deliver ongoing training and development programme. 06.2. Undertake follow up with individual Councillors to identify any areas for further development or training. 0.6.3. Encourage Councillors to sign up to professional development scheme.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
		Increase in Complaints to the Council, Increased number of appeals against planning or licensing decisions.	

Corporate Services Risk Register – May 2021

Operational Risks

Cluster.	Risk number.	Owner.
Financial.		
Staffing.	4.	Head of HR and Performance.
Economic Recovery and Sustainability.		
Political.		
Partnerships.		
Governance.		
Communication.	7.	Head of IT and Facilities.

Strategic Risks

Cluster.	Risk number.	Owner.
Financial.	2, 3.	Head of IT and Facilities.
Staffing.	1.	Head of HR and Performance.
Economic Recovery and Sustainability.		
Political.		
Partnerships.	10.	Strategy Manager.
Governance.	5, 6, 9.	Head of Legal Services and Head of IT and Facilities.
Communication.	8.	Strategy Manager.

			IMPACT				
			1.	2.	3.	4.	5.
			Insignificant	Minor	Moderate	Major	Severe
LIKELIHOOD	5.	Almost Certain.	Medium	Medium	High	High	Extreme
	4.	Likely.	Medium	Medium	Medium	High	Extreme
	3.	Possible.	Low	Medium	Medium	High	High
	2.	Unlikely.	Low	Low	Medium	Medium	High
	1.	Rare.	Low	Low	Low	Medium	High

Risk Title: S01 – Workforce planning – lack of skills, experience and capacity

Likelihood.	4.	Impact.	4.	RAG.	Amber.	Current Risk Score.	16.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Insufficient workforce planning actions underway. Capacity issues make it difficult for the service to realise its priorities.	The service does not have the right staff, in the right place, at the right time, to deliver set priorities and / or statutory functions.	Corporate Services cannot manage within its resources; Existing workforce becomes overstretched and demoralised; Service standards drop and vulnerable people are placed at risk; Senior officers get tied up in operational work; The service is reactive rather than proactive; An increased risk in legal challenges and complaints; Risk of financial penalties.	1.1 Workforce plan was put in place for Corporate Services in 2017. 1.2 A new corporate Workforce plan was agreed in April 2019. 1.3 Workforce planning priorities for Corporate Services is included in the refreshed Service Plan for 2019 to 2022.

Risk Title: S02 – Council IT and Property assets – to ensure we obtain maximum benefit from the Council's assets

Likelihood.	4.	Impact.	4.	RAG.	Amber.	Current Risk Score.	16.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The Council may not have sufficient funds to sustain assets, replace ageing assets and develop key assets. Essential buildings and infrastructure for communications etc. have to be maintained to ensure property, IT, telecoms and other infrastructure continue	The Council cannot maintain or develop its essential assets to provide public services; The Council cannot implement an asset management strategy; The public is unable to communicate with services; Professionals are unable to communicate with each	Buildings deteriorate; IT infrastructure cannot support services; Unused/ surplus buildings; Services are not delivered; Vulnerable people are at risk; Communication is not possible between agencies to co-ordinate services; Council's reputation at risk.	2.1 All IT and property assets are proactively managed. 2.2 The work to make sure that we obtain maximum benefit from the Council's property assets in now integrated in overall Estates team programme of work. 2.3 IT assets are proactively monitored through an annual Capital Replacement Programme (£420,000 per annum).

to be able to support the Council's services. The risk continues and increases over time.	other to provide effective services.		2.4 The Corporate Asset Management Plan for 2019 to 2023 was updated in early 2019. 2.5 The Property Asset Management Plan for 2019 to 2023 was updated in November 2019. 2.6 The IT Asset Management Plan is due to be updated in Summer 2021.

Risk Title: S03 – Procurement – Procurement compliance and sustainable communities

Likelihood.	3.	Impact.	4.	RAG.	Amber.	Current Risk Score.	12.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Financial and non-financial savings have not yet been fully explored. Further work to be done to support local businesses to help them participate in procurement opportunities, building on the Meet the Buyer events held in 2016, 2017 and 2018.	Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed; Officers fail to understand the limitations that the Procurement Regulations place on the Council; Officers do not follow due process and tendering has to be repeated; Anticipated savings may not be fully realised through collaborative contracts. The local economy may not be as well supported as it could be; Member/officer disharmony due to lack of understanding of responsibilities.	Financial loss due to legal challenge; Reputational harm; Delays in services being procured due to re-tendering or court action; Loss to the local economy; Loss of effectiveness and efficiency; Lost opportunity in terms of savings.	3.1 Continue to roll out induction courses as required. 3.2 The Council's procurement policies to enhance local economic sustainability and community benefit have been reviewed, and an annual Meet the Buyer event initiated that started in 2016. No event was held in 2020 due to the Coronavirus pandemic. 3.3 Contract Standing Orders updated in January 2020, with a review due to be considered in Summer 2021. 3.4 The Service is regularly audited and any actions arising are addressed. 3.5 The Sustainable Procurement Policy was approved at the General Meeting of the Council in March 2018 and is due to be updated in Summer 2021. 3.6 The Procurement Manual was updated in May 2019.

			3.7 Procurement Plan process implemented on 1 April 2021 with a series of workshops led by Procurement to implement the changes.

Risk Title: O04 – HR systems – inadequate development or use of existing electronic systems

Likelihood.	4.	Impact.	4.	RAG.	Amber.	Current Risk Score.	16.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Inefficient processes and lack of capacity to develop new processes.	Too much time spent on administrative processes.	Failure to provide a comprehensive HR service.	4.1 Phase 2 development of the HR / Payroll system project is ongoing and due for completion in 2021.
			4.2 Continue to develop use of e-processes on Recruitment Portal as resources allow.
			4.3 Further develop the e-learning system.

Risk Title: S05 – Data protection – lack of awareness of data protection rules and information security best practice throughout the organisation

Likelihood.	3.	Impact.	4.	RAG.	Amber.	Current Risk Score.	12.	Target Risk Score.	3.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
A lack of staff resources to give to this matter the attention it needed has been addressed and awareness of the issues is growing throughout the Authority, although further work is needed. The General Data Protection Regulation and Data	There is a risk of the Council breaching its obligations under the Data Protection Act 2018 or the General Data Protection Regulation.	National and local reputational damage; Maximum financial penalties will increase; Staff resource required to respond to any complaint against the Council relating to a breach of its obligations under the Data Protection Act 2018 or the General Data Protection Regulation (opportunity cost). Council not	5.1 New Data Protection Policy 2018 is in place to reflect new legislation.
			5.2 Data Protection Procedures are in place and are updated as required.
			5.3 All staff are required to participate in mandatory training on data protection and information security.
			5.4 Self-evaluation questionnaires are completed by Services to ensure that any

Protection Act 2018 have replaced the Data Protection Act 1998 and have introduced new duties for the Council.		responding to Subject Access Requests efficiently and appropriately.	remedial measures can be identified and actioned. 5.5 Compliance with corporate policies and guidance is monitored on a regular basis.

Risk Title: S06 – Public Records Act – failure to comply with the Public Records (Scotland) Act 2011.

Likelihood.	3.	Impact.	4.	RAG.	Amber.	Current Risk Score.	12.	Target Risk Score.	4.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The lack of staff resources to give this matter the attention it needs has been addressed. A new Records Management Plan has been submitted to the Keeper of the Records of Scotland and has been approved.	Failure to implement records management plan.	Local and reputational damage; Opportunity costs due to inefficient records management system; Failure to respond to information requests within statutory timescales; Increased risk of breaching data protection rules. Council spending more money on records storage than it needs to; inefficient use of Council assets.	6.1 A revised Records Management Plan (RMP) has been agreed by the Corporate Management Team and has been approved by the Keeper of the Records of Scotland. 6.2 An Information Governance Improvement Plan, which implements the RMP, is in place. Progress against the actions contained in the Information Governance Improvement Plan is monitored every six weeks by the Information Governance Group, the Data Protection Officer, the Information Governance Officer, the Information Security Officer, Head of IT and Facilities and the ICT Services Manager. 6.3 Work is currently underway to develop and implement an Electronic Document and Records Management System which will support compliance by the Council with its statutory obligations. Delivery of the project is overseen by a Project Board and political governance is provided by Elected Members through the Policy and Resources Committee.

Risk Title: O07 – ICT infrastructure and support insufficient to support the level of digital transformation required.

Likelihood.	4.	Impact.	4.	RAG.	Amber.	Current Risk Score.	16.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
The ICT infrastructure and support capacity is better understood. Future digital requirements are better understood Capacity within the ICT team is running below establishment levels, although recruitment is underway.	The ICT infrastructure is not sufficient to effectively run the required systems. The ICT staff cannot provide a suitable level of support for ongoing digital transformation or to deliver the ICT strategy for 2017 to 2020.	Existing systems could suffer reduced performance or fail. New systems not implemented. End users may be unable to properly utilise systems. Potential reputational damage with both staff and public. Failure to deliver efficiencies. OIC fails to make the necessary cultural changes to facilitate the switch to Digital delivery and Digital Transformation	7.1 Improved Management oversight in place and the service team structure has been reviewed to add in additional capacity. 7.2 ICT Capital Replacement programme is delivering improvements to the infrastructure. The 3-year Disaster Recovery and Business Continuity Project began on 1 April 2018. 7.3 A updated Digital Strategy is due to be presented to the Policy and Resources Committee in Autumn 2021, and progress on delivery of the Strategy is regularly reported to Senior Managers and Elected Members. 7.4 Digital Maturity Assessment completed in November 2018, and a day's workshop on outcomes and next steps with the Digital Officer was carried out in May 2019. Actions from this have been completed.

Risk Title: S08 – Public / Community engagement – lack of evidence of active engagement

Likelihood.	3.	Impact.	4.	RAG.	Amber.	Current Risk Score.	12.	Target Risk Score.	4.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Public sector bodies and Community Planning Partnerships are subject to increasing pressure to	The Council and / or CPP may be required to produce evidence of community input into decision-making	Decisions made by the Council and/or CPP could lack the full benefit of community input	8.1 The Consultation and Engagement Officers Group meets quarterly to review progress in all actions associated with this risk.

demonstrate active engagement with communities, most recently from the guidance regarding participation requests.	and co-production of services. Decisions may be challenged on grounds of lack of evidence of engagement.	Increased level of scrutiny from external auditors and inspectors. Loss of public support for Council and/or CPP decisions. Loss of public credibility.	8.2 The Council adopted a new Community Consultation and Engagement Policy in February 2019, to complement the Orkney Partnership's guidelines already adopted by the Council. 8.3 The Consultation and Engagement Officers Group delivered staff refresher training courses on 13 June 2018 and 22 Feb 2019 and has plans to hold further sessions in 2021. 8.4 Orkney Opinions was permanently established in June 2019 and a membership refresh took place between December 2020 and February 2021. 8.5 The Participation Requests Policy is in operation and two Participation Requests have been received to date, with one granted and one refused. Decision notices were posted online in accordance with the statutory timetable, and an associated outcomes improvement process is nearing completion.

Risk Title: S09 – Cyber security – with an increase in the use of publicly visible technology, there is an increased risk of exposure to threats from criminal and other malicious parties

Likelihood.	4.	**Impact.**	5.	**RAG.**	Red.	**Current Risk Score.**	20.	**Target Risk Score.**	15.

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Failure to implement and maintain suitable controls to protect assets.	Disclosure or loss of data.	Financial and legal implications. Reputational risk, direct implications for staff, inability to access information when required.	10.1 Adopt recognised standards to counteract cyber threats including the UK Government Cyber Essentials scheme. 10.2 Implement suitable security controls to support efficient functioning of OIC ICT infrastructure.

			10.3 Develop co-operative connectivity with public sector and third sector bodies.
			10.4 Develop a culture of security by raising awareness of personnel to vulnerabilities, risks and threats from cyberspace and the need to protect information systems.
			10.5 Actively participate in the national initiatives for sharing intelligence.
			10.6 PSN reaccreditation was submitted in September 2020.
			10.7 Succession planning with ICT underway, with external training and qualifications being explored.

Risk Title: S10 – Single Authority Model (SAM)

Likelihood.	5.	Impact.	3.	RAG.	Amber.	Current Risk Score.	15.	Target Risk Score.	6.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
SAM is dependent on multiple agencies being able and willing to commit to permanent changes in governance. This could be hindered by a wide range of internal or external factors. It could potentially be stalled by a change in policy or personnel on the part of any of the key players.	Scottish Government Ministers fail to commit collectively to SAM and/or to convey unambiguous directives to participating SG departments, local agencies and other bodies. Lack of buy-in from staff of participating bodies. Change in policy by the Council or any participating Board.	Local partner agencies withdraw commitment to SAM. Failure to deliver optimally joined-up services. Failure to maximise resources for delivery of front-line services.	11.1 Maintain and support an active and engaged SAM Steering Group. 11.2 Initiate and maintain pro-active engagement with Scottish Ministers. 11.3 Initiate early engagement with staff groups and Unions. 11.4 Demonstrate potential benefits of SAM for the Orkney community and Scottish Government.

Corporate Risk Register – June 2021.

Strategic Risks

Cluster.	Risk Number.	Risk.	Owner.
Physical.	1.	Ferries.	Executive Director of Development and Infrastructure.
Financial.	2.	Finance.	Chief Financial Officer.
Reputational.	3.	Adverse Communications.	Chief Executive.
Physical.	4.	Workforce.	Head of Human Resources and Performance.
Physical.	5.	Asset Management.	Head of IT and Facilities.
Economic.	6.	Economic.	Executive Director of Development and Infrastructure.
Technological.	7.	Cyber Security.	Head of IT and Facilities.
Technological.	8.	Connectivity.	Executive Director of Development and Infrastructure.
Partnership.	9.	Partnerships.	Head of Executive Support.
Legislative.	10.	Procurement.	Head of IT and Facilities.
Legislative.	11.	Health and Safety.	Head of IT and Facilities.
Economic.	12.	Brexit.	Chief Executive and Head of Marine Services and Transportation.
Financial.	13.	Housing.	Executive Director, Education, Leisure and Housing.
Professional.	14.	Childcare Services.	Executive Director, Education, Leisure and Housing.
Physical.	15.	Pandemic.	Head of IT and Facilities.
Legislative	16.	Children and Young People	Interim Chief Officer, Orkney Health and Care.

Risks by cluster

Cluster.	Risk Number.	Risk.	Owner.
Economic.	12.	Brexit.	Chief Executive and Head of Marine Services and Transportation.
Economic.	6.	Economic.	Executive Director of Development and Infrastructure.
Financial.	2.	Finance.	Chief Financial Officer.
Financial.	13.	Housing.	Executive Director, Education, Leisure and Housing.
Legislative.	16.	Children and Young People.	Interim Chief Officer, Orkney Health and Care.
Legislative.	11.	Health and Safety.	Head of IT and Facilities.
Legislative.	10.	Procurement.	Head of IT and Facilities.
Partnership.	9.	Partnerships.	Head of Executive Support.
Physical.	5.	Asset Management.	Head of IT and Facilities.
Physical.	1.	Ferries.	Executive Director of Development and Infrastructure.
Physical.	15.	Pandemic.	Head of IT and Facilities.
Physical.	4.	Workforce.	Head of Human Resources and Performance.
Professional.	14.	Childcare Services.	Executive Director, Education, Leisure and Housing.
Reputational.	3.	Adverse Communications.	Chief Executive.
Technological.	7.	Cyber Security.	Head of IT and Facilities.
Technological.	8.	Connectivity.	Executive Director of Development and Infrastructure.

Risks by owner

Owner.	Cluster.	Risk Number.	Risk.
Chief Executive.	Reputational.	3.	Adverse Communications.
Chief Executive and Head of Marine Services and Transportation.	Economic.	12.	Brexit.
Head of Human Resources and Performance.	Physical.	4.	Workforce.
Head of Executive Support.	Partnership.	9.	Partnerships.
Head of IT and Facilities.	Physical.	5.	Asset Management.
Head of IT and Facilities.	Technological.	7.	Cyber Security.
Head of IT and Facilities.	Legislative.	10.	Procurement.
Head of IT and Facilities.	Legislative.	11.	Health and Safety.
Head of IT and Facilities.	Physical.	15.	Pandemic.
Executive Director of Education, Leisure and Housing.	Financial.	13.	Housing.
Executive Director of Education, Leisure and Housing.	Professional.	14.	Childcare Services.
Executive Director of Development and Infrastructure.	Physical.	1.	Ferries.
Executive Director of Development and Infrastructure.	Economic.	6.	Economic
Executive Director of Development and Infrastructure.	Technological.	8.	Connectivity.
Chief Financial Officer.	Financial.	2.	Finance.
Interim Chief Officer, Orkney Health and Care	Legislative.	16.	Children and Young People.

Risk matrix

			IMPACT				
			1.	2.	3.	4.	5.
			Insignificant	Minor	Moderate	Major	Severe
LIKELIHOOD	5.	Almost Certain.	Medium	Medium	High	High	Extreme
	4.	Likely.	Medium	Medium	Medium	High	Extreme
	3.	Possible.	Low	Medium	Medium	High	High
	2.	Unlikely.	Low	Low	Medium	Medium	High
	1.	Rare.	Low	Low	Low	Medium	High

Risk Number.	Risk Title.		Cluster.	Owner.
1.	Failure to secure agreement with Scottish Government on appropriate funding arrangements to deliver the Scottish Ferries Plan in relation to ferry and terminal replacement for Orkney.		Physical.	Executive Director of Development and Infrastructure.

Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	25.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Ferry and Terminal replacement programme currently unfunded with ageing infrastructure. Annual revenue costs are unaffordable.	Ferries reach end of service life with no solution in place. High repair costs indicate that buying new would be more cost effective. Deterioration of piers infrastructure. Reductions in lifeline provisions for the community are below Scottish Ferries Plan standards. Services become unaffordable.	Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running. Reduced capacity and flexibility to maintain scheduled services. Excessive running costs of old ferries. No opportunities to achieve expected service levels. Risk of delay in procurement leading to reduced capability to purchase fit for purpose new tonnage. Buying piecemeal also reduces economy of scale; community unrest due to people depopulating the isles due to lack of lifeline transport connectivity.	Treat.	Ongoing dialogue with the Scottish Government emphasising the difficulties of a small authority providing the range of public services within reduced budgets across a wide and diverse geographical area. Continue to seek additional specific funding sources to protect lifeline services in Orkney and its outlying communities to ensure they are not significantly disaffected, e.g. Transport Grant for replacement ferries.

Risk Number.		Risk Title.				Cluster.	Owner.	
2.		Council services – inability to maintain services and meet changing demands.				Financial.	Chief Financial Officer.	
Likelihood:	5.	**Impact:**	5.	**RAG:**	Red.	**Current Risk Score:**	25.	**Target Risk Score:** 16.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Local Government services have sustained a period of reduced funding and prior to COVID-19, there was a significant concern that resources would be insufficient to meet future need. COVID-19 has increased the cost of essential service delivery in some areas which may persist for an indeterminate period. Income streams that seemed secure have completely stopped and may take a long time to recover. A lack of capacity in Council staffing to deliver the capital programme. A lack of capacity in local contractors to deliver Council projects and difficulty in attracting competition for smaller projects.	Expectations outstrip capacity to deliver. Community expectations are not reduced due to a failure to communicate and engage effectively with communities. Failure to demonstrate the value of the Council's ongoing services to the public. The Scottish Government fails to provide sufficient funding for essential services.	Community unrest. Unhappy service users. Elected members unable to meet need. Loss of credibility of Council. Inability to deliver the range of services expected and legal challenge. Capital projects are delivered late or not at all leading to increased costs and difficulties in delivering services.	Treat.	Ownership of the Budget Setting Process by the Senior Management Team / Corporate Management Team with openness and transparency around the identification of potential areas for re-provisioning of services. An agreed programme of budget savings and efficiencies. Delivery of budget savings will be monitored within Services and reported to the Policy and Resources Committee. Curtailment of the Council's capital expenditure with the loan charges budget reprioritised to support revenue expenditure. A hold on accelerated debt repayment at 2019/20 year-end to facilitate an increase in General Fund balances. There must be an acknowledgement of reality with the focus on continuation of the delivery of minimum Statutory Provision versus Statutory with Discretion, Non-Statutory but Essential or Discretionary Expenditure whilst having regard to the Council Priorities. Improved project planning with much longer lead in times.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Capital funding is insufficient to replace ageing assets or provide new assets required for new priorities.				Additional staff capacity in Development and Infrastructure to manage the capital programme.

Risk Number.		Risk Title.				Cluster.		Owner.	
3.		Adverse reaction to communications with staff, the public and stakeholders including social media.				Reputational.		Chief Executive.	
Likelihood:	4.	**Impact:**	3.	**RAG:**	Yellow.	**Current Risk Score:**	12.	**Target Risk Score:**	9.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The Council's resources made available by Government will continue to reduce or remain static over the next few years despite growing need and demand. The Council must ensure that communities continue to be appropriately engaged about efficiency measures and inevitable service changes, and proactively informed so that customer expectations are realistic. Risk of breakdown in communications with the	Customers have unrealistic expectations of what Council services can deliver. Customers do not understand the reasons for the changes and blame the Council. Good ideas are not harvested from effective community consultation. Failure to demonstrate the value of the Council's on-going services to the public. Council is unable to demonstrate the ability to work corporately. Staff are not given the opportunity to contribute to	Reputational risk. Misplaced criticism. Good ideas lost. Confusion about what the Council's priorities are. More difficult to align resources to priorities. Lack of understanding of what the Council wants to achieve. Changes are not achieved. Staff morale is adversely affected. Customers may not get a joined-up service.	Treat.	Work has commenced on the next review of the communication and engagement strategies and plans that are in place to publicise the Council's objectives and priorities, existing services and service change to ensure communities are engaged. The last review included the increased use of social media as a platform and tool for community engagement. Proactive press releases and campaigns are being prepared and released to promote positive stories about the services provided by the Council.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Scottish Government over discussions regarding the Single Agency Model. There is the potential that staff do not feel engaged in change processes or valued as active contributors to corporate change, service realignments or developments. The Council fails to manage how we respond to social media and to take advantage of the potential benefits of social media.	corporate development; staff become disengaged in essential change processes. The Council does not maintain an effective presence on social media as a communication tool.	Inter-service tensions undermine corporate achievements. Legal implications. Exclusion of sectors of the community.		

Risk Number.		Risk Title.						Cluster.		Owner.		
4.		Workforce planning – lack of skills, experience and capacity.						Physical.		Head of Human Resources and Performance.		
Likelihood:	4.	**Impact:**	4.	**RAG:**	Amber.	**Current Risk Score:**		16.		**Target Risk Score:**		6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Insufficient workforce planning actions underway to shape future workforce through redeployment, succession planning, recruitment, training etc.	Council staff become overstretched. Council staff become demoralised. The Council does not have the right staff, in the right place, at the right time, to	Council cannot manage within its resources. Existing workforce becomes overstretched. Key pieces of work are not able to be undertaken.	Treat.	Service workforce plans in place (2019). Service workforce planning actions included in Service Plans and monitored more regularly. Corporate workforce plan priorities reviewed and updated in April 2019.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Capacity issues make it difficult for the service to realise its priorities.	deliver set priorities and / or statutory functions. The Council is unable to meet its statutory obligations. Statutory officers are unable to discharge their statutory functions adequately.	Service standards drop and vulnerable people are placed at risk. Council is reactive rather than proactive. An increased risk in legal challenges and complaints. Risk of financial penalties.		Further review and refine Workforce planning approach to ensure best practice planned for post pandemic recovery. Acceptance by senior management in relation to redeployment of staff including those in other services. Consideration of enhanced approach to redeployment and retraining. Careful consideration to the release of staff by voluntary means where appropriate to ensure required skills are retained. More proactive approach to recruitment, succession planning and attraction of people to live and work in Orkney. Continued use and development of remote and flexible working will encourage improved working methods and retention of key staff. Inclusion of staff in re-design of operations. Increased commitment to proactive communications particularly related to staff and trade unions. Regular monthly Trade Union meeting at Corporate level. Regular staff / Trade Union meetings at Service level, when required. Change in emphasis of staff engagement to include the process of change.

Risk Number.		Risk Title.				Cluster.		Owner.	
5.		Failure to ensure we obtain and retain maximum benefit from Council's assets.				Physical.		Head of IT and Facilities.	
Likelihood:	4.	**Impact:**	3.	**RAG:**	Yellow.	**Current Risk Score:**	12.	**Target Risk Score:**	10.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The Council may not have enough funds to sustain assets, replace ageing assets and develop key assets (also see Risk 1 which is particularly significant). Essential buildings and infrastructure for travel, communications etc must be maintained to ensure property and roads, IT, telecoms and other infrastructure continue to be able to support the Council's services.	The Council cannot maintain or develop its essential assets to provide public services. The Council cannot implement an asset management strategy. The public is unable to communicate with services. Professionals are unable to communicate with each other to provide effective services.	Roads and buildings deteriorate. IT infrastructure cannot support services. Unused / surplus buildings. Services are not delivered. Lifeline routes compromised. Risk of accident and potential claim. Vulnerable people are at risk. Communication is not possible between agencies to co-ordinate services. Council's reputation is at risk.	Treat.	Corporate Asset Management Plan updated in 2019 and covers the period 2019 to 2023. Existing Property Asset Management Plan is kept up to date and reviewed regularly. The 2019 to 2023 plan was re-written and considered by the Asset Management Sub-committee in November 2019. Existing ICT Asset Management Plan is kept up to date and reviewed regularly. It will be formally revised in 2021. The Fleet and Plant Asset replacement programme (2018 to 2021) is under reviewed to seek to maximise future years utilisation and fuel choice. Until this review is completed and considered the current plan to end of March 2022 is in place. The capital programme 2018 to 2023 is fully committed. Work is underway to agree the 2024 to 2029 programme in the current financial year, noting that funding pressure will not necessarily see any significant investment in maintaining assets above current levels or address any backlog issues.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				Service Asset Management Plans has commenced on Open Spaces and thereafter Heritage. They have been completed for Roads in terms of the Roads Asset Management Plan and the Roads Management and Maintenance Plan.

All asset replacement programmes (budgets) for roads, waste, fleet and property (revenue repairs and capital improvements), are monitored in detail to ensure planned, cyclical, reactive and emergency works are completed in context of significant budget pressures (efficiencies).

Capital Planning and Asset Management Working Group holds monthly meetings to consider prioritisation of future works. |

Risk Number.	Risk Title.		Cluster.	Owner.
6.	Inability to sustain and enhance economic opportunities.		Economic.	Executive Director of Development and Infrastructure.

Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:	25.	Target Risk Score:	20.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Commercial sectors are vulnerable to market forces and changing national and international economic circumstances.	The Council fails to support a diverse economy.

Decline in farming and other traditional industries.

External market forces and economic factors lead to | Local economy struggles pushing additional responsibilities onto the public sector.

Council budgets become increasingly pressed. | Treat. | The budgets for revenue repairs and capital improvements are reviewed annually as part of the Council's budget process.

Seek to identify additional options for delivery of the maintenance programmes. |

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Orkney's population is also ageing, leading to a range of challenges and opportunities in managing the impact of this demographic shift in terms of service provision. Current uncertainties associated with the Brexit arrangements for our future workforce. Deliverability of key project and political agendas including the Islands Deal, Harbours Masterplan, Grid and Digital Connectivity, Shared Prosperity Fund, Ferry Replacement, Arctic Strategy and Innovation Freeport concepts. COVID 19 Recovery and Response challenges.	increasing pressure on local businesses. Cost of transportation threatens travel of goods and people to and from Orkney. The Council fails to support emerging industries. The Council fails to ensure community benefits arise from developing industries. The Council fails to secure long term benefits from Renewables sector. Increasing pressure on services for older people. Reducing work age Government fail to deliver on or support economic opportunities and Regulatory change and an appropriately designed and timed Shared Prosperity Fund. Lack of capacity to deliver sufficient support to post COVID-19 economy. Lack of Government support for unique islands impacts of COVID-19 e.g. tourism 3 winters scenario, population.	Staffing shortages. Loss of external funding due to Brexit. Loss of jobs, increase in unemployment, reduced economic performance.		Where unavoidable pressures are identified these are managed through an allocated "contingency" or capacity within the Development and Infrastructure Directorate given positive trading performance. To ensure the delivery of approved plans is achieved, there has been additional investment in people resources in roads, waste, fleet and soon to be the quarry and property team (as part of workload analysis and mini restructuring). To ensure the size and scale of the capital programme is realistic in terms of affordability, pace and thereby resources, members have agreed the 2018 to 2023 programme and will agree the content of the following 5-year period(s) in 2019 to 2020 financial year. This considers the Council's internal and external people resource, contractor capacity and how funded (internally or externally, noting island deal possibilities). Political engagement and lobbying at UK and Scottish Government levels. Effective working of Economic Recovery Steering Group.

Risk Number.	Risk Title.				Cluster.	Owner.	
7.	Inadequate information security and management, and inadequate cyber security – With the increase in the use of publicly visible technology, there is an increased risk of exposure to threats from criminal and other malicious parties.				Technological.	Head of IT and Facilities.	
Likelihood: 3.	**Impact:** 4.	**RAG:**	Amber.	**Current Risk Score:**	12.	**Target Risk Score:**	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The Council fails to maintain an adequate audit trail of all information created. The Council does not handle, share and release all its data adequately. The Data Protection Act 2018 has introduced new duties for the Council. Failure to implement and maintain suitable cyber controls to protect assets.	Inappropriate disclosure, sharing, retention or loss of data. Failure to comply with information governance legislation including the Data Protection Act 2018.	Customer distress and harm. Financial and legal implications. Reputational risk. Inability to access information when required. Failure to deliver services. Failure to share information leading to duplication of effort. Not responding to information requests on time. Complaints against the Council.	Treat.	The Records Management Improvement Plan sets out further actions required to ensure that the Council maintains compliance with its legal responsibilities, including the Data Protection Act 2018. Senior Management leadership in place regarding delivery of the Records Management Improvement Plan. The Council met the Cyber Essential (Basic) accreditation as required by the Scottish Government in February 2018; the target for this was June 2018. Cyber Essential + accreditation achieved, April 2019. Noted that the Information Services Programme Board decided, in June 2019, not to seek re-accreditation of CE+ for 2020 on the basis that all the same criteria, and more, was tested as part of the Public Services Network (PSN) compliance activity. PSN reaccreditation achieved in September 2019, and work underway to achieve re-accreditation. Submission for 2020 was sent to the Cabinet Office and a

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				formal response is still awaited. IT submit mitigation action updates every month. We remain covered by PSN through this dialogue. Confirmation received from the Cabinet Office (May 2021) that the submission is still with the assessor for review.
				IT Security is managed proactively and there is an ongoing programme of patching / updating the hardware and software in operation across the Council.

Risk Number.	Risk Title.		Cluster.	Owner.
8.	Inadequate access to superfast Broadband across Orkney and mobile connectivity.		Technological.	Executive Director of Development and Infrastructure.

Likelihood:	4.	Impact:	4.	RAG:	Amber.	Current Risk Score:	16.	Target Risk Score:	8.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds. Failure to access mobile coverage. Failure to press the Government to deliver a longer-term plan to ensure that there are the right	Orkney fails to secure maximum and equitable geographic coverage of superfast Broadband, wireless connectivity and significant improvements to Broadband services and mobile network across the islands. Orkney is unable to attract inward investment and sustain fragile communities.	Failure to attract inward investment. Failure to attract skilled employees. Digital isolation across age groups. Failure to realise opportunities in respect of Telehealth, Telecare, mobile working and tele-learning.	Treat.	Continue to support political lobbying and seek opportunities to progress policy. Support the Scottish Government in the roll out of R100 infrastructure in Orkney. Support development and introduction of alternative commercial models, including 5G infrastructure. The Council has agreed to commission a study to explore community options for accelerating superfast solutions should Government schemes fail to deliver for Orkney.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
mechanisms, partnerships and commercial models in place.	Educational infrastructure disadvantaged by lack of service.	Poor online public service access including welfare benefits, etc.		

Risk Number.		Risk Title.					Cluster.	Owner.	
9.		Lack of sustainability of partnerships and clarity of responsibilities and outcomes.					Partnership.	Head of Executive Support.	
Likelihood:	3.	**Impact:**	3.	**RAG:**	Yellow.	**Current Risk Score:**	9.	**Target Risk Score:**	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Working in partnership exposes the Council to some degree of reputational risk, depending on the stability of the arrangements and outcomes delivered.

Resource constraints may affect the success of the Health and Social Care partnership.

The Scottish Government's intention to create a National Care Service and to amend the functions of Integration Joint Boards may affect the provision of care in Orkney. | The Council does not implement a robust and effective framework for managing its key partnerships.

Governance is not effective in relation to a partnership and objectives are not met.

The resource pressures on the parent bodies affect the reputation of the partnership.

National developments relating to the redesign of adult care services may not take account of the unique requirements of delivering effective care services in remote and rural areas. | Uncertainty about roles.

Impact upon service delivery.

Loss of reputation due to inability to meet statutory requirements.

Tension between partners.

Efficiencies not achieved.

Relationships with other bodies deteriorate.

Reduced ability to deliver on important projects for vulnerable people and their families.

Reduced ability to support and protect individuals and families by delivering | Treat. | The Council will continue to work closely with partners under current frameworks which are monitored closely to ensure they are robust, effective and deliver good governance.

Clear Terms of Reference and Partnership Schemes are critical in reducing risks.

The Council will continue to review existing partnerships and explore new ones as opportunities arise to suit Orkney as a whole.

Engagement with new Cabinet Secretary and Scottish Ministers in respect of the Local Governance review which supports joint working will now commence.

Engage with the Scottish Government through COSLA. As a separate legal entity, the IJB will consider its own actions relating to this risk on the IJB's risk register |

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
		effective care services within Orkney.		at its June meeting following the pre-election period.

Risk Number.		Risk Title.						Cluster.		Owner.	
10.		Inadequate procurement compliance and sustainable communities.						Legislative.		Head of IT and Facilities.	
Likelihood:	3.	**Impact:**	2.	**RAG:**	Yellow.	**Current Risk Score:**		6.		**Target Risk Score:**	6.

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Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Financial and non-financial savings have not yet been fully explored. Further work to be done to support local businesses to help them participate in procurement opportunities, building on the Meet the Buyer event which was first held in August 2016.	Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed. Officers fail to understand the limitations that the Procurement Regulations place on the Council. Officers do not follow due process and tendering must be repeated. Anticipated savings may not be fully realised through collaborative contracts. The local economy may not be as well supported as it could be.	Financial loss due to legal challenge. Reputational harm. Delays in services being procured due to re-tendering or court action. Loss to the local economy. Loss of effectiveness and efficiency. Lost opportunity in terms of savings.	Treat.	Procurement Member Officer Working Group in place. Procurement Working Group (Officers) set up to provide training, support and a corporate approach to procurement exercises and priorities. Frequent communication with this group is in place and training on the use of PCS Tender was completed by 19 staff in January 2018. Procurement Improvement Plan developed and kept under review. Sustainable Procurement Strategy approved by Members in February 2018 and is being updated to be considered again by Members in June 2021. Procurement Manual updated in April 2019. Procurement and Commercial Improvement Programme (PCIP)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
	Member / officer disharmony due to lack of understanding of responsibilities.			assessment by Scotland Excel completed in September 2019. OIC score showed a good improvement from 49% to 58%. Action plan to meet recommendations is being implemented.
				Meet the Buyer event for October 2019 was held successfully. Event for 2020 put on hold due to the pandemic.
				Contracts Register is now updated at least monthly and the use of the Contracts Register is stressed to all staff who are making purchasing decisions.
				Proactive work with the Corporate Admin Group to look at the creation and use of local Framework Agreements, in the first instance this will develop a local framework for stationery.
				Contract Standing Orders under regular review, with a formal review to be due to be considered by Members in June 2021
				COVID-19 Supplier Relief Programme implemented.
				Actions following the Internal Audit review of Quarry Procurement Procedures in March 2021 are being progressed as planned. Procurement Plan process has been implemented and all officers with Delegated Procurement Authority have attended a workshop, as have a number of other key OIC staff.

Risk Number.		Risk Title.					Cluster.		Owner.	
11.		Health and Safety non-conformance.					Legislative.		Head of IT and Facilities.	
Likelihood:	3.	**Impact:**	2.	**RAG:**	Yellow.		**Current Risk Score:**	6.	**Target Risk Score:**	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Non-compliance with health and safety policies, rules and procedures by employees, members of the public, contractors etc.	Reportable accidents, work related ill health and dangerous occurrences.	Staff exposed to unnecessary risk or harm. Increase in staff absence or sickness. Reduction in staff morale. Enforcement action from the Health and Safety Executive. This may include Improvement and prohibition notices and prosecution. Material breaches, if identified, are subject to cost recovery by way of "fees for intervention". Civil action resulting in the payment of compensation for injury or damage etc.	Treat.	Frequency of Safety Committee meetings increased including a review of adverse events. Senior Management Team to promote a positive health and safety culture. Revamp of Health and Safety Policy and supporting guidance. Proactive health and safety to feature as a standing item in Senior Management Team and Corporate Management Team meetings. IOSH "Leading Safely" training has been refreshed for all Corporate Management Team and Senior Management Team members. Proactive Health and Safety campaigns organised and promoted to all Council employees started in April 2018. Review and potential investment of additional service-focused resources to strengthen operational health and safety effectiveness (one post in Development and Infrastructure Service potentially).

Risk Number.		Risk Title.						Cluster.		Owner.	
12.		Brexit – Implications following a "hard" no deal outcome.						Economic.		Chief Executive and Head of Marine Services and Transportation.	
Likelihood:	3.	**Impact:**	3.	**RAG:**		Amber.		**Current Risk Score:**	9.	**Target Risk Score:**	9.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Loss of access to the single market, with associated implications around trade delays and reduction in supply. Loss of EU funding for projects and businesses in Orkney. Disruption to current workforce and future restrictions on ability to recruit.	Restrictions to the supply chain. Restrictions on the free movement of people and workers' rights within the EU area.	Insufficient supply of essential commodities (food, medical supplies, fuel). Negative impact on projects and businesses in Orkney should funding streams end and not be replaced. Difficulty in retaining staff and attracting new staff from the EU to work for the Council, possibly leading to service delivery difficulties due to staff shortages, as well increased pressure on other staff. Requirement for Export Health Certificates (issued by Environmental Health service) for all aquaculture and shellfish exports.	Treat.	The Council "Island proofed" any Scottish Government response and fully participates in discussions with CoSLA, the Scottish Government and other groups as needed. Ongoing discussions within the Community Planning Partnership once the terms of Brexit are known. Initially, urgent escalation of high / severe risks to the Scottish Government, including the operational difficulties with regard to Export Health Certificates. Working with CoSLA to develop and deliver key communications and guidance for existing staff from EU countries. Initial concerns relating to the impact on the Council to recruit from EU countries has not manifested itself in a downturn in our ability to recruit for positions within the Council. Whilst we did see some employees leave in the early stages of Brexit discussions, the EU settlement scheme has ensured we have been able to retain staff who meet that criteria. The framework for response met initially to determine the Council's response to

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				emerging issues, however as much of the issues have come within existing business, these meetings have ceased. Internally, the No Deal EU Exit action plan is actively managed and reviewed regularly.
				Initial concerns relating to the impact to the Council on leaving the EU have not been as severe as initially thought. The fears surrounding the demand for Export Health Certification has not reached the reasonable worst case scenarios and is deemed manageable within the Service.
				Initial planning arrangements to deal with concurrent events have now been relaxed across the HILRP area with some return to a normal meeting structure. This follows the ability of organisations to respond to concurrent events. To date, we have responded to 8 incidents in addition to the pandemic and Brexit.

Risk Number.		Risk Title.					Cluster.		Owner.	
13.		House Build Programme – Risk of being unable to fully utilise Affordable Housing Supply Programme funding from the Scottish Government.					Financial.		Executive Director of Education, Leisure and Housing.	
Likelihood:	4.	**Impact:**	3.	**RAG:**	Yellow.	**Current Risk Score:**		12.	**Target Risk Score:**	9.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
A range of factors are affecting the Council's ability to spend the Affordable Housing Supply Programme's funding, in partnership with Orkney Housing Association Ltd. These factors include: Delays arising from the COVID-19 crisis, with contractors unable to work. Issues affecting Scottish Water's sewerage system in Kirkwall and a need to separate surface water run off to free up capacity. The Housing Revenue Account holds a relatively high level of debt, and debt repayments are substantial. The cost of meeting the Energy Efficiency Standard for Social Housing 2 by 2032 is serving to exacerbate Housing	Inability to commit to fully utilising the funding that the Scottish Government allocate to Orkney each financial year.	Loss of funding that is essential to Orkney meeting need for social / affordable housing. Rising pressure as more applicants further increase pressure on the Council's growing housing waiting list. Difficulties in OIC meeting its statutory homelessness requirements through placing households into permanent accommodation. Barriers to implementing the Rapid Rehousing Transition Plan. Inflationary impact on other housing sectors, particularly the private rented sector. Negative impact on local economy if economically active households cannot	Treat.	A house-build group has been established and meets regularly, drawing membership from the Council's Housing Service, Development and Infrastructure, the Scottish Government, Scottish Water and Orkney Housing Association Ltd. Multiple actions are being progressed. These include: A build project at Carness, Kirkwall is underway with 32 properties under development and expected to be completed by September 2021. Three further Council projects at Coplands Road, Stromness (8 properties), Repeater Road, Kirkwall (2 properties) and MacDonald Park, St Margaret's Hope (2 properties) are also currently underway. Discussions are ongoing with Scottish Water with a target of establishing sufficient capacity to enable additional planning applications to be approved. Orkney Housing Association Ltd is progressing a scheme to erect 12 houses at The Crafty in Kirkwall, and a further 8 units at Kirk Park in Orphir.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Revenue Account challenges. The impact of the above on the level of affordability of rents for tenants, given that a small Housing Revenue Account suffers from limited economies of scale. Orkney generally has rents which are within the highest 6 in Scotland. There is a lack of resource across all partner agencies (and the construction sector) which places limitations on responsiveness to additional demands. Rising prices due to COVID-19 and Brexit result in increased project costs, to the extent that they can prove to be too expensive to take forward. Orkney Housing Association Limited is also limited in the number of properties that it can develop due to financial constraints of their own. This increases the pressure on the Council to		secure affordable housing in the area. Young Orcadian families are increasingly being priced out of the private rented sector, cannot secure a suitable mortgage and/or are not high enough up the priority list to secure social rented housing. The frustration this causes can increase the likelihood that some of these households leave Orkney, resulting in further inhibition to the social fabric and economy of Orkney.		The Council is developing a Stage 2 CPA for a final 14 properties at Carness Road, Kirkwall. The aim is to have these properties presented to the Policy and Resources Committee in June 2021. This should allow for a 2021/22 site start. Off the shelf purchases are being investigated and considered (while considering the ability for the properties concerned to be brought up to the energy efficiency standards required by the Council where relevant).

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
build to utilise the available funding.				

Risk Number.		Risk Title.		Cluster.	Owner.	
14.		Early Learning and Childcare Expansion Plan.		Reputational.	Executive Director, Education, Leisure and Housing.	

Likelihood:	4.	Impact:	3.	RAG:	Yellow.	Current Risk Score:	12.	Target Risk Score:	10.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Leadership capacity.	Failure to recruit high quality candidates.	Lack of leadership in settings.	Treat.	Refocus the Leadership pathway to attract practitioners with 4-5 years' experience to support the development of leadership capacity in workforce.
Insufficient number of high quality and/or qualified practitioners.	Failure to recruit high quality candidates.	Vacant posts and repeated recruitment Impact on quality and outcomes for children. Poor inspection grades. Failure to meet National Standard.		Requirement for supporting practitioners to gain BA in Childhood Practice. Implementation of head teacher training to support development of pedagogical leadership capacity. Work with the college and Scottish Government ELC Improvement team to overcome the issues with recruitment for newly trained HNC practitioners. Explore possibility of running SVQ from central team.
Delay in completing 1140 building works.	Delay in completing renovation works at Glaitness and St Andrews.	Inability to meet statutory requirement to deliver 1140 to eligible children. Lack of places for children in Kirkwall settings, and		Monitor contingency plans for St Andrews and Glaitness.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
		requirement to fund/ transport children from Kirkwall to country settings.		
Failure to meet the National Standard, in particular due to reduced face to face training and quality assurance due to Covid restrictions.	Care Inspectorate Inspection grades of adequate or lower.	Inability to offer ELC in poorly performing settings and therefore inability to meet statutory requirement to deliver 1140 to eligible children.		Early years teaching team continue to deliver training. Recruit additional 1fte (following retirement of existing staff) Train and support a network of setting based practitioners to deliver outdoor / nature kindergarten experiences. Family worker Lead Early Years Practitioner (LEYP) supporting the roll out of PEEP Learning Together Programme with newly training cohort of setting based practitioners.
Insufficient budget to meet emerging demands of Scottish Government in relation to expansion, including impact of high tenders for infrastructure works.	Infrastructure project tenders returned over budget. New legislation/policy insufficiently funded for the local context (eg discretionary deferrals, nursery milk and snack).	Budget overspend.		Lobby Scottish Government so that they take account of the unique island challenges relating to new policies. Ensure Orkney attendance at national meetings / forums to ensure the remote and rural voice is heard. Ensure elected members are well briefed prior to national meetings.
Closure of partner provider and impact on 0-3 childcare capacity across the mainland.	Delay in providing an alternative service. Inability to appoint adequate numbers of practitioners.	Staff losses in settings in mainland Orkney due to lack of childcare.		Work with other departments to provide a short and long term solution.
Provision of 0-3 service that cannot break even.	Greater than acceptable losses.	Budget overspend.		Carefully monitor occupancy, staff ratios and fee payment to ensure the setting is running as efficiently as possible.

Risk Number.		Risk Title.					Cluster.		Owner.	
15.		Pandemic.					Pandemic.		Head of IT and Facilities.	

Likelihood:	5.	Impact:	5.	RAG:	Red.	Current Risk Score:		25.	Target Risk Score:	20.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The spread of a pandemic virus is likely to significantly hamper the ability of the Council to perform its statutory functions.	World Health Organisation declaration of a global pandemic. The declaration of a Major Emergency has led to the appointment of an Emergency Controller and the introduction of Emergency Governance Arrangements, approved by Council on 23 March 2020 which included temporary amendments to the Council's Standing Orders.	Service Delivery: Failure to carry out statutory duties - demand outstrips capacity. Cessation of non-urgent and elective work. Unable to provide certain services. Delays to capital programmes. Ability to successfully resolve emergency incidents. Ability to respond to concurrent events including Brexit or those contained within the Community Risk Register. Deterioration in staff experience adversely affecting team performance. Financial management and budgetary impact:	Treat.	Ongoing monitoring of workforce to give early indication of potential issues. Business Continuity Plans were invoked. Review of essential services in conjunction with Business Impact Analysis undertaken within Service Operational Recovery Teams (SORT). Redeployment to move staff from non-critical areas to more front-line roles. Consideration of issues within Strategic and Tactical environments. Creation of RENEW framework. Enhanced risk assessments in relation to COVID-19. Regular staff updates online and directly from Chief Executive. Positive staff leadership. Provision of online support packages through HR. Continuation of Duty Tactical Lead through emergency. Specific Finance code organised to record all spending relating to COVID-19. Central tracker evolving to capture COVID-19 costs, develop forecasts (revenue, capital, cash flow, procurement),

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
		Incurring additional unbudgeted COVID-19 spend.		management of stock, policy changes and Scottish Government reporting.
		Increased costs, reduced income, impact on capital projects etc.		Finance embedded in Strategic Incident Management Team.
		Appropriate governance.		Communication with Scottish Government ongoing regarding forecast additional costs and corresponding additional funding required to deliver services to the standard required.
		Ability to pay staff.		
		Legacy financial impact.		
		Impact on Strategic Reserve Fund.		Home working solutions in place for staff where required.
		Health and Safety:		Dialogue with Banks regarding processes.
		Failure to provide appropriate PPE.		Some internal audit capacity maintained.
		Ability to carry out statutory duties and support frontline response.		Co-ordination of ordering of Personal Protective Equipment (PPE) through Selbro.
		Exposure to virus, potential spreading and related absences.		Collaboration with NHS Orkney regarding PPE availability.
		Potential harm to critical service users and providers.		Initial ordering issues overtaken with use of Scotland Excel.
		Demand outstrips supply for business as usual supplies.		Pre planner and continual procurement of relevant supplies to support frontline response.
				Use of NHS National Services Scotland (NSS) and own routes to market.
		Demand outstrips supply for PPE.		Critical identification of PPE need.
		If the organisation does not seek to maintain and improve officer and staff		Engagement with Highland and Islands Local Resilience Partnership to identify shortages and need.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
		wellbeing during the response to COVID-19, there is a risk of increased absences, loss of discretionary effort and overall decrease in operational capacity. Lack of scrutiny surrounding Council functions. Mandatory duties of the Council – schooling, social services. Permissive duties of the Council – education and economic development. Regulatory powers – trading standards, environmental health and licensing. Joint working arrangements.		Procurement reviewing suppliers to allow fast track enabling of different routes to market. Guidance published on Council website regarding usage. Advice provided regarding managerial and social distancing - reduction in face to face meetings. Alternative solutions for meetings are being adopted e.g. Skype, Microsoft Teams, Video conferencing. Special General Meetings are arranged at short notice for all matters requiring policy decisions. Confidential meetings held with Senior Management Team and Elected members on a frequent basis to discuss COVID-19 matters. Regulatory committees, Monitoring and Audit Committee and Integration Joint Board meetings are taking place online through Microsoft Teams. Recordings of these are published on the Council website together with the associated minutes. The Strategic Incident Management Team meets regularly to enable swift determination of strategic matters. The Incident Management Team meets regularly to manage operational and tactical issues.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				Senior Management Team and Corporate Management Team continue to meet to address ongoing Council business.
				The Emergency Governance Arrangements are regularly reviewed to ensure the declaration of an emergency still remains relevant.
				Emergency response working strategy and structural arrangements are regularly reviewed.
				Debriefs arranged to capture initial identified points from initial response to the pandemic.
				Collaborative work with partner agencies to submit a funding proposal to provide suitable arrangements for asymptomatic testing across Orkney.

Risk Number.	Risk Title.		Cluster.	Owner.
16.	Inability to deliver core protection and support services for children and young people.		Legislative.	Interim Chief Officer, OHAC.

Likelihood:	3.	Impact:	5.	RAG:	Amber.	Current Risk Score:	15.	Target Risk Score:	10.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Children and young people are vulnerable due to the Council's need to improve policies, procedures and services as part of multi-agency child protection	Children and young people in need of protection and/or support do not have their needs met by the multi-agency team.	Children and young people are exposed to harm; children and young people are not provided with the best chances in early life; children and	Treat.	Comprehensive multi-agency improvement plan has been developed which addresses all areas for improvement.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
and support services, highlighted in the 'Report of a joint inspection of services for children and young people in need of care and protection in Orkney', February 2020.		young people are not supported in closing the opportunity gap. When performance shortfalls are highlighted in inspection reports, this clearly drives improvement. However, a collateral consequence can be that it makes it more difficult to attract permanent good quality staff to work in Orkney children's and young people's social work and social care services, exacerbating vulnerabilities.		Progress with this plan is closely monitored by the Chief Officers' Group and the relevant partner governance bodies. A follow-up inspection is currently underway and the draft report is expected to be shared by the Care Inspectorate and Health Improvement Scotland in July 2021.

Minute

Police and Fire Sub-committee

Thursday, 25 May 2021, 14:00.

Microsoft Teams.

Present

Councillors Andrew Drever, David Dawson, Alexander G Cowie, J Harvey Johnston, Gwenda M Shearer, Magnus O Thomson and Heather N Woodbridge.

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Les Donaldson, Safety and Resilience Manager.
- Georgette Herd, Solicitor.

Police Scotland:

- Chief Inspector Matthew Webb, Area Commander.
- Chief Inspector Alastair Garrow.

Scottish Fire and Rescue Service:

- Raymond Fallon, Group Manager.
- John McKenna, Station Commander.

Observing

- Rebecca McAuliffe, Press Officer.

Declaration of Interest

- Councillor Andrew Drever – Item 2.

Chair

- Councillor Andrew Drever.

1. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll (recorded vote).

2. Performance Against Local Policing Plan

Councillor Andrew Drever declared a non-financial interest in this item, in that he was Chair of Orkney Drugs Dog, but as the matter was not discussed in detail, he did not leave the meeting.

After consideration of a report by Chief Inspector Matthew Webb, Area Commander, copies of which had been circulated, the Sub-committee:

Scrutinised performance in respect of the Orkney Islands Local Policing Plan 2020-23, for the period 1 April 2020 to 31 March 2021, attached as Appendix 1 to the report by the Area Commander, and obtained assurance that progress was being made against the objectives.

3. Performance Against Orkney Fire and Rescue Plan

After consideration of a report by Iain Macleod, Local Senior Officer, copies of which had been circulated, and after hearing a report from Raymond Fallon, Group Manager, the Sub-committee:

Scrutinised the statistical performance of the Scottish Fire and Rescue Service, Orkney Islands area, for the period 1 January to 31 March 2021, detailed in the Quarterly Performance Report, attached as Appendix 1 to the report by the Local Senior Officer, and obtained assurance.

4. Conclusion of Meeting

At 15:02 the Chair declared the meeting concluded.

Signed: A Drever.

Contract Standing Orders

June 2021 Version 8.0

Version Control.

Version.	Updated by.	Date.	Details of change.
1.0.		November 2013.	Approved by General Meeting of the Council on 10 December 2013.
2.0.	Gary Butler.	17 January 2014.	Updated to include revised European Union (EU) Advertising thresholds.
3.0.	Rosemary Colsell.	21 June 2016.	Updated and revised to include the provisions of the Procurement Reform (Scotland) Act 2014 and the Procurement Scotland Regulations 2016. Approved by General Meeting of the Council 5 July 2016.
4.0.	Rosemary Colsell.	11 October 2017.	Revision to reflect new requirements at Clause 37.3.
5.0.	Rosemary Colsell.	22 March 2018.	Revision to reflect new Thresholds.
6.0	Rosemary Colsell	November 2019	Updated to reflect new procedures
7.0	Rosemary Colsell	20 January 2020	Updated to reflect new EU Thresholds
8.0	Rosemary Colsell	May/June 2021	Updated to reflect EU Exit and new internal procedures

Contents

1. Introduction

1.1. The purpose of Contract Standing Orders (CSOs) is to set clear rules for the procurement of Supplies, Services and Works for the Council. Following the rules should ensure that the Council is fair and accountable in its dealings with Contractors and in the award of Contracts. CSOs are intended to ensure that the Council obtains value for money for the Council taxpayer. Value for money is defined as the optimum combination of whole life cost and quality (or fitness for purpose) to meet the end users' requirements.

1.2. The CSOs are compiled in accordance with the Procurement Reform (Scotland) Act 2014, Public Contracts (Scotland) Regulations 2015, the Procurement (Scotland) Regulations 2016, the Concession Contracts (Scotland) Regulations 2016, the Utilities Contracts (Scotland) Regulations 2016 and the Public Contracts (Scotland) Amendment Regulations 2016.

1.3. The CSOs are to be read in conjunction with the Procurement Reform (Scotland) Act 2014 statutory guidance in recognition of the duty of Public Authorities to have regard to the guidance as detailed below.

- Procurement Reform (Scotland) Act 2014: statutory guidance, Guidance on procurement strategies and annual reports, the sustainable procurement duty, community benefit, tenders and award of contracts.

  https://www.gov.scot/publications/guidance-under-procurement-reform-scotland-act-2014/pages/5/
- Addressing Fair Work Practices, including the Real Living Wage, in Procurement: https://www.gov.scot/publications/addressing-fair-work-practices-including-real-living-wage-procurement-best/
- Procurement of Health and Social Care Services: https://www.gov.scot/publications/guidance-procurement-care-support-services-2016-best-practice/
- Scottish Procurement Policy Note (SPPN) 07/2016 Update to Guidance on the Procurement of Care and Support Services (Best Practice): https://www.gov.scot/Topics/Government/Procurement/policy/SPPNSSPANS/policy-notes/SPPN2016/CareSupportServicesBestPractice
- Scottish Procurement Policy Note (SPPN) 11/2020 Changes to Procurement legislation at the end of the EU Exit Transition Period https://www.gov.scot/publications/changes-to-procurement-legislation-at-the-end-of-the-EU Exit-transition-period-sppn-11-2020/
- Taking Account of Climate and Circular Economy Considerations in Public Procurement (SPPN) 01/2021.
- Scottish Procurement Policy Note (SPPN) 03/2021 Implementation of Fair Work First in Scottish Public Procurement.

1.4. All Contracts that are awarded by the Council, regardless of value shall be subject to an obligation to seek best value and be able to demonstrate transparency, equal treatment, non-discrimination and proportionality.

1.5. CSOs are designed to protect the interests of the Council and protect the interests of officers involved in procurement. CSOs enable officers to act confidently for the Council in the pursuit of best value. It is the responsibility of the Chief Executive and Executive Directors to ensure that officers within their jurisdiction or Service have a good understanding and where applicable a working knowledge of these CSOs.

1.6. Relevant UK and Scottish legislation overrides these CSOs only in so far as to ensure compliance with said legislative requirements.

1.7. The Executive Director with Procurement as part of their remit may approve guidance notes on Tendering and procurement matters for Contracts awarded by the Council. Guidance notes will be compiled by the Procurement Manager.

1.8. The Procurement Manager will publish a Corporate Procurement Manual to be read by officers in conjunction with the Contract Standing Orders and a control copy will be placed on the staff portal.

2. Definitions and Interpretation

2.1. Definition of terms is as follows:

Abnormally Low Tenders.	As defined within the Procurement (Scotland) Regulations 2015 and any subsequent Scottish Government Guidance when available.
Chief Officer.	The Chief Officer – Health and Social Care procuring the Supplies, Services or Works.
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.
Contract Documents.	Documents to be used in the tendering procedure and where different those that are intended to form part of any Contract following a tendering procedure. The Contract Documents include, but are not restricted to, the Single Procurement Document (SPD), the invitation to tender, the instructions to tenderers, terms and conditions of contract, the specification and technical requirements, pricing schedule, form of tender, certificate of bona fide tendering and any Bills of Quantities and includes any such documents or their equivalents using e-procurement.
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.
Dual Stage Procedure.	The below Threshold procedure which is equivalent to the Threshold Restricted Procedure.
Threshold.	The threshold for determining the application of the Regulations. In the case of the Procurement (Scotland) Regulations 2016 the threshold is £189,330 (Supplies and Services) and £4,733,252 (Works). In the case of the Utilities Contracts (Scotland) Regulations 2016 the threshold is £ 378,660 for Supplies and Services and £4,733,252 for Works. The previous EU Threshold values remain in place and the next review will be implemented by January 2022 as these are linked now to the World Trade Organisation and Government Procurement Agreement signatories.
Over Threshold Regulated Procurement.	Goods, Services or Works contracts with a value over theThreshold.
European Single Procurement Document (ESPD).	The standard form document introduced by the EU Public Procurement Directive (Directive 2014/241/EU) which replaced the pre-qualification questionnaire, the particular form of which was approved by the Scottish Government. This form must continue to be used for procurements linked to the European Structural and Investment Funds (ESIF) programmes.
Executive Director.	The Executive Director procuring the Supplies, Services or 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.
Government Procurement Agreement	The United Kingdom is a signatory to the World Trade Organisation's (WTO) Government Procurement Agreement (the

	GPA) and this remains as the UK is now a signatory in its own right following the end of the EU Transition Period.
Health and Social Care Services.	A public contract or framework agreement for social and other specific services listed in Schedule 3 of the Public Contracts (Scotland) Regulations 2015.
Health and Social Care Services Threshold.	£ 663,540
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.
Procurement Plan.	A summary of the planned procurement providing sufficient information to ensure that all relevant Council Policies have been followed, including the governance, identified budget, Contract Standing Orders, the Financial Regulations and the Sustainable Procurement Policy requirements.
Public Contracts Scotland (PCS) portal.	The Scottish Government's official national advertising portal for public sector contract opportunities www.publiccontractsscotland.gov.uk.
Relevant Officer	The Officer who has been delegated by either the Chief Executive, the Executive Directors or the Chief Officer to carry out this instruction as part of their duties.
Quick Quote.	An online quotation facility which allows the Council to obtain competitive quotes electronically for: • Low value requirements between £10,000 and £50,000; and • Unregulated Works Contracts (below the value of £2,000,0000), depending on

	complexity of contract (as defined in Clause 17).
Quotation.	A formal offer to supply or purchase supplies or provide services where the estimated value of the contract does not exceed £50,000 or to execute works with a value of £2,000,000 for works.
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.
Single Procurement Document (SPD).	The standard form document which replaces the European Single Procurement Document (ESPD) introduced by the new WTO/GPA Public Procurement Directive (Directive 2014/241/WTO/GPA) which replaced the pre-qualification questionnaire. The SPD is the particular form of which has been approved by the Scottish Government.
Single Stage Procedure.	The below Threshold procedure which is equivalent to the Threshold Open Procedure.
Supplies.	Goods or the hire of goods and for any siting or installation of those goods.
Sustainable Procurement Impact Assessment (SPiA)	A Sustainable Procurement Impact Assessment (SPiA) will be carried out for all relevant goods, services and works contracts where there is potential to minimise the use of carbon-based energy and its associated emissions.
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 Value Added Tax (VAT)) or more.

Tender Evaluation Panel	At least two people should be established and consist of individuals with demonstratable technical ability to evaluate tenders
Tender Opening Board	As described in Clause 32.7
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.

2.2. In interpreting these CSOs, any reference to any legislation, regulations or guidance shall be to that legislation, regulations or guidance as the same may be updated, amended, supplemented or replaced from time to time.

3. Compliance with Contract Standing Orders

3.1. Contracts awarded by the Council must comply with CSOs.

3.2. Officers are required to comply with these CSOs, the Scheme of Delegation to Officers, the Scheme of Administration and the Council's Financial Regulations. The Chief Executive, Executive Directors and Chief Officer will have in place policies, practices, procedures and training which ensure compliance. Failure to comply with the Scheme of Delegation to Officers, the CSOs and the Council's Financial Regulations may result in disciplinary action.

4. Conduct of Officers and Members

4.1. Members must abide by the Councillors' Code of Conduct published by the Standards Commission for Scotland available at: http://www.standardscommissionscotland.org.uk/codes-of-conduct/councillors-code-of-conduct.

4.2. Officers must comply with the Code of Conduct for Employees of Orkney Islands Council available on the Council portal.

5. Ethical Standards

5.1. In all dealings with Contractors, the Chief Executive, Executive Directors, and all officers must preserve the highest standards of honesty, integrity, impartiality and objectivity. In particular, officers engaged in procurement matters must:

5.1.1. Be fair, efficient, firm and courteous;

5.1.2. Maintain the highest possible standard of integrity in all business relationships;

5.1.3. Acquire and maintain current technical knowledge;

5.1.4. Achieve appropriate professional standards in the management of contracts;

5.1.5. Foster appropriate standards of professional competence amongst those for whom they are responsible;

5.1.6. Comply with the law, guidance on professional practice and contractual obligations;

5.1.7. Declare any personal interest which may affect or be seen by others to affect impartiality;

5.1.8. Respect the confidentiality of information received in the course of duty and ensure that information given in the course of duty is honest and clear; and

5.1.9. Respond promptly, courteously and efficiently to suggestions or enquiries, including Freedom of Information (FOI) request obligations according to Council policies.

5.1.10. Not knowingly work with suppliers that trade in slavery, prostitution or illegal drugs, or who breach International Labour Organisation conventions.

5.1.11. Not offer, give or agree to give anything, to any person an inducement or reward for doing, refraining from doing, or for having done or refrained from doing, any act in relation to the obtaining or execution of the procurement agreement or for showing or refraining from showing favour or disfavour to any person in relation to said Agreement which may constitute an offence under the Bribery Act 2010.

5.1.12. Take all reasonable steps, in accordance with good industry practice, to prevent fraud by Council Staff and the Supplier (including its shareholders, members and directors) in connection with the procurement of supplies, services and shall in the first instance notify their Line Manager, Head of Service or Executive Director immediately if they have reason to suspect that any fraud has occurred or is occurring or is likely to occur. Reporting in all cases should be in accordance with the Council's Corporate Anti-Fraud Policy and Whistle Blowing Policy.

6. Authority to Procure

6.1. No officer may manage a Procurement exercise unless authority has been delegated to them by the Chief Executive, Executive Director or Chief Officer.

6.2. The diversity of the work involved in procurement necessitates that officers are competent in a wide variety of generic procurement skills in addition to the specific technical skills and knowledge required when procuring specific Supplies, Services and Works. Officers with delegated authority to invite and manage Procurement exercises will be required to undertake specific procurement training.

6.3. The Procurement Manager is responsible for the training of officers in procurement matters and will maintain a list of officers with Delegated Authority to manage a Procurement exercise.

7. Separation of Duties

7.1. The roles of the client / budget holder and the officer with delegated authority to manage a Procurement exercise must not be performed by the same officer. The Chief Executive and Executive Directors will ensure separation of these key roles within the Procurement process.

8. Suspension, Variation and Revocation

8.1. These CSOs may be varied or revoked by the Council. Any variation to, or revocation of CSOs, will be effective on the first working day after the conclusion of the General Meeting of the Council at which it was approved.

8.2. CSOs or any part of them may be suspended by the Council in respect of a Contract on receiving a joint recommendation from the Chief Executive or Executive Director, and the Head of Finance, that there are special circumstances which justify such a suspension and that it is in the interests and within the powers of the Council to do so.

8.3. The Executive Director with Procurement as part of their remit will be able to vary these CSOs in the following operational circumstances:

8.3.1. To reflect changes in job titles, reorganisations of Council Services and vacancies in posts;

8.3.2. To change references to any piece of legislation where the legislation is repealed and to insert references to new pieces of legislation where the new pieces of legislation largely re-enact the provisions of the repealed legislation; and

8.3.3. To change the financial values of the Threshold where referred to in these CSOs.

8.4. The Procurement Manager will be responsible for ensuring that an up to date control copy of CSOs is placed on the Council's staff intranet and that, for the purposes of transparency an additional copy is published on the Council's website.

9. Value of Contract

9.1. The financial values stated throughout these CSOs represent the total value of the Contract over its whole life and are not, for example, the estimated annual value of the Contract.

9.2. Where the Contract is for Supplies or Services, the value of the Contract shall include all options under the Contract. For example, if the Contract allows the Council to either purchase additional Supplies or Services, or to extend the Contract beyond its original term, the financial implications of these must be included in the value of the Contract, even if the likelihood of taking up these options is small.

9.3. It is not permitted to deliberately divide any procurement exercise into two or more Contracts if the intention in doing so is to avoid the application of the financial thresholds in these CSOs or the Regulations.

9.4. All financial values stated in these CSOs are exclusive of VAT.

10. Financial Provision

10.1. Before inviting Tenders or Quotations or recommending the acceptance of Tenders, the Chief Executive and Executive Directors will be required to be satisfied that all necessary Council approvals are in place and sufficient budgetary provision has been made or will be made to cover the contractual commitment by the Council.

11. Equalities and Prevention of Discrimination

11.1. Before entering into a Contract the Chief Executive and Executive Directors will obtain from the Contractor an assurance, in writing, that to the best of the Contractor's knowledge the Contractor has complied with all statutory requirements under the Equality Act 2010.

11.2. The assurance referred to in CSO 11.1 may be obtained as part of the selection process as contained in the SPD which includes a requirement to comply with relevant Social Laws.

11.3. Contracts awarded by the Council will contain a condition obliging the Contractor to comply with all duties arising from the Equality Act 2010.

12. Form of Contract

12.1. Except in circumstances where the Executive Director of Corporate Services and the Head of Legal Services agree otherwise, every Contract shall be:

12.1.1. In the name of the Council;

12.1.2. In writing and in an approved form, using either the Council's standard conditions of Contract or, where applicable, government contracts or other specialist or professional body's terms and conditions e.g. Scottish Building Contracts Committee (SBCC), Association of Consulting Engineers (ACE), New Engineering Contract (NEC);

12.1.3. Signed by either the Chief Executive, the Head of Finance, the Head of Legal Services or other officer with written delegated authority to sign Contracts on behalf of the Council in accordance with the Scheme of Delegation to Officers for procurement matters; and

12.1.4. Subject to the laws of Scotland.

12.2. The Contract Documents in respect of all Contracts will be prepared by the Chief Executive or Executive Directors. When it is appropriate to do so, the Chief Executive and Executive Directors may make use of Contract Documents prepared by the Government Procurement Service, Scottish Procurement, Scotland Excel and other framework agreement providers where permitted by those bodies to do so. It is the Chief Executive and Executive Director's responsibility to ensure that the Contract Documents are suitable for the Contract.

12.3. All Procurement documents must clearly state that the FOI (Scotland) Act 2002 applies to Contracts awarded by the Council. This is to ensure that Contractors are aware that the Council may be required, as a matter of law, to release information to third parties.

13. Exemptions and Exceptions

13.1. Supplies, Services and Works shall be acquired by effective competition, including adequate publicity of the Contract, unless there are justifiable reasons to the contrary.

13.2. There shall be an exemption from these CSOs where:

13.2.1. The value of the Contract is less than £10,000 for Supplies and Services and Works;

13.2.2. It is a Contract of employment (Note: this exemption will not apply to Contracts for temporary staff or interim managers supplied by recruitment agencies, or an equivalent organisation);

13.2.3. The Contract is for care or housing support services or other forms of support or self-directed service as determined by the Self Directed Support legislation and relevant guidance, where the service user has the freedom to determine the identity of the service provider;

13.2.4. The Contract relates to the transfer, acquisition or disposal of an interest in heritable property including a license to occupy or use heritable property;

13.2.5. Tenders are invited on behalf of any consortium, or similar body, of which the Council is a member, in accordance with any such method adopted by such a body;

13.2.6. The Contract relates to the appointment of legal counsel to act on behalf of the Council;

13.2.7. The Council funds an external operator to provide Services on a non-contractual basis e.g. grant funded arrangements with the third sector. In such cases the principles of Following the Public Pound shall apply.

13.3. There shall be an exception from these CSOs where:

13.3.1. The Council is satisfied that there are special circumstances justifying an exception from these CSOs or any part of them;

13.3.2. In the opinion of the Chief Executive or Executive Directors, action is urgently required to prevent danger to life, serious risk to health, or damage to property;

13.3.3. It is a Contract for the provision of health, special education and / or social care services, and where, in the opinion of the Chief Executive, Executive Directors, Chief Officer or Chief Social Work Officer, it is considered that to undertake a competitive tendering exercise would have an adverse effect on the quality and continuity of service for service users and their relatives;

13.3.4. Where the Contract is an extension to an existing Contract and is not a Regulated Procurement, an over Threshold Procurement or an Unregulated Works Procurement (in which case see CSO 16), and which has been identified by the Relevant Officer as necessary and being so urgent as not to permit the invitation to tenders;

13.3.5. In the opinion of the Chief Executive, Executive Director or Chief Officer it is essential that the Contract is entered into for the settlement of any claim or litigation raised by or against the Council;

13.3.6. The Contract is funded by money provided by the government or another public body (including funds from the National Lottery) and the award of that money to the Council is subject to such conditions that make it impractical for the Council to comply with these CSOs in the letting of the Contract.

13.4. Where exceptions are sought in respect of Contracts with a value of greater than £10,000 the Chief Executive and Executive Directors will comply with the Non Competitive Action (NCA) procedure set out at Appendix 1.

13.5. The relevant Executive Director will maintain a central register of exceptions.

14. Contracts below £10,000

14.1. Where the contract value is less than £10,000 for Supplies and Services and Works, the Chief Executive, Executive Directors and Chief Officer will proceed in a manner which they consider to be the most expedient to the efficient management of their Service whilst ensuring that the Contract represents value for money to the Council.

14.2. The Chief Executive and Executive Directors may dispense with the need to obtain competitive quotations and instead maintain a written record of price checking or benchmarking where the value of the Contract is less than £10,000 in the case of Supplies and Services and Works.

15. All Contracts for Supplies and Services and Works above £10,000 – Procurement Plan

15.1. Where a contract value is over £10,000 the relevant Officer will ensure that a Procurement Plan is completed by the service lead and that an Officer with Delegated Procurement Authority is identified to undertake the procurement.

15.2. the Procurement Plan will describe the procurement planned and provide sufficient information to ensure that all relevant Council Policies have been followed, including the governance, identified budget, Contract Standing Orders, the Financial Regulations and the Sustainable Procurement Policy requirements.

15.3. The Relevant Officer will ensure that the Procurement Plan is authorised by the relevant Managers prior to the procurement exercise commencing. The Procurement Plan is to be submitted to the Procurement Manager in the first instance for authorisation who will forward to the relevant Head of Service and Executive Director or Chief Officer for further approval.

16. Unregulated Procurements with a contract value between £10,000 and £50,000 for Supplies and Services and Works

16.1. Where the value of the Contract is between £10,000 and £50,000 for Supplies and Services and Works, the Chief Executive and Executive Directors will invite a minimum of three written quotations from prospective Contractors with the experience and expertise to meet the requirement for Supplies, Services or Works. In circumstances where fewer than three quotations are obtained a written record shall be retained as to the reasons for this.

16.2. Technical and financial checks by means of the SPD (Scotland) shall not be necessary for Contracts below £50,000, instead a selection procedure relevant and proportionate to the subject matter and value of the contract shall be incorporated into the invitation to quote documentation.

16.3. Quotations may be invited and returned by either the Quick Quote system or by an open quotation contract advertisement placed on the PCS portal or, in very exceptional circumstances, by hard copy or email.

16.4. Route 1 of the Procurement Journey (or equivalent) (https://www.procurementjourney.scot/node/20) will be used when obtaining quotations where the Contract is for Supplies or Services and the Contract is between £10,000 and £50,000.

17. Regulated Procurements (with a contract value above £50,000 for Supplies and Services or £2,000,000 for Works, and below the Thresholds)

17.1. Route 2 of the Procurement Journey (or equivalent) and accompanying documentation as appropriate shall be used for all Regulated procurement exercises.

17.2. The SPD is to be used in all cases for Regulated Procurements.

17.3. The ESPD is still to be used where handling procurements linked to European Structural and Investment Funds (ESIF) programmes. EU law continues to apply to ESIF procurements which start after the end of the EU exit Transition Period. This means that public bodies should use the European Single Procurement Document for ESIF procurements instead of the new Single Procurement Document.

17.4. E-procurement must be used as the default position for all Regulated Procurements. Where e-procurement is being used, it shall be the responsibility of the Contractor to obtain the invitation to tender through the e-procurement system.

18. Unregulated Works Procurements (Works contracts with a value between £50,000 and £2,000,000)

18.1. Where the value of the Works Contract is between £50,000 and £2,000,000, the Chief Executive and Executive Directors will advertise the contract in accordance with CSO 21 and invite a minimum of three tenders from pre-approved Contractors with the experience and expertise to meet the requirement for Works. In circumstances where fewer than three tenders are obtained a written record shall be retained as to the reasons for this.

18.2 The SPD is to be used in all cases for unregulated Works procurements with a contract value between £50,000 and £2,000,000, unless the Dynamic Purchasing System is utilised (see CSO Clause 31).

18.3. Unregulated procurements for works may be invited and returned by either Quick Quote system or by an Open or restricted procedure contract notice placed on the PCS portal or, in very exceptional circumstances, by hard copy or email.

18.4. The use of this procedure for unregulated procurements is permitted where the procurement is of a standard nature and is not complex as defined in clause 18.5 below.

18.5. Complex procurements are procurements which are not routinely undertaken by the Council and may have unusual technical, legal or financial requirements.

18.6. Complex procurements will be required to follow the requirements for Regulated Procurements CSO Clause(s) 17.1, 17.2, 17.3, 17.4.

19. Regulated Procurements (with a contract value at and above the Thresholds for Supplies and Services and Works)

19.1. Route 3 of the Procurement Journey (or equivalent) and accompanying documentation as appropriate shall be used for all over Threshold Regulated procurement exercises.

19.2. The SPD is to be used in all cases for over Threshold Regulated Procurements.

19.3. E-procurement must be used as the default position for all WTO/GPA Regulated Procurements. Where e-procurement is being used, it shall be the responsibility of the Contractor to obtain the invitation to tender through the e-procurement system.

19.4. All contract notices for over Threshold Regulated Procurements will be passed for approval and issued by the Procurement Manager.

20. Contracts for Health and Social Care Services

20.1. Where a Contract is for Health and Social Care services and is above the Health and Social Care Services Threshold, the procurement regime set out in Chapter 3 of the Public Contracts (Scotland) Regulations 2015 shall apply.

20.2. Where a Contract is for Health and Social Care Services with a value below the Health and Social Care Services Threshold, the Council may choose to award without seeking offers, however there is still a requirement to comply with the WTO/GPA principles of transparency, equal treatment, non-discrimination; proportionality and mutual recognition where relevant.

20.3. Subject to the terms of Clause(s) 20.1 and 20.2 above, where a Contract is for Health and Social Care Services has a value below £50,000, the Council may choose to award without seeking offers.

20.4. In instances as described above where there is award of a contract without competition, a non-competitive action form must be completed and authorised by the Chief Executive prior to contract award in accordance with CSOs Clause 13 and as set out in Appendix 1.

21. Publicity of Contract Opportunities

21.1. The Council is under a duty to ensure that for each Contract that it intends to award the Contract is given a degree of advertising which is sufficient to ensure open competition and to meet the requirements of the principles of equal treatment, non-discrimination and transparency. Contracts that are Regulated Procurements and those that exceed the Threshold must comply with the advertising requirements set out in the Regulations.

21.2. The following minimum advertising procedures will apply:

21.2.1. Contract Notice for Supplies and Services where the Contract exceeds £50,000 will be uploaded on the PCS portal and advertised in the local newspaper or appropriate additional means where there is a local market for a minimum duration of one week;

21.2.2. Contracts for Works where the Contract exceeds £50,000 will be advertised in the local newspaper for a minimum duration of one week;

21.2.3. In addition to the advertising requirements at CSO 21.2, where the value of a Contract for Works exceeds £2,000,000 the contract notice will be uploaded on the PCS portal;

21.2.4. Contract Notice for Supplies and Services and Works where the Contract exceeds the Thresholds will be uploaded to the new Find a Tender System via the PCS Portal.

21.3. The requirement to publish notices on Public Contracts Scotland (PCS), which comes from the Procurement Reform (Scotland) Act 2014, remains. Whilst public bodies are no longer be required to publish notices in the Official Journal of the

European Union (OJEU), these notices are now published on a new UK e-notification system called Find a Tender System (FTS) instead.

21.3.1. FTS has been developed to comply with international agreements such as the GPA, which requires relevant procurements in the UK to be advertised through a single point of access available free of charge. To meet this requirement to publish on FTS, public bodies should continue to use PCS.

21.4. In addition to the advertising requirements referred to in CSO 21.2, or where it is felt that insufficient interest may be generated, the Chief Executive, Executive Directors and Chief Officer may decide to advertise the Contract opportunity in any other way.

21.5. In exceptional circumstances, for example where using market knowledge it is known that there is no capacity locally to meet the requirements of a Contract, the Chief Executive, Executive Director or Chief Officer may dispense with the requirement to advertise in the local paper.

21.6. All Contract Notices published on the PCS portal will be subject to the prior approval of the Procurement Manager for over Threshold Regulated Procurements.

21.7. Contract notices advertising Contracts will include the selection and award criteria to be used to evaluate submissions for both the SPD selection stage and the award criteria stage of both Open and Restricted Procedure procurements.

21.8. Where a Contract is to be awarded following a restricted procedure or competitive procedure with negotiation, a call for competition may be made by means of a prior information notice, published in accordance with the Regulations.

22. Procedures

22.1. Where the estimated value of any Contract is likely to be equal to the value of a Regulated Procurement or exceed the Threshold, the Chief Executive and Executive Directors or Chief Officer will be responsible for determining whether or not the Regulations apply and will refer the matter to the Procurement Manager who will provide guidance and assistance in determining the appropriate Contract award procedure.

22.2. Where it is established that the full procedural requirements of the Regulations apply, the Chief Executive and Executive Directors, will ensure that the Contract is advertised, tendered, evaluated and awarded in accordance with the Regulations.

22.3. Where other competitive routes are available to Council for consideration such as the Dynamic Purchasing System, Competitive Dialogue, Negotiated Procedure without Prior Publication, Competitive Procedure with Negotiation, and Innovation Partnership, the Chief Executive and Executive Directors or Chief Officer will refer the matter to the Procurement Manager and Head of Legal Services who will provide guidance and assistance in determining the appropriate Contract award procedure and the specific Regulation(s) that will apply.

22.4. The Relevant Officer will determine in consultation with the Procurement Manager where the use of lotting strategies is appropriate and would have the effect of ensuring that the Contract opportunity is accessible to small and medium-sized enterprises.

23. Commodity Strategy

23.1. The Relevant Officer in consultation with the Procurement Manager will ensure that an appropriate Commodity Strategy is prepared for each individual Regulated Procurement and over Threshold Regulated Procurement.

23.2. The Commodity Strategy must be prepared by officers with the appropriate Delegated Authority and be proportionate to risk, value and the strategic importance of the commodity to the Organisation.

23.3. The preparation of the Commodity Strategy will ensure that proportionate consideration is given to planning, Sustainable Procurement and Risk Management prior to commencement of the procurement. See more at: https://www.procurementjourney.scot/route-2/route-2-develop-strategy.

23.4. A Commodity Strategy is not required for mini-competitions carried out or work packages called off under Framework Agreements established by external agencies, by the Council; or for work packages placed under the Council's framework arrangements. This CSO will apply in instances where the justification to utilise these arrangements have been authorised by the Chief Executive, Executive Directors and Chief Officer as appropriate.

24. Contract Award Criteria

24.1. For Regulated Procurements and over Threshold Regulated procurements award criteria must in all cases be advertised and awarded on the basis of the most economically advantageous tender (MEAT), it is not permissible to award on the basis of cost only.

24.2. For Procurements over the value of £10,000 for Supplies and Services, and for Works over the value of £50,000, Contracts shall be awarded on the basis of the Tender which is: the MEAT using both quality and cost award criteria unless there are exceptional reasons that are proportionate and related to the subject matter of the contract and always in the context overall of best value.

24.3. Contracts may in exceptional circumstances be awarded on the basis of a fixed price or cost where economic operators may compete on quality criteria only.

24.4. For Procurement of Works under the value £50,000 may in exceptional circumstances be awarded on the basis of cost or price and always in the context of best value. Prior to utilising this CSO, a risk assessment shall be undertaken which evidences overall best value and is recorded on the contract award recommendation report as referred to in CSO 39.

24.5. When developing the Contract Documents the Chief Executive and Executive Directors will include award criteria that relate directly to, and is proportionate with, the subject matter of the Contract.

24.6. The award criteria will be clearly defined in the Contract Documents and in the contract notice so that Contractors have a common understanding and will, depending on the subject matter of the Contract, include:

24.6.1. Quality / technical merit;

24.6.2. Qualification and experience of staff assigned to performing the contract, where the quality of the staff assigned can have a significant impact on the level of performance of the contract;

24.6.3. Design, functional characteristics and aesthetics;

24.6.4. Sustainability and community benefit / social issues where appropriate;

24.6.5. Innovation;

24.6.6. Maintenance, including on-going technical support and after sales support;

24.6.7. Delivery or period of completion;

24.6.8. Price;

24.6.9. Life Cycle Costing which shall be objectively verifiable, non-discriminatory and indicated in the procurement documentation.

24.7. The Chief Executive, Executive Directors and Chief Officer will decide on an overall ratio or split between criteria and allocate weightings and sub-criteria as appropriate.

25. Contract Payments

25.1. Proposed payment arrangements under a Contract must be discussed and agreed by the Director of Finance in advance of any Contract being entered into. However the Director of Finance may issue guidance on approved payment arrangements.

26. Restricted or Dual Stage Procedure

26.1. The Chief Executive or Executive Director may approve the use of a Restricted or Dual Stage Procedure which, subject to CSO 32 electronic tendering, will be advertised and conducted in accordance with CSOs 21 and 26.

26.2. The contract notice will contain sufficient information to enable potential tenderers to determine whether they are interested in bidding for the Contract. The information contained within the contract notice will include the title and a short description of the proposed Contract, the duration, estimated commencement date, the estimated value and the selection criteria used. The contract notice shall also

indicate whether e-procurement is to be used and a link to
https://www.publiccontractsscotland.gov.uk/.

26.3. The contract notice will specify a date and time by which requests to be selected to tender must be received. For the selection stage, this must be no sooner than 30 days from the date the contract notice is published unless reductions in timescales are available. For the tender stage, this must be no sooner than 30 days from the invitation to tender is issued. Where the submission of tenders electronically is permitted, the minimum time limit for receipt of tenders can be reduced to 25 days. Where the Contract exceeds the Threshold the timescales referred to in the Regulations will apply.

26.4. The Chief Executive, Executive Director or Chief Officer will issue an SPD to all Contractors responding to the contract notice via the PCS portal;

26.5. The Relevant Officer Relevant Officer will ensure that the SPD Supporting Statements that are issued to all Contractors responding to the contract notice are tailored to, and are relevant and proportionate to, the subject matter of the proposed Contract.

26.6. No Contractor will be invited to submit a Tender unless they have successfully complied with the technical and financial checks in CSO 33 and have met the selection criteria to be invited to tender set out in the SPD.

26.7. The Relevant Officer will select a sufficient number of Contractors to be invited to tender. To ensure genuine competition, the number of Contractors selected to be invited to tender shall not be less than five, unless agreed by the Chief Executive, Executive Directors or Chief Officer. In circumstances where fewer than five Contractors submit an SPD, all of the Contractors that have met the selection criteria shall be invited to tender.

26.8. The Chief Executive, Executive Director or Chief Officer will send invitations to tender, in writing, simultaneously to each Contractor selected to tender and the invitation to tender will be accompanied by the Contract Documents. The invitation to tender shall state the requirements in CSOs 34 and 35.

26.9. As a minimum, the invitation to tender will include the following:

26.9.1. Instructions to tenderers;

26.9.2. Final date and time for the receipt of tenders by the Council;

26.9.3. Where e-procurement is not being used the address to which tenders must be sent;

26.9.4. Terms and conditions of Contract;

26.9.5. The specification which clearly describes what is required;

26.9.6. The award criteria to be used in the evaluation of tenders;

26.9.7. Tender response requirements;

26.9.8. Form of tender;

26.9.9. Certificate of bona fide tendering;

26.9.10. Compliance Statement as appropriate.

27. Open or Single Stage Procedure

27.1. The Relevant Officer may approve the use of an Open or Single Stage Procedure which, subject to CSO 32 electronic tendering, will be conducted and advertised in accordance with CSOs 21 and 27.

27.2. The contract notice will contain sufficient information to enable any potential tenderer to determine whether they are interested in bidding for the Contract. The information contained within the contract notice will include the title and a short description of the proposed Contract, the duration, estimated commencement date, the estimated value, the selection criteria used and community benefits clauses where they are being used. The contract notice shall also indicate if e-procurement is being used and provide a link to https://www.publiccontractsscotland.gov.uk/.

27.3. The contract notice will specify a date and time by which applications for invitations to tender must be made. The date and time specified will be no sooner than 35 days from the date the contract notice is published. Where the submission of tenders electronically is permitted, the minimum time limit for receipt of tenders can be reduced to 30 days. Where the Contract exceeds the Threshold the timescales referred to in the Regulations will apply.

28. Use of Framework Agreements provided by External Agencies

28.1. The Chief Executive, the Executive Directors and Chief Officer will consider the use of Framework Agreements established by other bodies as part of the route to procurement decision.

28.2. The Chief Executive, the Executive Directors and Chief Officer will determine whether, where a market outwith the framework suppliers is established and where the contract value is below that of a Regulated Procurement or a over Threshold Regulated Procurement, the Contract should be advertised directly to the known suppliers in addition to the call off contract opportunity sourced through a Framework Agreement.

28.3. Where a Framework Agreement is provided by a Framework Provider other than the Council, a check should be undertaken by the Procurement Manager in consultation with the Head of Legal to determine the Council's eligibility to use that Framework Agreement prior to its use.

28.4. Where it has been clearly identified that the Council is eligible to utilise the Framework Agreement, the procedures for the use of that Framework Agreement must be strictly complied with in all instances.

28.5. The duration of the individual contracts based on a Framework Agreement do not need to coincide with the duration of that Framework Agreement, but might as appropriate be shorter or longer.

28.6. A contract award notice will be published on conclusion of a call-off from a Framework Agreement. A contract award letter will also be issued to the provider, and the Contract will be entered in the Contracts Register.

29. Concluding a Framework Agreement

29.1. The Council may establish a Framework Agreement with either one or a minimum of three economic operators, where there are three economic operators to satisfy the selection criteria.

29.2. The Council must advertise the Contract in accordance with these CSOs, depending on the value of the Contract.

29.3. The period of such arrangements shall not exceed four years without specific justification which must be published when the requirement is advertised.

29.4. Where the Council concludes a framework agreement with more than one economic operator, a specific contract may be awarded:

29.4.1. By direct award in accordance with the terms laid down in the framework agreement without re-opening competition; or

29.4.2. Where the terms of the Framework Agreement permit, by carrying out a mini competition prior to award.

29.5. Where a contract is for the supply of goods or materials or the provision of services or works by means of a call off contract within a framework agreement, and where that framework agreement allows for direct award of call-off contracts without further competition, formal tendering shall be carried out only once prior to the commencement of such arrangement.

29.6. Once awarded, a framework agreement shall remain closed to the admission of new contractors / suppliers / service providers for the lifetime of the Framework Agreement.

29.7. The Council must not use a framework agreement improperly or in such a way as to prevent, restrict or distort competition.

30. Extensions to Existing Contracts

30.1. Subject to CSOs 30.2 to 30.5, where the Relevant Officer considers that an existing Contract should be extended and the option to extend is given to the Council in terms of the Contract, the Chief Executive or Executive Directors may authorise the take-up of that option.

30.2. Where the Contract does not make provision for the extension of the Contract, the Relevant Officer shall not extend the Contract, unless the use of the procedure in CSO 30.3 has been followed.

30.3. Contracts awarded as Regulated Procurements and over Threshold Regulated Procurements may only be extended where the procedure in Section 72 of the Public Contracts (Scotland) Act 2015 is followed.

30.4. For the purposes of CSO 30.1 an extension of a Contract includes the option to increase the amount of Supplies, Services or Works as well as the option to lengthen the duration of the Contract.

30.5. Where the Contract does not make provision for the extension of the Contract and the initial Contract was below the Threshold, the total value of the Contract, including the value of the extension will not exceed the Threshold.

30.6. Where the Contract has been established for a low value supply, service or works below £10,000 or a Contract established following approval of a non-competitive action and are not Regulated procurements, subsequent variations to that Contract should not exceed 50% of the initial value of the Contract.

31. Dynamic Purchasing System

31.1. Establishment of a Dynamic Purchasing System (DPS) should be considered in instances where goods, services or works are commonly used by the organisation and which are readily available on the market.

31.2. The Relevant Officer shall ensure that the DPS is set up and run in accordance with the information available on the Procurement Journey website at Dynamic Purchasing Systems.

31.3. The Relevant Officer shall ensure that the DPS is open at all times during its operation for new suppliers to join.

31.4. The Relevant Officer may keep a list of Contractors who have been appointed to a Dynamic Purchasing System managed by the Authority and who may be invited to tender for Contracts for Supplies and Services up to maximum value of £50,000 and for Works up to £2,000,000.

31.5. The selection of tenderers from the Contractors appointed to the Dynamic Purchasing System will be the responsibility of the Chief Executive or Executive Directors.

31.6. The Dynamic Purchasing System will contain the names of the Contractors that wish to be included on the list and whose inclusion on the list has been approved by the Relevant Officer. The Relevant Officer will not include a Contractor on the list unless a satisfactory review has been carried out to establish the technical capability of the Contractor and an assessment of the financial standing carried out by the Head of Finance.

31.7. The Relevant Officer will review the Contractors appointed to the Dynamic Purchasing System at least once every five years and undertake an assessment of insurance and financial standing on an annual basis.

31.8. The advertisement inviting applications to be appointed to the Dynamic Purchasing System will indicate the categories of Supplies, Services and Works to be included in the Dynamic Purchasing System and will be advertised in accordance with CSO 21.

31.9. The Relevant Officer will maintain records detailing the following:

31.9.1. The rejection or exclusion of Contractors from the Dynamic Purchasing System and the reasons for such exclusion or rejection; and

31.9.2. Arrangements to monitor the financial status of Contractors included on the approved list.

31.10. In the event that a Contractor is removed from the Dynamic Purchasing System or has an application to be added to the Dynamic Purchasing System refused, the Contractor shall be advised of the decision forthwith and the Relevant Officer shall keep a record listing the name and address of the Contractor and explaining the reasons why that Contractor has been removed from the Dynamic Purchasing System or why the application was refused.

31.11. The Relevant Officer will ensure that no Contractor has been excluded from, or included on the Dynamic Purchasing System by reasons of consideration of non-commercial matters within the meaning of Section 17 of the Local Government Act 1988 or any statutory modification or re-enactment thereof.

31.12. The Relevant Officer may suspend a Contractor from a Dynamic Purchasing System in circumstances where the Relevant Officer have serious concerns regarding the Contractor's ability to provide the Supplies, Services or Works in relation to which the Contractor is appointed to the Dynamic Purchasing System. The suspension will allow the Relevant Officer to carry out investigations regarding the Contractor's fitness to remain appointed to the Dynamic Purchasing System. The suspension shall be for a period not exceeding six months or until the end of the investigation, whichever is sooner, at which point the Relevant Officer must either reinstate the Contractor to the Dynamic Purchasing System or remove the Contractor from the Dynamic Purchasing System and CSO 31.9 will apply.

31.13. The Procurement Manager is to be consulted prior to consideration of the set up of a new Dynamic Purchasing System.

31.14. Notices for contracts awarded under a Dynamic Purchasing System, where the System was put in place prior to 31 December 2020, will require to be published on OJEU. The PCS advertising portal will ensure that this happens.

32. Electronic Tendering

32.1. Unless the Relevant Officer has agreed otherwise, tendering exercises shall be conducted by electronic means, provided that:

32.1.1. Electronic tendering is to take place using a system which has been approved by the Executive Director with Procurement as part of their remit; and

32.1.2. To use electronic tendering would not significantly restrict or distort competition.

32.2. Where electronic tendering is in use the contract notice will be published in accordance with CSO 21 and will provide information as to the internet address which offers unrestricted and full access by electronic means to the Contract Documents.

32.3. This CSO 32.3 shall replace CSOs 33, 34 and 35 in their entirety and where electronic tendering is in use the Relevant Officer will ensure that:

32.3.1. No Tender submitted by electronic means will be considered unless it is received in the format requested by the Council and at the electronic address specified by the Council before the deadline for the receipt of tenders;

32.3.2. Each tender is kept unopened in a single secure electronic mailbox that cannot be opened before the deadline for the receipt of tenders; and

32.3.3. For each tendering exercise the electronic tendering system shall, and if required for audit purposes, produce a record to show the time and date of the receipt of tenders.

32.4. Managers with Delegated Procurement Authority to a Level 4 in consultation with the Procurement Manager may extend the deadline for the submission of tenders by notifying all tenderers of the extension in the following circumstances:

32.4.1. Before Tenders are received by the Council;

32.4.2. Following the receipt of Tenders but before the Council has opened the tenders due to the functionality of the e-procurement system, and

32.4.3. Independent evidence has been obtained by the Council that the electronic tender advertising portal used was not operational immediately prior to and during the submission of tender deadline due to technical reasons.

32.5. Where an extension of the deadline for the submission of Tenders has been granted in accordance with CSO 32.4, tenderers that have submitted Tenders may be given the opportunity to re-submit their Tenders. Where tenderers are permitted to re-submit Tenders, the same opportunity will be extended to all tenderers.

32.6. Tenders with a value of over £50,000 that have been submitted by electronic means in accordance with this CSO 32 will be opened by an Elected Member and two officers one of whom must be on a salary grade of G9 or above.

32.7. When recording Tenders that have been submitted by electronic means, the Tender Opening Board must check the following:

32.7.1. That the Form of Tender has been signed and dated by the tenderer;

32.7.2. That the Certificate of Bona Fide Tendering has been signed and dated by the tenderer;

32.7.3. That the Price schedule has been completed;

32.8. If a Tender is incomplete, or does not conform to the Contract Documents, the Relevant Officer may decide to disqualify the Tender. If the Tender is disqualified the Relevant Officer must inform the tenderer at the earliest opportunity that the Tender has been disqualified and the reasons for disqualification.

32.9. Formal Tender opening procedures are not required for receipt of tenders for selection stage of the Restricted Procedure, establishment of a Dynamic Purchasing System or for the establishment of a Framework Agreement where no pricing is fixed at the initial stage.

32.10. For the avoidance of doubt, for regulated procurement, formal Tender opening procedures are required for all Open Procedure Tender submissions, and for subsequent call offs or mini-competitions from a Framework Agreement or works packages awarded via the Dynamic Purchasing System in accordance with CSOs 32.6 and 32.7 above.

33. Technical and Financial Checks

33.1. No Contractor may be awarded a Contract unless, following a review of the proposed Contractor, the Relevant Officer are satisfied as to:

33.1.1. The technical capability of the proposed Contractor; and

33.1.2. The financial standing of the proposed Contractor.

33.2. The assessment of the financial standing of proposed Contractors will be undertaken by the Head of Finance.

33.3. It shall not be necessary to review the financial standing of a Contractor where the estimated value of the Contract is £50,000 or below.

33.4. It shall not be necessary to review the financial standing of a Contractor where a Contract is awarded either following a further competition under a Framework Agreement or a Dynamic Purchasing System. Further review of the financial standing of a contractor will not be necessary where a periodic financial review is undertaken as a condition of the contractor's appointment to the Framework Agreement or Dynamic Purchasing System.

33.5. The Relevant Officer will keep a record showing the results of each check of technical capacity and financial standing of Contractors.

34. Receipt and Custody

34.1. For hard copy Tenders the envelope containing the tender will be addressed to the Chief Executive as specified in the Contract Documents in whose custody it shall remain until the time arranged for its opening.

34.2. CSO 34.1 will not apply where e-procurement is used. Where e-procurement is in use CSO 32 will be complied with.

35. Late Tenders

35.1. Tenders received after the closing date and time specified in the Contract Documents will not be considered. Late Tenders will be returned to the Tenderer with a covering letter explaining why the Tender is not being considered. Late Tenders may be opened to ascertain the name of the tenderer but no details of the tender shall be disclosed.

36. Opening of Hard Copy Tenders

36.1. Tenders must be opened, simultaneously, in the presence of an Elected Member and two officers, one of whom must be on a salary grade of G9 or above.

36.2. When opening the Tenders, the Tender Opening Board comprising the Elected Member and two officers in accordance with CSO 36.1. must check the following:

36.2.1. That the Form of Tender has been signed and dated by the tenderer;

36.2.2. That the Certificate of Bona Fide Tendering has been signed and dated by the tenderer;

36.2.3. That the Price schedule has been completed;

36.3. If a Tender is incomplete, or does not conform to the Contract Documents, the Relevant Officer may decide to disqualify the Tender. If the Tender is disqualified the Chief Executive or Executive Directors must inform the tenderer at the earliest opportunity that the Tender has been disqualified and the reasons for disqualification.

36.4. Electronic tenders received via an electronic post box will be opened and recorded in accordance with CSOs 32.6 to 32.8.

37. Tender Evaluation

37.1. All Contracts will be awarded in accordance with the published award criteria and no others.

37.2. Tenders will be evaluated by a Tender Evaluation Panel which consists of at least two officers with demonstrable technical ability to evaluate tenders.

37.3. Officers are required to complete a conflict of interest form for each individual tender evaluation prior to consideration and acceptance as a member of the Tender Evaluation Panel.

37.4. As a matter of good practice no member of the Tender Evaluation Panel shall assess both the quality and price aspects of a Tender.

37.5. In instances where evaluation of price requires expert analysis additional advice to be sought from the service area.

37.6. Where an Abnormally Low Tender is identified, the Procurement Manager and Legal Services will be consulted; prior to any decision made as to the treatment of the Abnormally Low Tender submission.

38. Checking of Tenders and Post Tender Negotiations

38.1. All Tenders shall be subject to checking by the Relevant Officer who will prepare a written report in respect of all Tenders received in a form that complies with CSO 39 and that contains a specific recommendation as to the acceptance of the successful Tender or Tenders and the reasons for the award recommendation.

38.2. Between the last date and time for the receipt of Tenders and the date on which a decision is taken as to which, if any, Tender is to be accepted, the Relevant Officer may choose to enter into post tender negotiations. Post tender negotiations will only be undertaken in circumstances where the Relevant Officer have identified the tenderer who has submitted either the lowest price or most economically advantageous tender, and where the Relevant Officer is satisfied that there is scope for improvement in the Tender received and that such negotiations will be in the best interests of securing better value for money or improved terms to the Council. Post tender negotiations may only be used where that Tenderer is clearly identified. Post tender negotiation shall not be used to put other tenderers at a disadvantage or distort competition.

38.3. Where it is considered possible that post tender negotiations might apply, a clear indication will be given to prospective Contractors in the contract documents that post tender negotiation might be considered.

38.4. Between the last date and time for the receipt of Tenders and the date on which a decision is taken as to which, if any, Tender is to be accepted, the Relevant Officer may contact a tenderer in respect of any Contract to validate or to clarify the terms of the Tender.

38.5. Notwithstanding the other terms of this CSO 38, where examination of the Tenders reveals obvious errors and discrepancies which would affect the tender figures, errors will be dealt with as follows:

38.5.1. Any obvious arithmetical errors will be rectified by the Relevant Officer checking the tenders and the amount of tender shall be held to be correct so rectified and the tenderer informed of the corrected amount;

38.5.2. Where there is an obvious and genuine error in rates occurring, the tenderer will be given the opportunity of either confirming that he / she agrees with their tender being considered with the error remaining or withdrawing their tender. This procedure must be undertaken in writing. In the event that the tenderer decides to withdraw his / her tender, it will not be considered for acceptance. The tenderer must not be given the opportunity to submit an amended tender;

38.5.3. Tenders which include Bills of Quantities must be checked for arithmetical accuracy, and where inaccuracies are found, the tenderer must be given the opportunity to correct them in accordance with any applicable Code of Practice e.g. ACE, NEC, Institution of Civil Engineers (ICE) or Joint Contracts Tribunal (JCT).

38.6. A written record will be kept by the Relevant Officer where post tender negotiation has been used. The written record will include the justification for authorising post tender negotiations, the nature of the negotiations and the outcome of the negotiations.

39. Content of Award Recommendation Reports

39.1. For all Contracts established through a competitive procedure, a Contract award recommendation report will be prepared for consideration and approval by the Chief Executive, the Executive Director or Chief Officer of the relevant service area detailing the following information:

39.1.1. The nature of the requirements of the Contract and date that the Procurement Plan was completed and authorised;

39.1.2. The tendering procedures adopted;

39.1.3. A comparative digest of offers received;

39.1.4. For unregulated procurements for Supplies and Services and Works, the reason, where applicable, for receiving less than three quotations:

39.1.5 For procurement of works with a value of under £50,000, where the award criteria is based solely on cost/price, a summary of the risk assessment undertaken and the outcome of this;

39.1.6. Identification of Abnormally Low Tenders where applicable and actions taken;

39.1.7. A statement to confirm that CSOs have been complied with;

39.1.8. A statement to confirm that a Sustainable Procurement Impact Assessment has been carried out where this is applicable;

39.1.9. Confirmation that the Contract is within budget and details of budget ledger code and where applicable, capital approval;

39.1.10. Details of any clarifications carried out and where post tender negotiation has been used a written record of the justification for its use, and the nature and outcome of the negotiations;

39.1.11. Benefits and savings available; and

39.1.12. A recommendation on the award of the Contract or Contracts.

40. Acceptance

40.1. Contracts will be signed by the Chief Executive, the Head of Finance or the Head of Legal Services or other officer with delegated authority to sign Contracts on behalf of the Council in accordance with CSO 12.1.

40.2. In relation to all Contracts, the Chief Executive and Executive Directors will keep a written record showing the assessment of each Tender against the published award criteria. The written record will demonstrate why the successful Tender was chosen and a statement to confirm that the Council's CSOs have been complied with.

40.3. All Tenderers will be informed in writing of the success or otherwise of their Tender as soon as reasonably practicable after the approval of the Contract award recommendation report prepared in accordance with CSO 39.

40.4. Where the Contract exceeds the Threshold and the full procedural requirements of the Regulations apply, no Tender will be accepted until the mandatory standstill period has expired and the Chief Executive and Executive Directors are satisfied that no valid challenge has been received in relation to the Contract award decision.

40.5. The mandatory standstill period is a period of at least 10 calendar days between the date of dispatch of the letters issued (by email) and the date when it is proposed to enter into the Contract.

40.6 Where a challenge is made to the Contract award decision before the Contract is made, the Chief Executive or Executive Directors will refer the matter to the Head of Legal Services for consideration.

41. Contracts Register

41.1. The Procurement Manager will maintain a central register of all Contracts and ensure that an up to date web-based contracts register for contracts with value of £50,000 or more are available via the https://www.publiccontractsscotland.gov.uk portal. To meet the Council's statutory requirements of transparency the live Contracts Register is publicly available via the PCS Portal.

41.2. The Contract information that shall be entered into the register is as follows:

41.2.1. The date of the award of contract;

41.2.2. The name and address of the Contractor;

41.2.3. A description of the purpose of the Contract;

41.2.4. The duration of the Contract;

41.2.5. The estimated value of the Contract including any extensions available;

41.2.6. The start date;

41.2.7. The end date for the contract, or the circumstances in which the contract will end;

41.2.8. The duration of the potential extension periods to the Contract; and

41.2.9. Any other information relating to the Contract which the Chief Executive considers to be material.

41.3. The Council shall maintain a single, centrally managed internal contracts register for the purposes of business planning which shall be managed by the Council's Procurement Team.

41.4. The Chief Executive, Executive Directors and Chief Officer shall provide a plan to the Procurement Manager no later than 1 April each year showing their plans for contracting activity in the following two calendar years, in order to allow for the publication of the Council's Annual Procurement Strategy and Plan by 31 December of each year.

41.5. For the purpose of maintaining a register in accordance with CSO 41, the Relevant Officer will send a copy of all Contract award letters to the Procurement Manager.

42. Contract Award Notice

42.1. For the purpose of transparency, where the Contract has been advertised in accordance with CSO 21.2, the Relevant Officer will publish a Contract award notice on the PCS portal.

42.2. A contract award notice must be published on the PCS portal for all over Threshold Regulated Procurements, Regulated Procurements, for all Health and Social Care Contracts including direct awards, all Framework Agreement call-offs and purchases under a Dynamic Purchasing System or Negotiated Procedure where appropriate.

42.3. Where the Contract exceeds the Threshold and is subject to the Regulations a contract award notice must be published no later than 48 days after the award of the Contract.

42.4. For Regulated procurements and for over Threshold Regulated Procurements which are equal to or greater than £4,000,000 the contract must include the following:

42.4.1. A summary of the community benefit requirement that will be included in the contract, or

42.4.2. Where the public body does not intend to include any such requirements, a statement of its reasons for not including any requirements.

42.4.3. Where community benefits are included in a Regulated Procurement and / or an over Threshold Regulated Procurement the Council must include in the award

notice a statement of the benefits it considers will be derived from those requirements.

43. Specifications

43.1. Where there is a recognised British, or International Standard applicable to any Contract which is current at the date of Tender, the Contract Documents shall require that the Supplies and Services shall meet the requirement of that standard.

43.2. The Relevant Officer shall avoid reference within specifications which has the effect of favouring or eliminating any particular Contractors by specifying a particular material or a specific make. In exceptional circumstances such references may be justified e.g. where the subject matter of the proposed Contract makes the use of such references as indispensable, in circumstances where the use of such references becomes indispensable, it will be accompanied by the words 'or equivalent'.

44. Assignation, Sub-Contracting, Termination and Variation

44.1. In every Contract there shall be included a provision whereby the Contractor shall be prohibited from transferring or assigning to any persons without the prior consent of the Council.

44.2. The sub-contracting of any part of a Contract except to the extent permitted in writing by the Relevant Officer shall be prohibited.

44.3. The Relevant Officer may terminate any Contract or part of a Contract or to agree to vary or amend the terms of any Council Contract but only following consultation with the Head of Finance and the Head of Legal Services being satisfied that it is reasonable and in the best interests of the Council to exercise that power.

45. Liquidated and Ascertained Damages

45.1. Where the value of a Contract exceeds £100,000 or for complex procurements assessed on a case by case basis, the Chief Executive and Executive Directors will consider whether it is appropriate for the Contract to include a provision for liquidated and ascertained damages. The amount to be specified in the Contract will be determined by the Relevant Officer in consultation with the Head of Finance. The assessment of liquidated and ascertained damages will be a pre-determined and genuine estimate of loss to the Council.

46. Performance Bonds

46.1. Where the contract value exceeds £1,000,000 the Relevant Officer will consider whether it is appropriate to provide for performance bonds. The amount for each performance bond will be approved by the Head of Finance. The bond will be in a form that is acceptable to the Head of Finance and the Head of Legal Services.

47. Insurance

47.1. The Relevant Officer will ensure that appropriate risk management measures are in place to protect the Council, and that Contractors hold adequate insurance for the period of the Contract. The level of insurance cover held by Contractors will be considered on a case by case basis and will be commensurate with the scale, complexity and associated risks of the Contract.

47.2. The Chief Executive, Executive Directors, or Chief Officer will consult with the Head of Finance where there is any doubt regarding the level of insurance cover that is required to be held by Contractors.

48. Prevention of Collusion and Corrupt or Illegal Practices

48.1. In every written Contract a clause shall be inserted to secure that the Council shall be entitled to cancel the Contract and to recover from the Contractor the amount of any loss resulting from such cancellation if the Contractor or the Contractor's representative (whether with or without the knowledge of the Contractor), shall have practiced collusion in tendering for the Contract or shall have employed any corrupt or illegal practices either in the obtaining or performance of the Contract.

49. Sustainable Procurement

49.1. Before undertaking a regulated procurement exercise the Relevant Officer shall take into account the social, economic and environmental impacts of the proposed Contract and whether the Contract will contribute to the achievement of sustainable development in accordance with the Sustainable Procurement Duty and the Council's Sustainable Procurement Policy https://www.orkney.gov.uk/Service-Directory/P/sustainable-procurement.htm.

49.2. For any procurement equal to or greater than £4,000,000, the Council must consider whether to impose community benefit requirements as part of the procurement.

49.3. The Relevant Officer will consider under CSO 40.1, only factors that are relevant and proportionate to the proposed Contract.

49.4. The Relevant Officer will ensure that a Sustainable Procurement Impact Assessment (SPiA) s carried for all procurement exercises for all relevant goods, services and works contracts where there is potential to minimise the use of carbon-based energy and its associated emissions.

50. Consultants

50.1. The appointment of consultants is subject to these CSOs and the Council's Financial Regulations. Due to their specialist and fixed term nature consultancy appointments are closely scrutinised. Therefore, prior to the commencement of a procurement exercise, the Relevant Officer shall obtain specific Committee approval to appoint a consultant unless this applies to construction or engineering projects.

50.2. The Committee report which seeks approval for the appointment of a consultant will include:

50.2.1. A summary of the requirements, including the expected benefits and when they are likely to be delivered;

50.2.2. Details of any alternatives to consultancy e.g. in-house expertise;

50.2.3. The estimated start and end date of the proposed Contract;

50.2.4. The maximum estimated value of the Contract over its lifetime.

50.3. The Relevant Officer will ensure that effective contract management arrangements are established to ensure the delivery of cost effective consultancy services which meet the Contract, i.e. the work required is completed on time, within budget and to specification.

50.4. Where it is appropriate and possible to do so, the Relevant Officer shall procure that ownership of Intellectual Property Rights in reports and other documents generated by consultants shall be assigned to the Council on such terms as the Council may reasonably require.

51. Annual Procurement Strategy

51.1. The Chief Executive or Executive Directors and Chief Officer will ensure a Procurement Strategy is published to set out how it intends to ensure that its procurement activity delivers value for money and contributes to the achievement of the authority's broader aims and objectives in line with Scotland's National Outcomes.

51.2. The Council will in its Procurement Strategy annual procurement report help promote the positive impacts public procurement can have on Scotland's economy and public services.

51.3. The Chief Executive or Executive Directors and Chief Officer will ensure that Consultation and Publication of an Annual Procurement Strategy is carried out and that in order to be meaningful and effective, engagement must be proportionate, manageable, and forward looking enough to allow time to incorporate findings into individual requirement contracting / Procurement Strategies.

51.4. By 1 April of each year, the Council will therefore develop an annual corporate Procurement Strategy in accordance with the Statutory Guidance as at CSOs 1.3 which shall contain the following:

51.4.1. How it intends to ensure that its regulated procurements will contribute to the carrying out of its functions and the achievement of its purposes;

51.4.2. How it intends to ensure that its regulated procurements will deliver value for money;

51.4.3. How it intends to ensure that its regulated procurements will be carried out in compliance with its duties under section 8 of the Procurement Reform (Scotland) Act 2014:

51.4.3.1. Treat relevant economic operators equally and without discrimination;

51.4.3.2. Act in a transparent and proportionate manner;

51.4.3.3. Sustainable procurement duty.

51.4.4. The Council's general policy on:

51.4.4.1. The use of community benefits requirements;

51.4.4.2. Consulting and engaging with those affected by its procurements;

51.4.4.3. The living wage being paid to persons involved in producing, providing or constructing the subject matter of regulated procurements;

51.4.4.4. The promotion of compliance with Health and Safety legislation;

51.4.4.5. The procurement of fairly and ethically traded goods and services.

51.4.5. How it intends its approach to regulated procurements involving the provision of food to:

51.4.5.1. Improve the health, wellbeing and education of communities in the authorities area; and

51.4.5.2. Promote the highest standards of animal welfare.

51.4.6. How the authority intends to ensure that, so far as reasonably practicable, the following payments are made no later than 30 days after the invoice (or similar claim) relating to the payment is presented:

51.4.6.1. Payments due by the authority to a contractor;

51.4.6.2. Payments due by a contractor to a sub-contractor;

51.4.6.3. Payments due by a sub-contractor to a sub-contractor.

51.5. The Council recognises its obligation to consult stakeholders including businesses, third sector organisations, communities and citizens who may have an interest in the Council's contracting for services. In support of this it will, develop a communication plan to ensure appropriate engagement with all sectors in Orkney, and will include an annual 'meet the buyer event' to provide a platform for market consultation and engagement with suppliers.

52. Procurement Annual Report

52.1. The Chief Executive or Executive Directors and Chief Officer will ensure that its procurement activity complies with the relevant legislation and that the decisions it

takes in the context of its procurement activity are in accordance with the legislation and its own procurement objectives.

52.2. The Chief Executive or Executive Directors and Chief Officer will ensure that the Procurement Strategy is reviewed annually and the revised Procurement Strategy and Procurement Annual Report is published as soon as reasonably practical after April 2018 and thereafter on an annual basis and in accordance with the Statutory Guidance as at 1.3.

53. Collaborative Procurement

53.1. The Council may enter into a joint procurement exercise with another Public body, which in its entirety, is carried out jointly and in the name of all the public bodies concerned, and shall be jointly responsible for ensuring that the Legislation is complied with. This also applies in cases where one public body manages the procedure, acting on its own behalf and on the behalf of the other public bodies concerned.

54. Prevent Duty

54.1. The Chief Executive or Executive Directors and Chief Officer will ensure that Tendering and Contract documentation will include a requirement for all Contractors to the Council to support the Council's PREVENT duty to prevent radicalisation and support counter-terrorism where appropriate to the subject matter of the Contract.

Appendix 1

Non Competitive Action (NCA)

1. It is Council policy that Contracts for Supplies, Services and Works should be awarded on the basis of value for money following a genuine and effective competition. This policy recognises that there may be occasions where it is appropriate to award a Contract without following a genuine and effective competition. This procedure is known as NCA and can only be applied in exceptional circumstances.

2. NCA will only be approved when a genuine business need exists which outweighs the need to subject the requirement to competition. Evidence in support of the NCA must stand up to scrutiny or challenge.

3. The Chief Executive has the authority to approve an NCA.

4. When seeking authority for NCA, the Chief Executive and Executive Directors will ensure that there is sufficient information contained within the request to enable the Chief Executive to consider the NCA.

5. The Chief Executive, in consultation with the Head of Finance, the Head of Legal Services and the Procurement Manager, as appropriate, will decide whether or not to authorise the request to proceed without competition.

6. Following approval a scanned copy of the NCA Form must in all cases be sent to the Procurement Manager for inclusion on the NCA register.

7. Where a request for NCA is rejected then a competition will be necessary. The level of competition will depend on the value, nature and complexity of the purchase.

Request for Non-Competitive Action NCA

ORKNEY
ISLANDS COUNCIL

Note: Once completed and signed by the Executive Director seeking the Exception this form must be sent to the Chief Executive for Approval.

Details of the Service seeking Non-Competitive Action		
1. Name		
2. Service		
Details of NCA exception request		
3. Contractors Name		
4. Contract Title		
5. Type of Contract	Supplies/Services/Works	
6. Value (excluding VAT)		
7. Duration		
8. Is the request an amendment to an existing contract?		No
9. If Yes, was the original contract competitively tendered?		NA
10. Justification for non-competitive action		
11. Include reference to CSOs – Clause 13 Exemptions and Exceptions – detailing the exemption or exception referred to in the NCA request (including full details and explanation as necessary)		
Signature		
Name of Executive Director seeking approval for NCA		
Date		
I approve the exception requested / I am unable to agree to the exception request (please delete or highlight as applicable)		
Signature		

Chief Executive	41
Date	

ORKNEY
ISLANDS COUNCIL

Sustainable Procurement Impact Assessment

The purpose of a Sustainable Procurement Impact Assessment (SPiA) is to improve the work of Orkney Islands Council by ensuring that its procurement activities contribute to the social, economic and environmental well-being of our remote and fragile islands communities, both now and in the future. This assessment records the likely impact of any changes to a function, policy or plan by anticipating the consequences, and making sure that any negative impacts are eliminated or minimised and positive impacts are maximised.

1. Identification of Function, Policy or Plan.

Name of function / policy / plan to be assessed.	
Service / service area responsible.	
Name of person carrying out the assessment.	
Contact details	
Date of assessment.	
Is the function / policy / plan new or existing? (Please indicate also if the service is to be deleted, reduced or changed significantly).	

2. Initial Screening.

What are the intended outcomes of the project / function / policy / plan?	
State who is, or may be affected by this project / function / policy / plan, and how.	
How have stakeholders been involved in the development of this project / function / policy / plan?	
Is there any existing data and / or research relating to sustainable procurement issues in this area? Please summarise.	

2. Initial Screening.	
E.g. consultations, national surveys, performance data, complaints, service user feedback, academic / consultants' reports, benchmarking.	

Could the project / function / policy have a differential impact on any of the following sustainable procurement strands?	
Supply Chain: Will the procurement of goods, services and works contribute to achieving our vision of a truly sustainable supply chain?	Yes / No.
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?	Yes / No.
Whole life-cycle costs: Will the procurement deliver value for money by realistically assessing, where appropriate, the whole life-cycle costs of the goods, services and works procurement and not simply considering the initial purchase price?	Yes / No.
Fair and open competition: Will the sustainable procurement activity comply with the public procurement framework and our Contract Standing Orders, which are intended to promote fair and open competition?	Yes / No.
Social, economic and environmental impact: Will the procurement ensure that when developing our requirements for goods, services and works, the possible social, economic and environmental impacts of our procurement are assessed as actively seeking to contribute to the social, economic and environmental well-being of our remote and fragile island communities?	Yes / No.
Engagement with the market: Where appropriate to the subject matter of the contract, is pre-market engagement and consultation to be undertaken for this to consider sustainability issues for this procurement?	Yes / No.
Places, people and other species: Will this procurement of goods, services and works impact negatively on places, people and other species both locally and elsewhere?	Yes / No.
Meeting the needs of People: Where appropriate will consultation take place with the people whose needs we aim to meet through our procurement to ensure that we procure goods, services and works that meet their needs?	Yes / No.
Equality Issues: Will this procurement not intentionally discriminate against specific groups of people when undertaking our procurement activities and promote equality in line with legislative requirements?	Yes / No.
Modern Slavery Act 2015: Where appropriate will this procurement exercise support the aims of the Modern Slavery Act 2015 and	Yes / No.

Could the project / function / policy have a differential impact on any of the following sustainable procurement strands?	
ensure that our suppliers provide us with confirmation of their compliance with the Act?	
Island Proofing: Have the effects of island proofing been considered where appropriate and in light of the anticipated guidance issued by the Scottish Government?	Yes / No.
Fair Work First: Will this procurement exercise include adoption of the Fair Work First principles where this is appropriate to the subject matter of the contract?	Yes / No.
Circular Economy: Where appropriate and proportionate to the contract have the Circular Economy outcomes been considered for inclusion in this procurement exercise?	Yes / No.
Community Benefits: Are there any opportunities for Communities Benefit through this procurement exercise?	Yes / No.

3. Impact Assessment.

Does the analysis above identify any differential impacts which need to be addressed?	Yes / No.
How could you minimise or remove any potential negative impacts?	
Do you have enough information to make a judgement? If no, what information do you require?	Yes / No.

4. Conclusions and Planned Action.

Is further work required?	Yes / No.
What action is to be taken?	
Who will undertake it?	
When will it be done?	
How will it be monitored? (e.g. through service plans).	

5. Signature.

Name.	
Signature.	

Once completed this form should be submitted to procurement@orkney.gov.uk.

Addressing the Gender Pay Gap at Orkney Islands Council

Whilst this report is expressed in binary gender terms, we wish at the outset to acknowledge that Orkney Islands Council is made up of a vibrant and diverse group of people who don't always fit neatly into conventional pigeon holes.

What is the Gender Pay Gap?

The gender pay gap is a complex issue and there is no definitive way in which to report a single figure which fully captures those complexities. The pay gap is caused by a range of factors, and not just women and men being paid different pay rates for the same job.

The gender pay gap is the difference between men's and women's average hourly pay and is the key indicator of women's labour market inequality. It represents the difference in experiences of not only the workplace, but in education, skills, care and other domestic work as well as wider societal norms.

It's not the same thing as equal pay, although pay inequalities do impact the underlying factors for the gender pay gap.

Why does it matter?

Women face significant challenges and barriers over their lifetime, just because they are women. Whilst much progress has been made towards addressing the gender pay gap[1], there are still ingrained, systemic barriers that persist and impact the ability for everyone to reach their full potential.

- On average, young women enter the world of work with higher attainment than men, but immediately earn less per hour than them;

- - Women aged 55 to 64 are almost 20% less likely to have a private pension than men, and those who do have around 40% less wealth held in them.

- Women in low pay are often still in low pay a decade later.

Orkney Islands Council are committed to helping create a fairer and more successful Orkney and taking action to address long-term gender inequalities further supports that.

What causes the gender pay gap?

From a young age, children can be faced with gender stereotyping that affects their dreams, goals and career aspirations.

This stereotyping can be as simple as pink or blue, netball or rugby, English or science. Boys aged 7-11 are almost twice as likely to want to be scientists, whilst over half of girls aged 7-10 think girls are better at doing chores than boys.

Taking time off work to care for family, going into a less well-paid job that provides more flexibility, meeting the living costs of today rather than saving, can all lead to greater inequalities for women.

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[1] HM Government Gender Equality Monitor.

Eight key drivers of inequality have been identified[2]:

- Limiting attitudes to gender can hold women and men back across their lives.
- Women tend to work in lower paid sectors and occupations and are less likely to progress.
- The working age benefits system hasn't always tackled the disadvantages that women and those with caring responsibilities face.
- Women take more time out of the labour market to care for children.
- Women are providing more informal care and unpaid work for others.
- Some women face barriers returning to or entering the labour market.
- Women are more likely to face financial instability later in life, due to the decisions taken throughout working life.
- We need to ensure that we sustain strong foundations for the future.

These key drivers can lead to issues such as:

- Occupational segregation, which is the clustering of women and men into different types of work (horizontal segregation) and different levels of work (vertical segregation, or the glass ceiling).
- A lack of quality part-time and flexible working.
- The economic undervaluation of stereotypical female work such as care, admin and cleaning.
- Women's disproportionate responsibility for unpaid care.
- Biased and un-transparent recruitment, development and progression practices.
- Male-orientated workplace cultures.
- Discrimination in pay and grading systems.

Action on the gender pay gap at Orkney Islands Council

Reducing the gender pay gap at Orkney Islands Council is a long-term goal and we acknowledge that it is affected by societal and educational factors and we employ a complex and diverse workforce across a range of services and professional areas.

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[2] HM Government Gender equality at every stage: a roadmap for change.

Women in more senior posts

Figures for 2017 to 2018 from the Local Government Benchmark Framework (LGBF) show that Scotland Councils have an average of 54.6% of women in more senior posts. In comparison, Orkney Islands Council (OIC) has 37.6% and similar councils are as follows: Scottish Borders has 42.6%, Eilean Siar has 37.8% and Shetland has 26.6%.

Data for similar councils

What is the current gender balance in more senior posts?

For Corporate Services, Economic Development, Environmental Services and Culture and Leisure Services similar types of councils are grouped by their population density
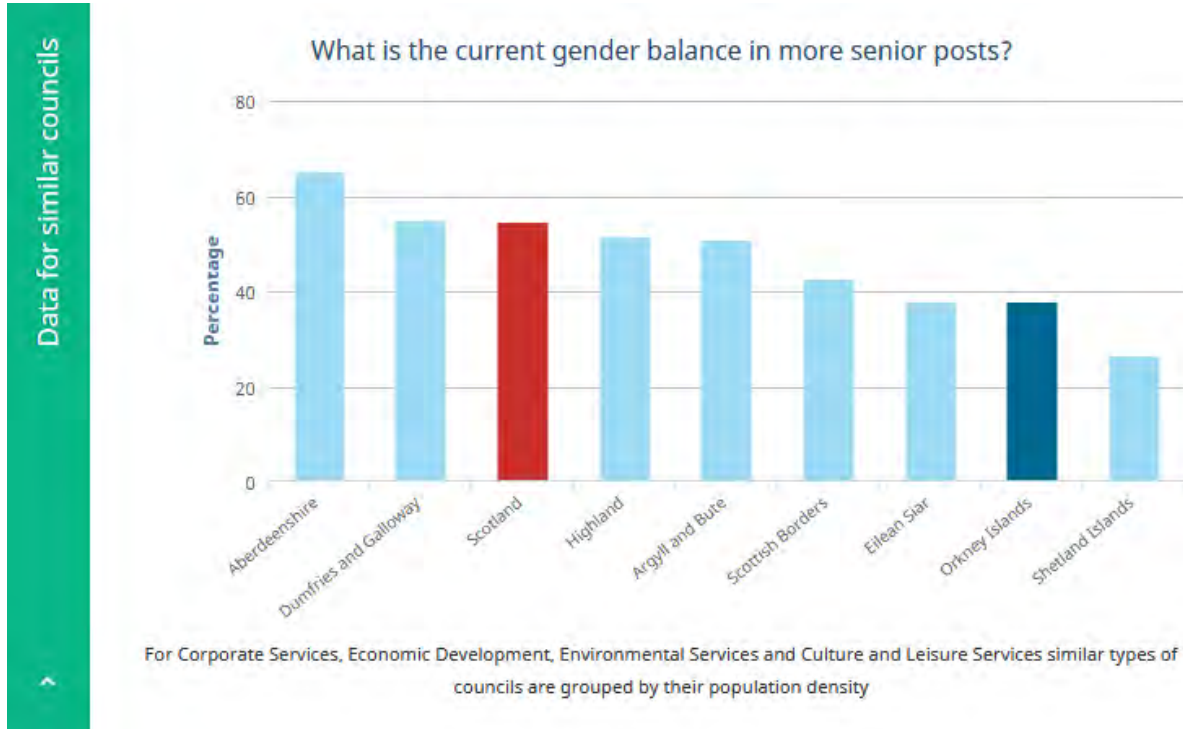
Data over time highlights the increase in women in senior posts for OIC from a base point of 25% in 2013-14, rising to around 28% for 2014-15 and 2015-16 and with a marked increase to 37.2% in 2016-17. A total increase of 12.6% has been seen at OIC from 2013-14 to 2017-18.

The Scottish average shows a steadier increase of 3.9% over the same period which perhaps reflects the more relative rate of change. It is useful to note that with low staff numbers in all senior posts, any change has a significant impact to the mean average figure and therefore it is important to review these figures over a period of time to identify and understand any emerging trends.

The Council's figures for 2018-19 show a drop in the gender balance in more senior posts to 28.9%. This drop has been attributed to the addition of a new staff group from Towage being incorporated into the Council services. This has had the effect of inserting two wage groups into the top 5% category and resulting in four wage groups dropping below this category.

Like for like comparisons without the addition of the Towage staff would have shown a slight increase in the proportion of women in senior posts for 2018-19 to 37.8%.

Further analysis

Further analysis has been undertaken to better understand the impact of OIC including services such as Ferries, Marine Services and Towage, as it is recognised that these industries have a traditional gender bias towards men. Inevitably, inspiring alternative career aspirations for young people,

challenging gender stereotyping for particular jobs and industries along with the impact of lower staff turnover in smaller rural councils all need to be addressed as longer-term goals.

All staff groups

28.9%
Women

71.1%
Men

This chart shows the top 5% earners in the Council by gender for 2018-19.

Excluding Towage

37.8%
Women

62.2%
Men

This chart shows the figures for the top 5% earners in the Council as they would have been for a comparison to the 2017-18 figures. Had the Towage staff not been added to our staffing, we would have seen a 0.2% increase in 2018-19.

Excluding Marine Services, Towage and Ferries

42.9%
Women

57.1%
Men
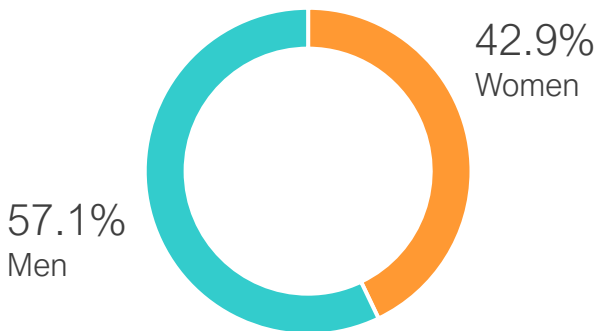
This chart highlights the difference in Top 5% earners by gender excluding some of the more traditionally male dominated industries. These figures are a more representative comparison when looking at benchmarking data as OIC is one of the only Councils in Scotland to provide these services.

With this figure there is an 11.7% difference to the national average of 54.6%, rather than the current 25.7% difference. As a comparator against all councils, this would move OIC above Scottish Borders (42.6%) based on the published 2017-18 figures.

Additional analysis has been undertaken to explore what our figures would look like without some of the staff groups that are often outsourced by other councils and that are traditionally more female dominated.

Excluding Marine Services, Towage, Ferries, Cleaning and Catering

41.7%
Women

58.3%
Men
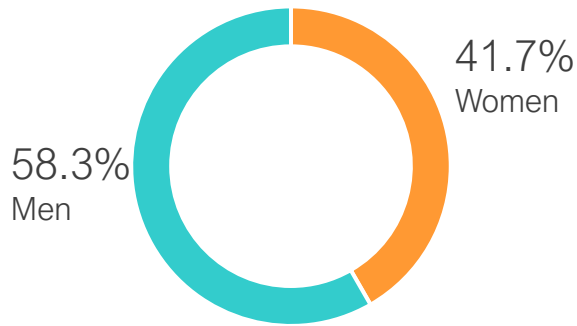
These figures don't show a significant difference for comparison to the top 5% earners by gender when taking out staff groups for Cleaning and Catering services. This is to be expected as there are no positions at a more senior level.

For greater insight into the impact of taking out the Cleaning and Catering services, it is useful to consider Occupational Segregation comparisons.

All staff groups
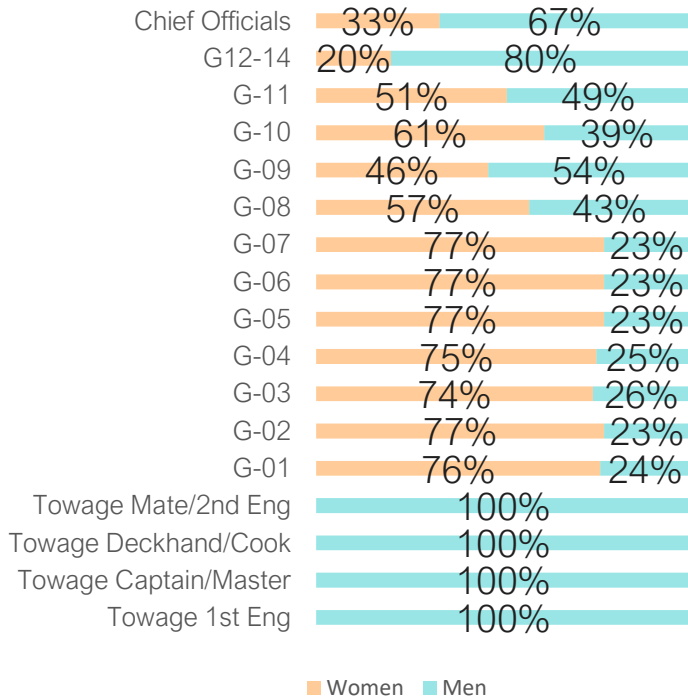
	Women	Men
Chief Officials	33%	67%
G12-14	20%	80%
G-11	51%	49%
G-10	61%	39%
G-09	46%	54%
G-08	57%	43%
G-07	77%	23%
G-06	77%	23%
G-05	77%	23%
G-04	75%	25%
G-03	74%	26%
G-02	77%	23%
G-01	76%	24%
Towage Mate/2nd Eng		100%
Towage Deckhand/Cook		100%
Towage Captain/Master		100%
Towage 1st Eng		100%

■ Women ■ Men

Excluding Marine Services, Towage, Ferries, Cleaning and Catering

	Women	Men
Chief Officials	33%	67%
G12-14	24%	76%
G-11	52%	48%
G-10	62%	38%
G-09	43%	57%
G-08	60%	40%
G-07	79%	21%
G-06	81%	19%
G-05	85%	15%
G-04	74%	26%
G-03	71%	29%
G-02	76%	24%
G-01	54%	46%

■ Women ■ Men
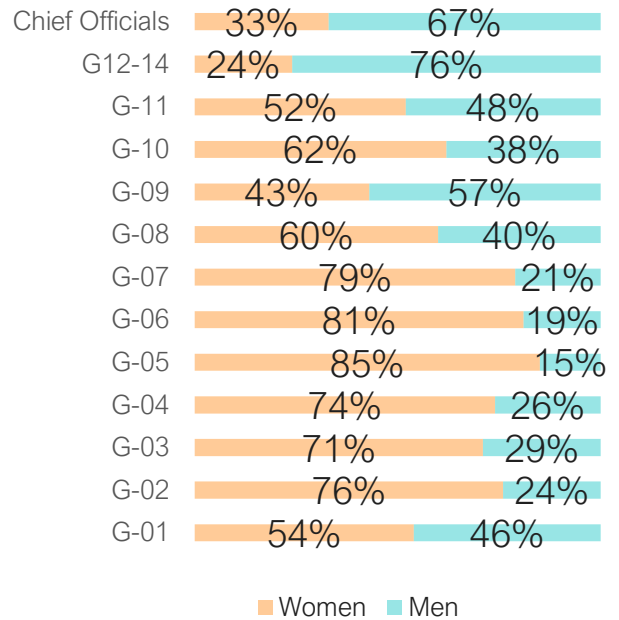
Excluding Marine Services, Towage, Ferries, Catering and Cleaning and Care Homes

40% Women

60% Men
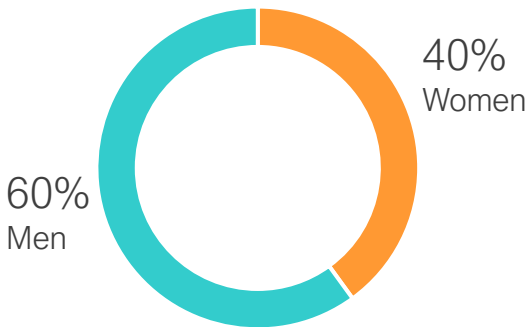
Whilst the top 5% in more senior posts gender pay gap figure has dropped slightly with the exclusion of Care Home staff, the overall gender pay gap for OIC is significantly impacted.

The gender pay gap at Orkney Islands Council

The all staff gender pay gap at OIC is a mean average of 11.5% and a median average of 14.7%.

The gender pay gap at OIC excluding Marine Services, Towage, Ferries, Cleaning, Catering and Care Home staff is lower, with a mean average of 8.6% and a median average of 7.2%.

The following table shows the comparisons of the gender pay gap to similar councils.

Data for similar councils

What is the current gender pay gap for staff in my council?

For Corporate Services, Economic Development, Environmental Services and Culture and Leisure Services similar types of councils are grouped by their population density
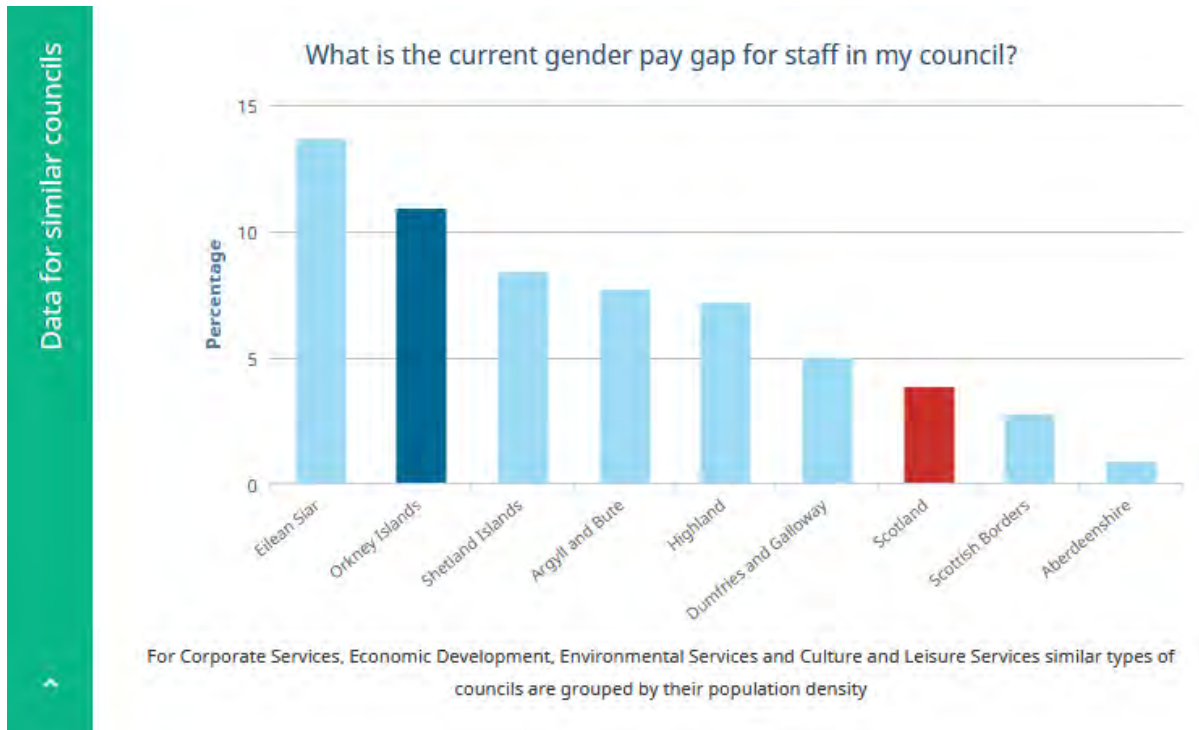
Which actions will make a difference in addressing the pay gap?[3]

Following a review of guidance available on reducing the gender pay gap, including the Government Equalities Office report on Reducing the gender pay gap and improving gender equality in organisations; Evidence-based actions for employers, some of the key approaches that are evidenced as having a positive impact in this area, are summarised below and have helped to inform the action plan for Orkney Islands Council.

- Reviewing recruitment practices, including ensuring recruitment panels have greater gender balance.
- Reviewing work experience and work placement opportunities to prioritise gender balance and tackle gender stereotyping.
- Improving workplace flexibility for men and women.[4]
- Encouraging the uptake of Shared Parental Leave.[5]

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[3] Government Equalities Office Reducing the gender pay gap and improving gender equality in organisations: Evidence-based actions for employers.
[4] Government Equalities Office Family-friendly working practices. Happy to Talk Flexible Working – Family Friendly Working Scotland.
[5] Government Equalities Office Employment pathways and occupational change after childbirth.

- Providing additional guidance relating to impact of maternity leave and reduction in hours on pension savings.
- Improving support for returners into the workplace.[6]
- Increasing gender balanced participation in STEM subjects.[7]

What do we already do?

We already take steps to reduce gender inequality in the workplace. These steps form part of the Equalities Duties as part of our reporting requirements and inform the setting of Equality Outcomes as well as ongoing mainstreaming of equalities in the workplace.

- Monitor and report on recruitment and progression by gender.
- Monitor and report on flexible working requests by gender.
- Impact assess our people policies.
- Provide awareness training on Dignity at Work policy with specific reference to inappropriate language and behaviours relating to gender.
- Monitor and report on Dignity at Work complaints by gender and specifically with regards sexual harassment.

It is also to be noted that encouraging progress has been made in terms of an increase in representation by gender in some more traditionally male dominated areas of the organisation such as VTS and Pier Management teams. We will continue to build on this work as part of the action plan.

Next steps

Further work will be undertaken to develop a variety of approaches to support the implementation of the proposed actions and to engage more widely with managers and employees. This will include the development? proposal? of a Workplace Inclusion Network to inform and progress this work.

In addition to the actions identified in the action plan on the following pages, work needs to continue on some of the underpinning foundations of equality, diversity and inclusion.

Work will continue on improving workforce diversity data collection and reporting. This will include making more workforce data available by Service area to better assist managers in their understanding of occupational segregation and pay gap issues in their areas, and in understanding the role they can play in reducing these.

Work will also continue on improving awareness of equality, diversity and inclusion issues in the workplace with more regular communication with managers and employees.

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[6] Government Equalities Office Returner Programmes: Best Practice Guidance for Employers.
[7] Scottish Government A Fairer Scotland for Women: Gender Pay Gap Action Plan.

Gender Pay Gap and Occupational Segregation Action Plan.

Context:	What we are planning to do:	What is its intended outcome?	Who will do it?	Will additional resources be required?	When will it happen?	How will we recognise success?	How does this link with other priorities and plans?
Occupational segregation has a direct impact on the gender pay gap. Girls are less likely to choose science, technology, engineering and mathematics (STEM) subjects.	Challenge gender stereotypes that influence education, training and career choices through inclusive communication and awareness raising opportunities including national awareness days.	Increased number of young people choosing STEM subjects.	Head of Education.	Utilise planned resources.	September 2022.	Establish baseline figures of uptake in STEM subjects by protected characteristic. Increased engagement levels and positive feedback relating to awareness raising events.	Education Improvement Plan. Equality Outcomes.
Occupational segregation has a direct impact on the gender pay gap. Some career choices can be influenced by gender stereotypes.	Promote a greater gender balance in take up of work experience placements, modern apprenticeships by gender and service area.	There will be a greater gender balance in work based opportunities in typically male or female service areas, promoting better opportunities for future employment.	Head of Education.	Utilise existing resources.	September 2022.	Baseline of number of work experience placements, modern apprentice roles and graduate traineeships by gender.	Equality outcomes.
Supporting parents and carers. Supporting workplace returners.	Review recruitment practices to adopt a proactive approach to promoting	Improved work and life balance to meet the needs of employees.	Head of HR and Performance.	Utilise existing resources.	December 2021.	Increased flexible working request applications. Increased employee retention and job satisfaction.	Workforce Reintegration plan. Recruitment and Selection policy.

Gender Pay Gap and Occupational Segregation Action Plan.

Context:	What we are planning to do:	What is its intended outcome?	Who will do it?	Will additional resources be required?	When will it happen?	How will we recognise success?	How does this link with other priorities and plans?
	flexible recruitment for appropriate posts, including management and senior management roles.						
Gender balance in more senior posts.	Review recruitment practices to adopt a gender balance on shortlisting and interview panels for senior posts.	Help to eliminate gender bias and promote greater visibility of women in senior positions.	Head of HR and Performance.	Utilise existing resources.	June 2021.	Greater gender balance in more senior posts.	KPIs. Recruitment and Selection policy.
Supporting parents and carers.	Develop additional manager and employee guidance for supporting colleagues preparing for, taking and returning from maternity leave or adoption leave.	Improve the experience of employees taking maternity leave or adoption leave.	Head of HR and Performance.	Utilise existing resources.	September 2021.	Increased retention of returners.	Maternity and Paternity Leave policy. Adoption Leave policy.
Supporting parents and carers.	Promote more widely the Shared Parental Leave policy.	Improve opportunities for informed decisions relating to time off	Head of HR and Performance.	Utilise existing resources.	April 2021 ongoing.	Increased Shared Parental Leave requests.	Shared Parental Leave policy.

Gender Pay Gap and Occupational Segregation Action Plan.

Context:	What we are planning to do:	What is its intended outcome?	Who will do it?	Will additional resources be required?	When will it happen?	How will we recognise success?	How does this link with other priorities and plans?
Tackling gender stereotypes.		for sharing caring responsibilities.					
Supporting parents and carers.	Deliver a Flexible Working Policy.	Improved opportunities for greater flexibility at work and improve work / life balance.	Head of HR and Performance.	Utilise existing resources.	April 2021.	Increased number of employees utilising Flexible Working opportunities. Fewer leavers due to lack of flexibility to meet needs of work / life balance.	Workforce Reintegration Plan.
Supporting parents and carers.	Develop inclusion passport to better support additional unpaid caring responsibilities. (including adaptations for menopause).	To improve experiences for employees with additional unpaid caring responsibilities to enable them to remain in work.	Head of HR and Performance.	Utilise existing resources.	July 2021.	Reduction in employee turnover. Increase in employee satisfaction.	Disability Confident standard. Family friendly policies. Flexible working policy. Wellbeing plan.
Supporting women at work.	Assess further opportunities to provide mentor network to support women's progression in the workplace.	Improved progression and promotion of women.	Head of HR and Performance	Utilise existing resources.	April 2022.	Greater gender balance in percentage of women being promoted to more senior posts.	KPIs. Learning and Development plan.
Supporting women at work.	Offer mid-career reviews to all employees utilising tools	To proactively support informed decisions around changing	Head of HR and Performance	Utilise existing resources.	September 2021 ongoing.	Increased retention of experienced women in the workplace.	Flexible working policy. ERD.

Gender Pay Gap and Occupational Segregation Action Plan.

Context:	What we are planning to do:	What is its intended outcome?	Who will do it?	Will additional resources be required?	When will it happen?	How will we recognise success?	How does this link with other priorities and plans?
	such as the UK Government Mid-life MOT framework..	circumstances as employees get older. To retain skills and experiences of women in the workplace.					Wellbeing plan.
Supporting women in the workplace.	To develop and promote additional manager and employee guidance for supporting women with the menopause.	Improve the employment experience and support available to women with menopause symptoms.	Head of HR and Performance	Utilise existing resources.	November 2021.	Increased retention of older women.	Wellbeing plan. Flexible working policy. Sickness Absence policy.
Use of Relief contracts is likely to contribute to the gender pay gap with a higher proportion of women working as relief staff on part time shifts.	Undertake analysis of workers on relief contracts by gender. Encourage existing relief workers to take up contracts.	Improve employment parity for women currently working as relief.	Head of HR and Performance	Utilise existing resources.	April 2021 ongoing.	Reduction in the imbalance of women working as relief.	Workforce Plan. Recruitment and Selection Policy.

Third Party Funding Applications Framework

1. Purpose

This third party funding scheme enables legally constituted community organisations to seek access to grant funds to which only local authorities or partnerships involving local authorities can apply. In doing so, the scheme harnesses the opportunity to create an enabling environment that supports community organisations to develop projects which foster investment and innovation and may not otherwise be developed. Moreover, it aims to facilitate community empowerment, improving local outcomes and building resilience.

2. Funding Criteria

In addition to satisfying the Grant Funder's criteria, third party applicants to any external funding scheme must demonstrate alignment with Council priorities and/or objectives. The Council will support third party applications for grants up to a maximum of £1,000,000 for a single project.

3. Funding Conditions

In addition to the Grant Funder's conditions, third party applicants to an external funding scheme are subject to the Council's own standard grant terms and conditions.

4. Application Process

4.1. Stage 1: Assessment of eligibility

Details of the third party funding scheme are set out on the Council's website, including (but not limited to) the Council's standard grant conditions, application process and requirements, and interested community organisations are advised to contact the Council to discuss their prospective application and determine eligibility for the scheme.

The responsible Council Officer will check the grant conditions of the relevant funding scheme to ensure that there is no prohibition on passing on the funds to a third party. They will also assess the proposed project against the funding scheme's criteria as well as conduct initial due diligence checks on the applicant's legal and financial status.

4.2. Stage 2: Performance of due diligence

Eligible applicants are provided with a timetable for the third party funding scheme's application process in alignment with the relevant fund's submission deadline(s), and asked to complete a checklist of tasks such as completing a draft application for the relevant fund, evidencing match funding, detailing project management and obtaining pre-planning advice (if applicable), for example.

The responsible Council Officer will liaise with the Grant Funder who will forward a draft application for feedback. Once the funding application is finalised and the checklist tasks completed, the Council Officer will prepare a report for the Sub-committee (detailed in section 5 below) via the prescribed committee reporting process.

4.3. Stage 3: Consideration by Sub-committee

The Sub-committee will consider the third-party application and determine whether it meets the criteria and conditions for the Council's support.

In the case of a negative outcome, applicants will be provided with the rationale for the decision in writing.

4.4. Stage 4: Submission of approved application

The responsible Council Officer will submit the approved application and liaise with the Grant Funder and the Applicant should there be any queries.

The decision of the Grant Funder when received will be notified to the Applicant.

In the event of a two-stage application process or pre-submission of an expression of interest, and subsequent approval by the Grant Funder to proceed to the next stage in the application process, Stages 2, 3 and 4 above are repeated.

4.5. Stage 5: Offer of grant

Upon a successful outcome to the application, the responsible Council Officer will inform the third-party organisation as well as relevant officers in the Council's Finance and Legal services.

To claim grant monies, the Council will be required to adhere to the Grant Funder's grant conditions and the third party is, in turn, required to comply with the Council's conditions. The third party must enter into an agreement on terms satisfactory to the Council before the Council enters into any agreement with a funder in respect of grant monies.

4.6. Stage 6: Ongoing monitoring and reporting.

As prescribed by the grant funding agreement, the third party will complete claim forms, project update reports and any other paperwork required by the Grant Funder and the Council. The responsible Council Officer will coordinate submission of relevant documentation to the Grant Funder and the Council's Finance service as required.

5. Governance

In accordance with the Council's Scheme of Administration and subject to the limitations and conditions stated therein, the Community Development Fund Sub-committee has delegated authority to determine requests to the Council; to submit expressions of interest; or funding applications on behalf of a third party.

The Sub-committee will meet as required to consider third-party funding applications, allowing submissions to be determined within the, often tight timelines set by funders.

At each meeting of the Sub-committee, a monitoring report will be submitted to advise of the outcomes of third-party funding applications submitted and to report progress on all projects that have been processed via this framework.

**The Orkney
Partnership**
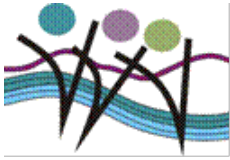
DRAFT at 31 May 2021

Orkney's
Local Child Poverty Action Report
2020-2021

*Getting it right, for every child:
no child left out; no child left behind*

If you would like this plan in a different language or format, please contact the Community Planning Business Manager, Orkney Islands Council, School Place, Kirkwall KW15 1NY.

Tel: 01856 873535. Email: communityplanning@orkney.gov.uk

Contents

Overview

Orkney's Local Child Poverty Action Report for 2019-2020 was published in January 2021 and covered activity up to the end of March 2020. Since March 2020, alongside normal work to support children and families in poverty, partner organisations in The Orkney Partnership have been focused on responding to additional need due to the impact of the Covid-19 pandemic. This report therefore highlights the impacts of the pandemic both on the children and families at the heart of this report, and on the organisations themselves.

This report was compiled by the Orkney Partnership's Child Poverty Task Force, which brings together all of the agencies with their logos on the front cover. Hundreds of agencies, community groups and individuals have been supporting children and families throughout the past year, with some of those families experiencing poverty for the first time as a result of the pandemic. Many agencies in the Third Sector have had their resources stretched, some to breaking point, by the demands of responding to this sudden increase in need.

At the same time as writing this report, the Child Poverty Task Force has been developing a Child Poverty Strategy for 2021-23. The strategy, and an accompanying action plan, will set out the context, purpose and aims of our collective work to combat child poverty in Orkney. The Child Poverty Strategy will complement the Children's Services Plan 2021-23 and build on its strategic priority "Overcoming Disadvantage". Synchronising our reporting timelines will allow for better co-ordination of planning, implementation, monitoring, reporting and scrutiny, and better partnership working in future.

The present report contains an outline action plan for 2021-22. These actions will be detailed further in the SMART (specific, measurable, assigned, realistic and timely) action plan accompanying the Child Poverty Strategy. This will include further actions arising in response to new policy drivers, opportunities and emergency measures taken to mitigate the effects of the Covid-19 pandemic and associated socio-economic hardship.

Child Poverty Task Force
June 2021

The impact of the Covid-19 pandemic during 2020-2021

Impact of Covid-19 on children and families in poverty

The essential measures taken to mitigate the risk of Covid-19 mean that families, children and young people at times in Orkney have not been as visible as usual to the people and services who would normally have a role in supporting them.

Many families have experienced – and continue to experience – extensive challenges. These may have included a loss of employment and financial insecurity and/or less support and protection with regard to pre-existing vulnerabilities such as domestic abuse, drug and alcohol use, and/or physical or mental health difficulties. This has undoubtedly placed additional strains on the families affected.

We know that these challenges will have a long term impact on families in Orkney. There have of course been some short term policy initiatives, such as money that was given to families to overcome food and fuel poverty as an immediate measure during the pandemic.

As can be seen in Figure 1, at the start of the pandemic, the number of unemployment benefit claimants almost doubled.

Figure 1

Out-Of-Work Benefits, All Claimants 2015-2020 (Source: Nomis[1] 06/05/2021)
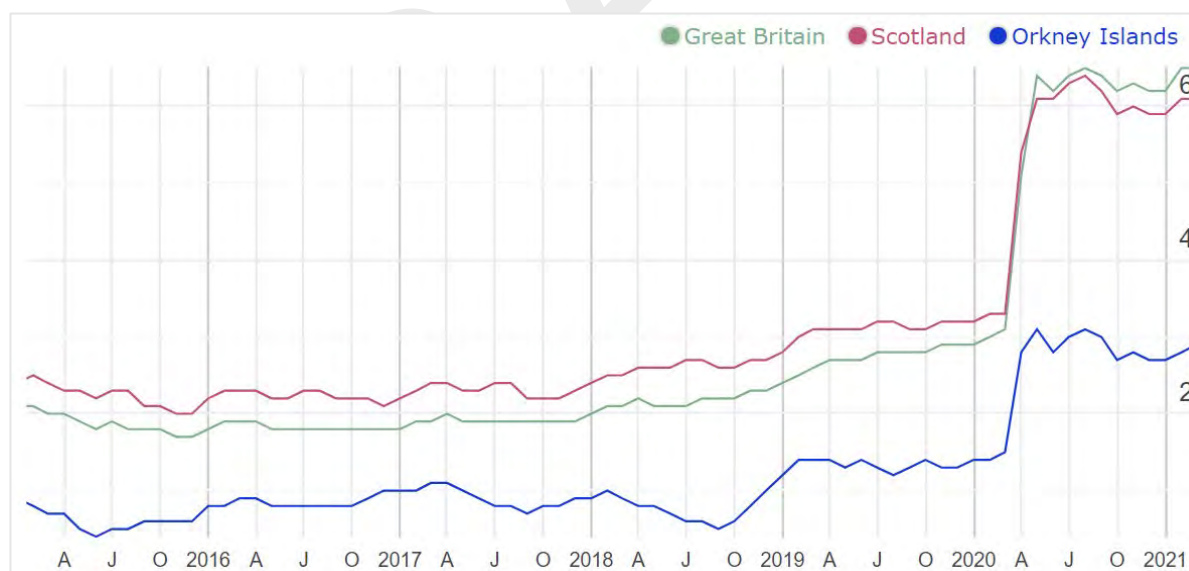
Although some businesses were eligible for emergency grant support, many businesses (27%) furloughed staff, or ceased trading. Orkney's high proportion of microbusinesses, with many individuals working part-time in several occupations, meant that some people received no government support.

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[1] https://www.nomisweb.co.uk/reports/lmp/la/1946157427/report.aspx?#wab

Although access to food stabilised, economic impacts increased with sudden unemployment and furlough, and extra costs resulting from lockdown, hygiene requirement, shielding and social distancing measures. Travel restrictions, especially for families on the isles, meant their grocery prices were higher than normal because of having to use their local isles shops, and those who needed food deliveries had extra charges to meet. Budgets were again stretched beyond the means of disadvantaged families, especially hard on those with reduced incomes and increased food prices. As the pandemic continued, more families experienced hardship for the first time and needed information and help to access support networks and services.

Across Scotland, accommodation & food services and the arts sectors had the lowest shares of businesses trading with just 41% and 71% of businesses trading respectively. Orkney's economy is very dependent on tourism, so the closure of accommodation, food and recreation businesses hit particularly hard, with greater impacts on self-employed and seasonal workers. People whose income relies on summer tourism continue to be badly affected.

Figure 2

Share of businesses currently trading, Scotland, 7 June 2020 – 18th April 2021 [2]

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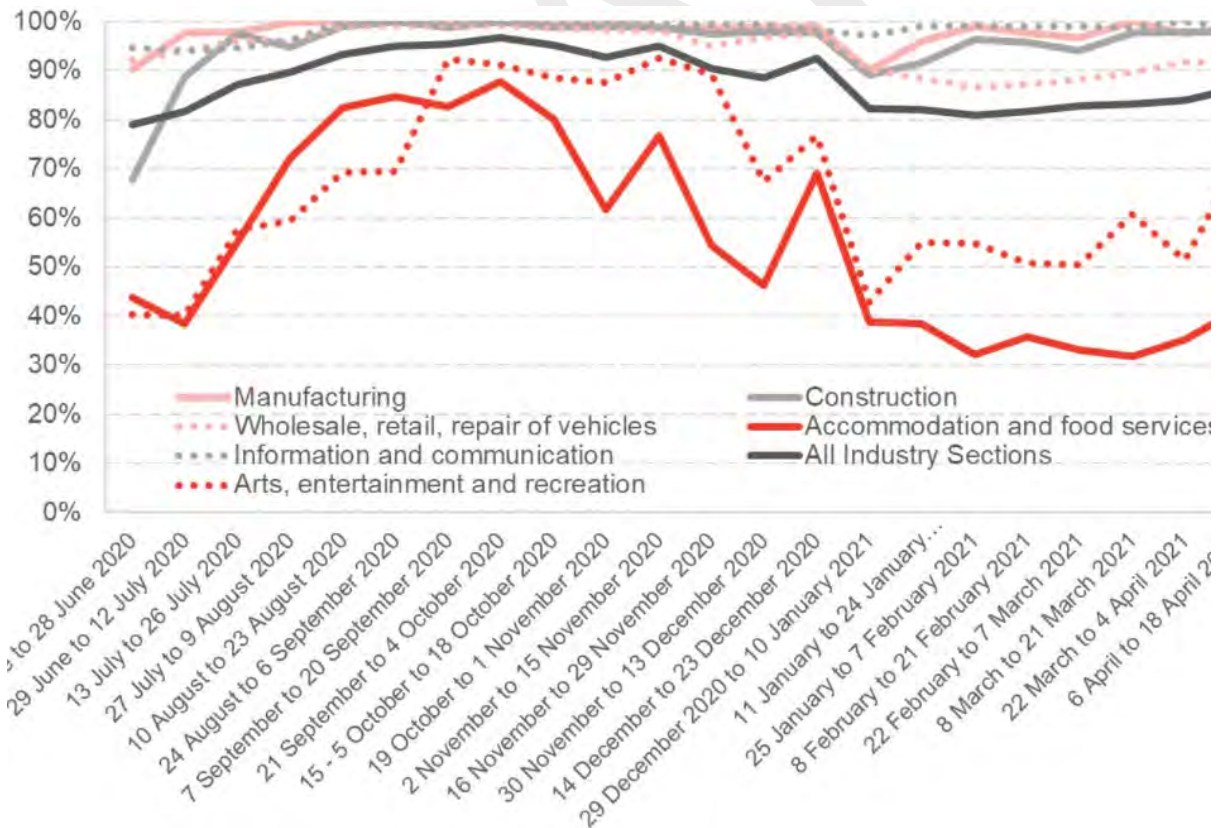
The Highlands & Islands are likely to take longer to recover than Scotland based on:

Greater impacts to date	Higher proportion of micro-businesses	Higher proportion of self-employed – especially across some of the hardest hit sectors (construction, distribution hotels and restaurants)	Greater proportion of businesses in sectors likely to be slowest to recover

Recovery is still not likely till 2023, based on:

- Ongoing disruption to overseas visitors and visitor spend, which sustains a disproportionate number of jobs in the region;
- The composition of the Highlands and Islands and its dominance of localised service-based firms, where consumer confidence is likely to remain fragile longest;
- The dominance of small and micro-businesses, those remaining at greatest

[3]The Impact of Covid-19 on The Highlands & Islands, September 2020

Impact of Covid-19 on Partner organisations

Partner organisations were hugely impacted by the pandemic, with many front line staff focused on implementing national strategies for Covid-19 protection and support, and some taken from normal working to support the emergency response. It became more difficult for services and support to reach disadvantaged families and children, and for those families and children to access the help they needed.

By the end of the reporting year on 31 March 2021, although the ongoing crisis had put huge pressure on service provision, partner organisations had worked exceptionally hard to meet the needs of families and children at particular disadvantage as a result of the pandemic. The Care for People Group, one of the Local Resilience Partnership's new emergency response groups, co-ordinated emergency provision for children and families while the Orkney Coronavirus Community Support Hub, based at the Pickaquoy Centre, was set up to support those at high risk and shielding at home

Virtually all of Orkney's public and third sector agencies played a role in supporting the emergency response. Community Resilience Groups and local support networks on the isles were co-ordinated variously by the Community Councils, Isles Development Trusts, Community Wellbeing Co-ordinators, the Orkney CV Mutual Aid Group (on Facebook) and other community associations.

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[3] https://www.hie.co.uk/media/9646/the-impact-of-covid-19-on-the-highlands-and-islands.pdf

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Background/Context

What is Child Poverty?

The Joseph Rowntree Foundation defines poverty as:

"when a person's resources are well below their minimum needs, including the need to take part in society."

Measuring poverty accurately is difficult due to the factors that can impact on individual circumstances. A commonly used definition in Scottish and UK government policy is:

"someone is living in poverty when they live in a household with less than 60% of median income, adjusted for household size and type.'[4]

Rates of poverty vary between different groups and there are some segments of the population that are more vulnerable than others. In Scotland, poverty is significantly highest among families with children. Mitigating the impacts of this and improving long term outcomes for these children, particularly in respect of educational attainment, is critical in addressing future levels of poverty. Within this, certain families will be more at risk of poverty, such as families with a disabled child or adult, lone parents, young mothers, larger families, and/or minority ethnic families.

The risk of poverty is much higher among people living in workless households than those where one or more adults are in work. Paying for housing, whether rent or mortgage payments, is the single biggest cost for many households. The cost of housing therefore has a significant impact on the resources that people have left over to meet their other needs.

Being in work is, however, no guarantee of protection from poverty. Many families in poverty are working, the issue being the scope to access employment which offers income to meet the needs of the family. Almost 1 in 4 children in Scotland (24%) were living in relative poverty in 2017/18. While the risk of poverty is higher for children who live in families where no adult is in paid employment, two thirds of children in relative poverty in Scotland live in families where at least one parent is working.

While economic factors are often the primary determinant of individual or household poverty, these can also be underpinned or exacerbated by other dimensions of social inequality, such as differences in power and opportunities, as well as discrimination on the basis of gender, race, disability, age, sexuality or religion.

There are also complex but clear links between poverty and poor health outcomes. Health inequalities exist to varying degrees throughout Scotland. They are defined as unfair and avoidable differences in people's health; across social groups and

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[4] https://www.jrf.org.uk/press/poverty-costs-uk-£78-billion-year-–-jrf-report

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between different population groups (NHS Health Scotland 2015)[5]. They represent thousands of unnecessary premature deaths every year in Scotland. The gaps between those with the best and worst health and wellbeing in Scotland still persist.

For many people good health is difficult to achieve due to a range of factors. Some of these are out with their control, with experiences and deprivation in early years persisting into adulthood. Nonetheless, behaviour change interventions, aligned to local interventions and supported by policy, can impact upon population health; for example, smoking interventions. Many of these programmes operate across the whole population but, where appropriate, the scale or intensity of those actions should be proportionate to need or disadvantage.

During 2019-20, Children's Neighbourhoods Scotland conducted a Critical Review of Rural Poverty & Social Exclusion with a focus on children and young people. CNS is a partnership which takes a place-based approach to improving outcomes for children, young people and their communities. The review report[6] was published in November 2020 and will inform future national child poverty priorities.

The Child Poverty (Scotland) Act 2017

The intention of the Child Poverty Act is to 'set targets relating to the eradication of child poverty' as well as making provision for plans and reporting relating to achievement of these targets. The Child Poverty (Scotland) Act 2017 requires the Scottish Government to meet four income-based child poverty targets by 2030 and four interim income targets by 2023, and report on the actions they will take to meet those targets. In addition the Act places a duty on local authorities and health boards to report annually on what they are doing to contribute to reducing child poverty.

The targets state that by 2030, of children living in Scottish households:

- less than 10% should be living in relative poverty (how many families are on low incomes compared with middle income households)
- less than 5% should be living in absolute poverty (how many low-income families are not seeing their living standards improving over time)
- less than 5% should be living with combined low income and material deprivation (how many lower income families cannot afford basic necessities)
- less than 5% should be living in persistent poverty (how many families live on low incomes three years out of four)

During 2013-2017, 17% of children in Scotland were living in persistent poverty, meaning they had lived in poverty for at least three out of the four years. Children within certain groups have been identified as being at higher risk of poverty, and these have been identified as 'priority groups' within the Scottish Government

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[5] http://www.healthscotland.scot/media/1086/health-inequalities-what-are-they-how-do-we-reduce-them-mar16.pdf

[6] https://childrensneighbourhoods.scot/wp-content/uploads/2020/11/CYP-Rural-Review-02112020.pdf

Tackling Child Poverty Delivery Plan; Every Child, Every Chance (2018-2022)[7]. The Delivery Plan focuses on three main drivers of poverty, which Local Authorities and Health Boards are required to take action against and report on each year.

The local child poverty action report must set out a range of commitments to address the key drivers of poverty:

- Increasing income through employment
- Maximise income from the social security system
- Reducing household costs

It is important while addressing these commitments to take into account the rural/island nature of Orkney and the specific issues that are therefore relevant to our local context, illustrated in Figure 3 below.

Figure 3
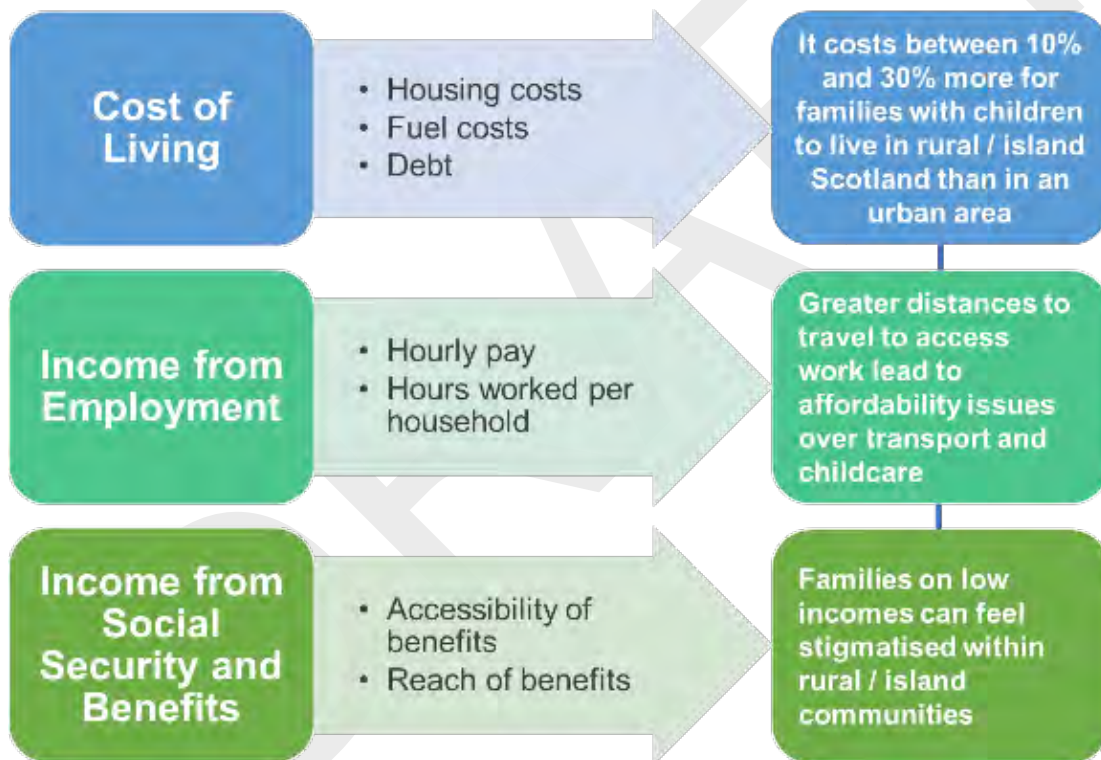
Our approach has been to:

- Mitigate the barriers created by the additional cost of living
- Ensure that travel opportunities meet the needs of the whole community
- Work towards the expansion of Early Years childcare from 600 to 1140 hours.
- Work in partnership with the community to reduce the perceived stigma of poverty
- Increase community participation and agency of children and young people

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[7] https://www.gov.scot/publications/child-chance-tackling-child-poverty-delivery-plan-2018-22

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Equality Impacts

The Act also sets out that a local child poverty action report must describe:

> *"any measures taken during the reporting year, or which are proposed to be taken, in the area of the local authority in relation to children living in households whose income is adversely affected, or whose expenditure is increased, because a member of the household has one or more protected characteristics."*

The Protected Characteristics, as set out in the Equality Act 2010, are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation. This provision reflects the need to consider whether families with a member or members with one or more protected characteristics may face particular challenges in terms of**:**

- Being able to access a level of income which can sustain a family
- Having to meet costs linked to one or more family members having one or more protected characteristics, additional to the costs incurred in raising a family.

In Orkney, peripherality is also considered an equality characteristic, with the impact of any new policy on isles residents to be considered alongside the protected characteristics. This requirement was placed on a statutory footing in December 2020 with the coming into force of regulations under the Islands (Scotland) Act 2018 pertaining to Island Communities Impact Assessment.

An Equality Impact Assessment and an Island Communities impact Assessment will be conducted as part of the preparation for the Child Poverty Strategy 2021-23 to identify any differential impacts on these groups and how they will be mitigated.

Priority groups

Nationally identified priority groups

- Lone Parents
- Families where a member of the household is disabled
- Families with 3 or more children
- Minority ethnic families
- Families where the youngest child is under 1
- Mothers aged under 25

Locally identified priority groups

In addition to the nationally identified priority groups, local partnership working has emphasised the need to include in our plans:

- Families and children with experience of the care system
- Families with children residing on the isles

The impact of poverty on children and families in Orkney

Orkney and its islands are often seen as a rural idyll and much of the available data backs up this view, with consistently high satisfaction rates whenever people are interviewed regarding their quality of life on the islands. The lack of visible poverty can make it more difficult to evaluate the true nature of the problem and therefore the policy and practice necessary to mitigate effectively against its effects.

Rural and island poverty has its own set of characteristics and presents its own set of unique challenges that may not be the uniform experience of poverty across Scotland. Rural households face an increased cost of living between 10% to 30% more than children and families living in urban Scotland, and for those living on islands the premium can exceed 40%.[8] This poverty is often less visible than in urban areas.

New research by the Centre for Research in Social Policy at Loughborough University[9], for the End Child Poverty coalition, shows the full extent of child poverty across the UK and how it has changed between 2014-15 and 2018-19, before the Covid-19 pandemic. These tables are based on the DWP/HMRC statistics "Children in low income families: local area statistics" (March 2020) combined with information about housing costs at the local level to estimate poverty rates after housing costs. Figure 4 shows 21.9% of children in Orkney and 24% in Scotland overall are living in households with incomes net of housing costs that are below 60% of the median.

Figure 4

Number of children aged 0-15 living in low income households						5-year change
Area	2014/15	2015/16	2016/17	2017/18	2018/19	
Orkney	691	716	762	757	779	88
Scotland	200,505	209,824	219,912	220,146	220,686	20,181
Percentage of children aged 0-15 living in low income households						5-year change
Area	2014/15	2015/16	2016/17	2017/18	2018/19	
Orkney	19.8%	20.6%	21.7%	21.3%	21.9%	2.1%
Scotland	22.0%	23.0%	24.0%	24.0%	24.0%	2.0%

Figure **5** **[10]** shows the percentage of children in working households, which is higher than the Scottish average but this masks the reality that many of these households will be on low incomes. A key issue in Orkney, notably on the smaller isles, is that people often have to hold down a number of jobs to attain a reasonable income, let alone compensate for the high cost of living on the isles. Orkney has a shortage of

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[8] https://www.hie.co.uk/media/6441/aplusminimumplusincomeplusstandardplusforplusremoteplusrural plusscotlandplus-plusapluspolicyplusupdateplus2016.pdf
[9] http://www.endchildpoverty.org.uk/child-poverty-in-your-area-201415-201819/
[10] Figures 2-5 and 8: https://www.gov.scot/publications/local-child-poverty-statistics-december-2019/

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affordable housing, with a lack of both social housing and affordable private housing in the main towns. The housing shortage impacts especially on young people moving into adulthood, with significant waiting lists in Kirkwall for single person dwellings.

Figure 5

% Children in working households
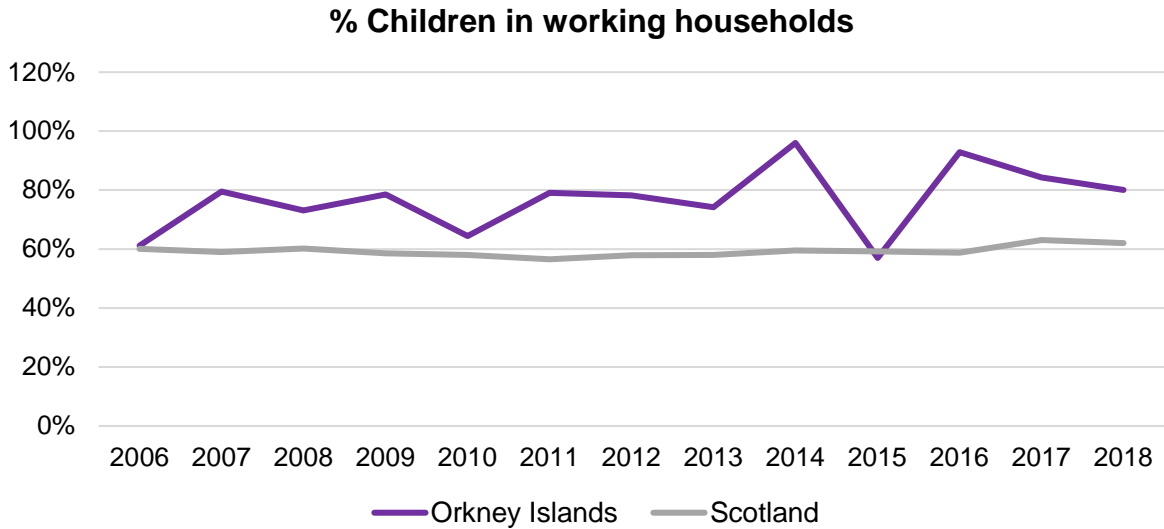
Figure 6 shows that the number of families in Orkney who are managing financially has decreased in recent years. This can be attributed to the increase in cost of living on the islands in comparison to rises in income from wages and benefits. The cost of living in some parts of Orkney in terms of food, fuel and transport can be almost double that on the mainland. The number of residents stating they have access to good public transport facilities is approximately 55% compared with 91% in the rest of Scotland.

Figure 6

% Households managing well financially
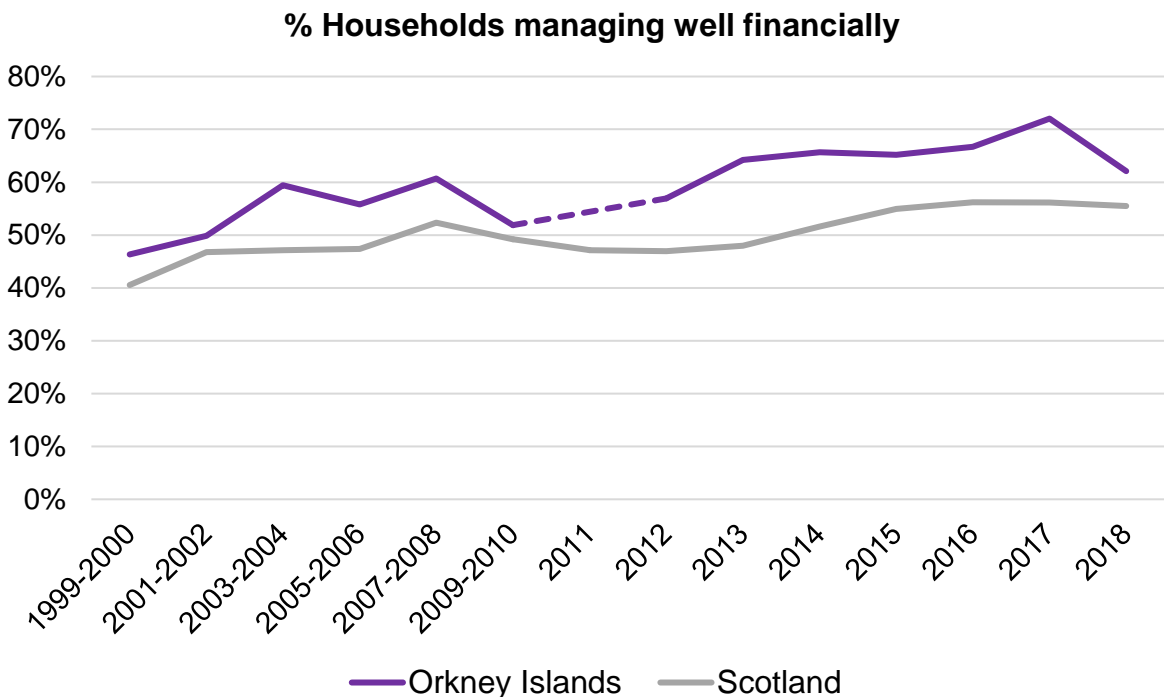
According to the new definitions in the Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019, a household is in fuel poverty if, in order to maintain a satisfactory heating regime, total fuel costs necessary for the home are more than 10% of the household's adjusted net income (after housing costs), and if after deducting fuel costs, benefits received for a care need or disability and childcare costs, the household's remaining adjusted net income is insufficient to maintain an acceptable standard of living. The remaining adjusted net income must be at least 90% of the UK Minimum Income Standard to be considered an acceptable standard of living, with an additional amount added for households in remote rural, remote small town and island areas. Extreme fuel poverty follows the same definition as fuel poverty except that a household would have to spend more than 20% of its adjusted net income (after housing costs) on total fuel costs to maintain a satisfactory heating regime.

In February 2021, the Scottish Government published a new analysis of data from the Scottish House Condition Survey for the three years 2017-19. In the period 2017-2019, the 3-year average fuel poverty rate in Scotland was 24%. Seven local authorities had significantly higher fuel poverty rates than the national average, including Orkney at 31%. Figure 7 shows the local rates and 95% confidence intervals which are quite wide for authorities with smaller sample sizes – Orkney's sample size was 80 households.

Figure 7

Percentage of dwellings in Fuel Poverty by local authority. SHCS 2017-2019
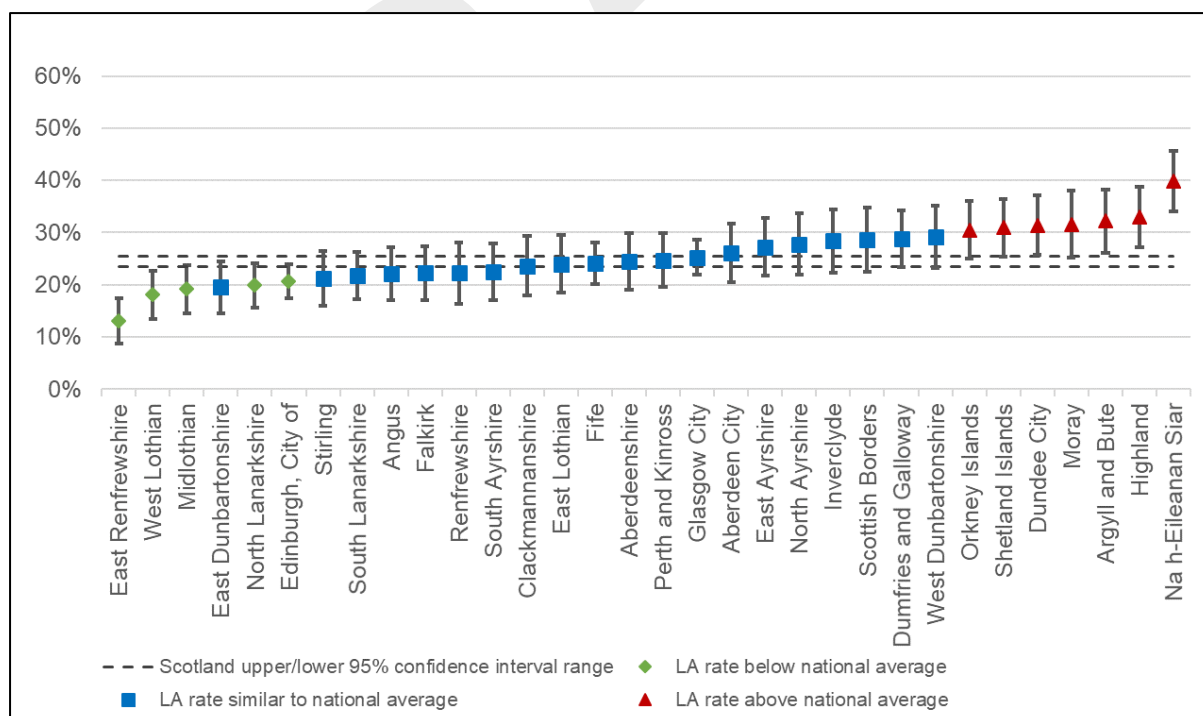
Across the same period, seven local authorities had significantly higher extreme fuel poverty rates than the national average, with Orkney at 22%.

Figure 8

Percentage of dwellings in Extreme Fuel Poverty by local authority. SHCS 2017-2019
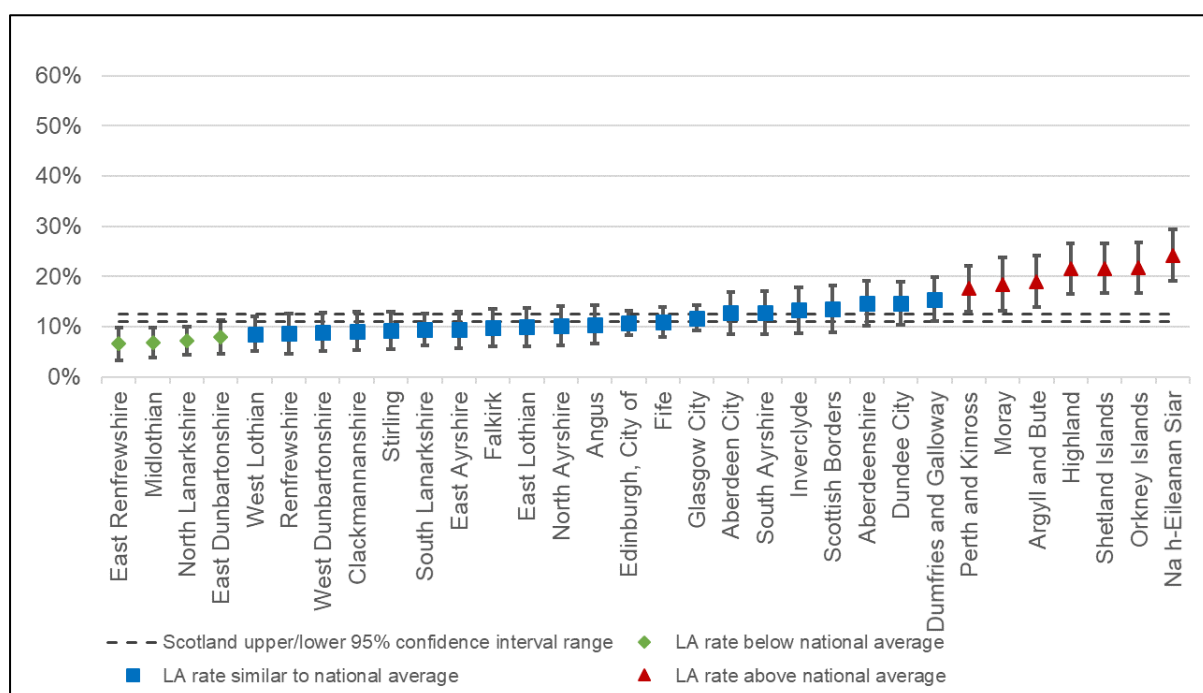
Island and rural local authorities generally had the highest proportion of the least energy efficient dwellings. Figure 9 shows that eleven local authorities had rates above the national average (4%), with the highest being Na h-Eileanan Siar (18%), Orkney (17%), Dumfries & Galloway (15%) and Shetland (14%). These local authorities also had the lowest proportions of properties in the highest efficiency bands. Detached houses and housing which is off the gas grid are more likely to be F or G rated than other housing types.

Where a household is in fuel poverty, the fuel poverty gap is the annual amount that would be required to move the household out of fuel poverty. In the period 2017-2019, the median fuel poverty gap was generally higher in island and rural local authorities and ranged from £440 in Clackmannanshire and Renfrewshire to £1,640 in Orkney, with a national average of £690.

Figure 9

Percentage of dwellings in Lowest Energy Efficiency Bands F or G (SAP 2012) by local authority, compared to Scotland average. SHCS, 2017-2019.
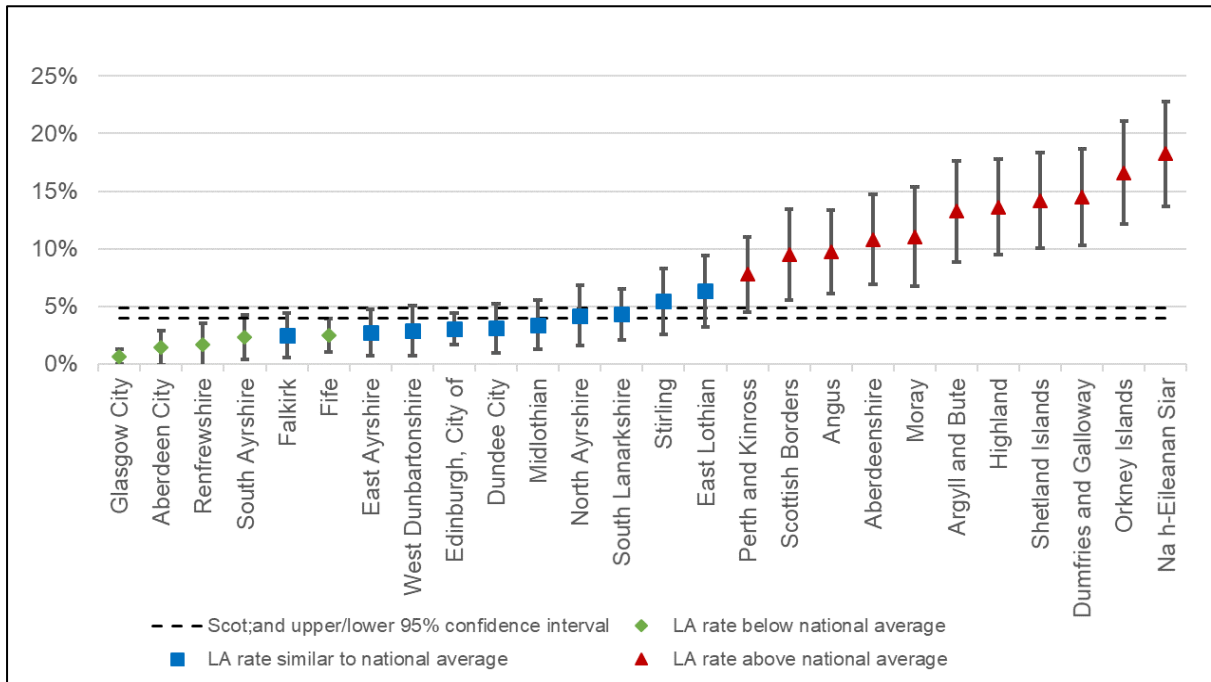
Figure 10 shows the number of lone parents which, although lower than the Scottish average, has risen over the past five years. Lone parents in Orkney are vulnerable due to the nature of the island economy. Poor transport links lead to isolation and are a barrier to employment.

Figure 10

% Single parent households
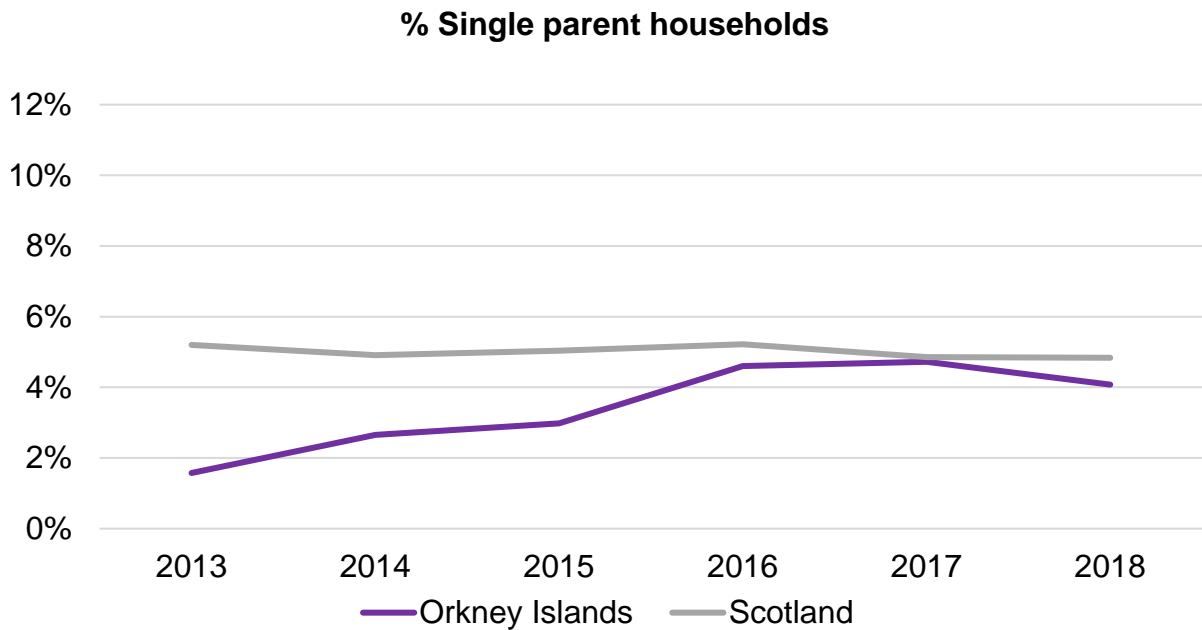
Figure 11

Tackling disadvantage by improving the attainment of lower attainers relative to higher attainers

Attainment versus Deprivation

- Orkney Islands
- Orkney Islands trend
- National
- National trend
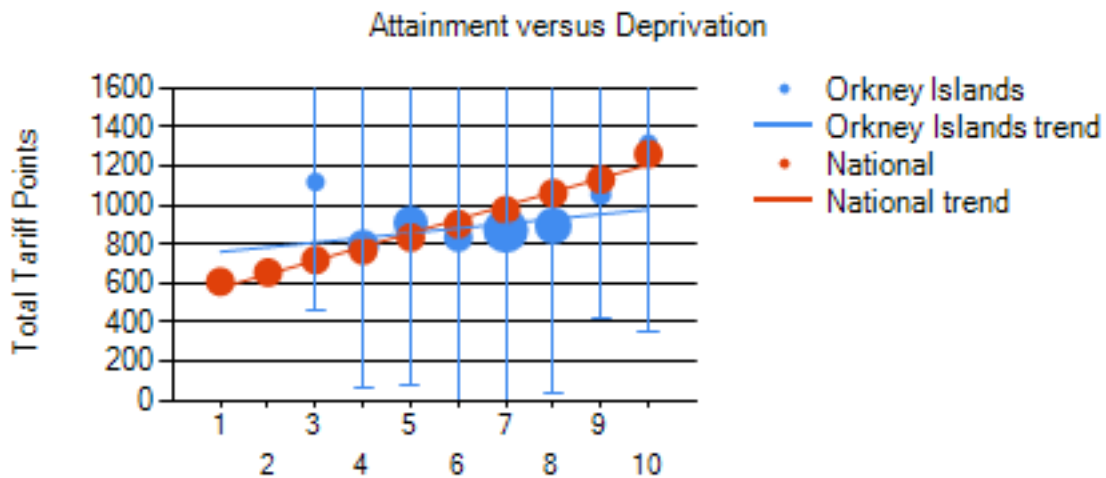
National attainment figures for 2018/2019 show that in Orkney, there appears to be no significant relationship between the Scottish Index of multiple Deprivation (SIMD) and attainment. The attainment gap in Orkney is low giving a near horizontal line. Further consideration is perhaps needed to link more relevant measures of deprivation in Orkney to attainment.

Health/wellbeing and poverty are often closely connected. It is useful to consider some health markers to paint the picture of health in Orkney, compared to the national levels. Figure 12 shows a selection of indicators from Public Health Information Scotland[11], comparing Orkney with the Scottish national average. It shows that in Orkney there are some distinctive challenges compared with the national picture. Orkney has fewer children of a healthy weight at birth but by Primary 1 is slightly better than the Scottish average. Alcohol-related hospital admissions are nearly twice the national average, while drug-related hospital admissions are not far below the national average, with the caveat that both of these measures may be skewed by small numbers. It should also be noted that there have been delays in updating some of these indicators nationally due to the pandemic and the reporting periods are not always comparable.

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[11] https://scotland.shinyapps.io/ScotPHO_profiles_tool/

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Figure 12

ScotPHO Health indicator		Orkney	Scotland	Period	Measure
Healthy birth weight		75.2	84.1	2017-18 to 2019-20	3 year rolling average %
Child healthy weight in Primary 1		85.5	83.7	2019-20	% as used for clinical management and planning individual interventions
Drug-related hospital admissions, age 11-25		127.5	142.9	2016-17 to 2018-19	3 year rolling average age/sex standardised rate per 100,000
Alcohol-related hospital admissions, age 11-25		523.2	271.9	2017-18 to 2019-20	3 year rolling average age/sex standardised rate per 100,000
Households with children in homes that fail the Scottish Housing Quality Standard		35.0	38.0	2015-17	3 year rolling average %
Teenage pregnancies		11.7	30.5	2016-18	3 year rolling average per 1000 females age 15-19
Percentage of P1 children showing no obvious signs of tooth decay		88.5	71.5	2018-19	%

How Orkney compares with Scotland (not all differences are statistically significant)

Worse than Scotland   Better than Scotland

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Figure 13 shows lower than Scottish average levels of free school meals take-up, much lower than it should be in Orkney in terms of the levels of family and child poverty. This could be related to the stigma attached to poverty which is often more pronounced in rural and island communities. Addressing this discrepancy is a key element of the partnership and multi-agency approaches that Orkney is working on.

Figure 13

% P4-P7 pupils registered for free school meals
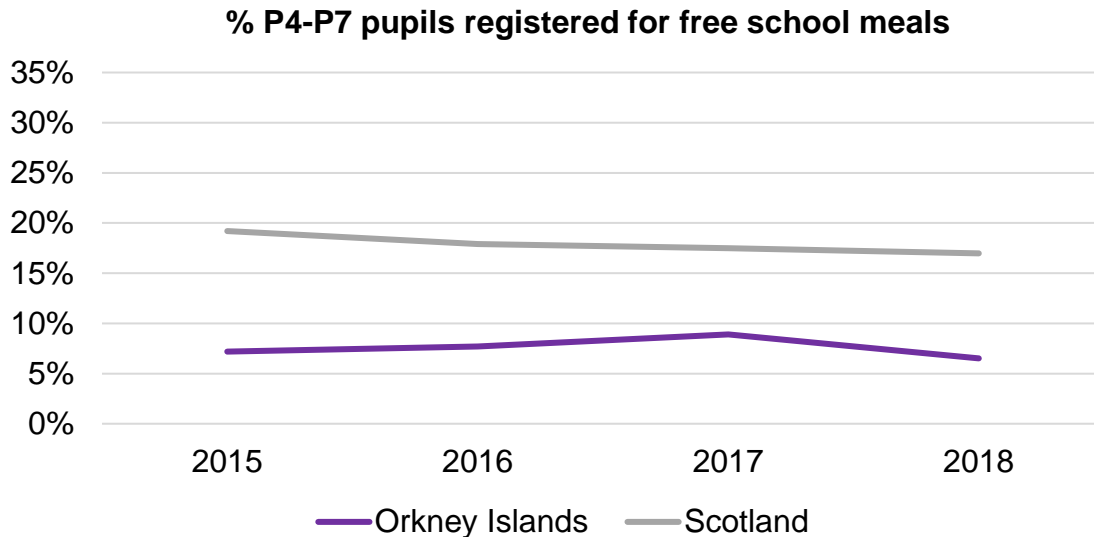
In the last year, across the different sectors, children in Orkney were in receipt of free school meals as shown below. The Council paid cash in lieu of free school meals during lockdown periods, at a rate of £3 per child per day. Almost all families requested these payments to be made direct to their bank account.

Cohort	Number	Percentage
Early Learning Centre	22	*6.4%*
P1-P7	178	*11.5%*
S1-S6	98	*7.8%*
Total	298	*9.5%*

Scottish Government paid a 2020 Christmas grant of £100/child to families in receipt of free school meals, to which the Council added an additional £100/child. Uptake of the Christmas Grant increased applications for free school meals by 21 families (16.3%) with 34 children (13.8%) with 152 grants given out. There was also an increase in free school meals applications when an Easter grant was offered, to 160 grants. Families accessing these payments during holidays in the academic session 2020-2021 were as follows:

Period	Number of families	% of applicants	Number of children	% of total children
October Holidays	118	*100%*	232	*7.3%*
Christmas Holidays	148	*100%*	279	*8.9%*
Easter Holidays	158	*100%*	295	*9.4%*

Figure 14, supplied by Glasgow Caledonian University, shows the percentage of children who live in families with limited resources, defined as combined low income and material deprivation. Orkney's individual electoral wards are compared with Orkney as a whole, and with other local authorities in Scotland.

Figure 14

Percentage of children living in families with limited resources in Orkney electoral wards / Orkney / other local authorities in Scotland
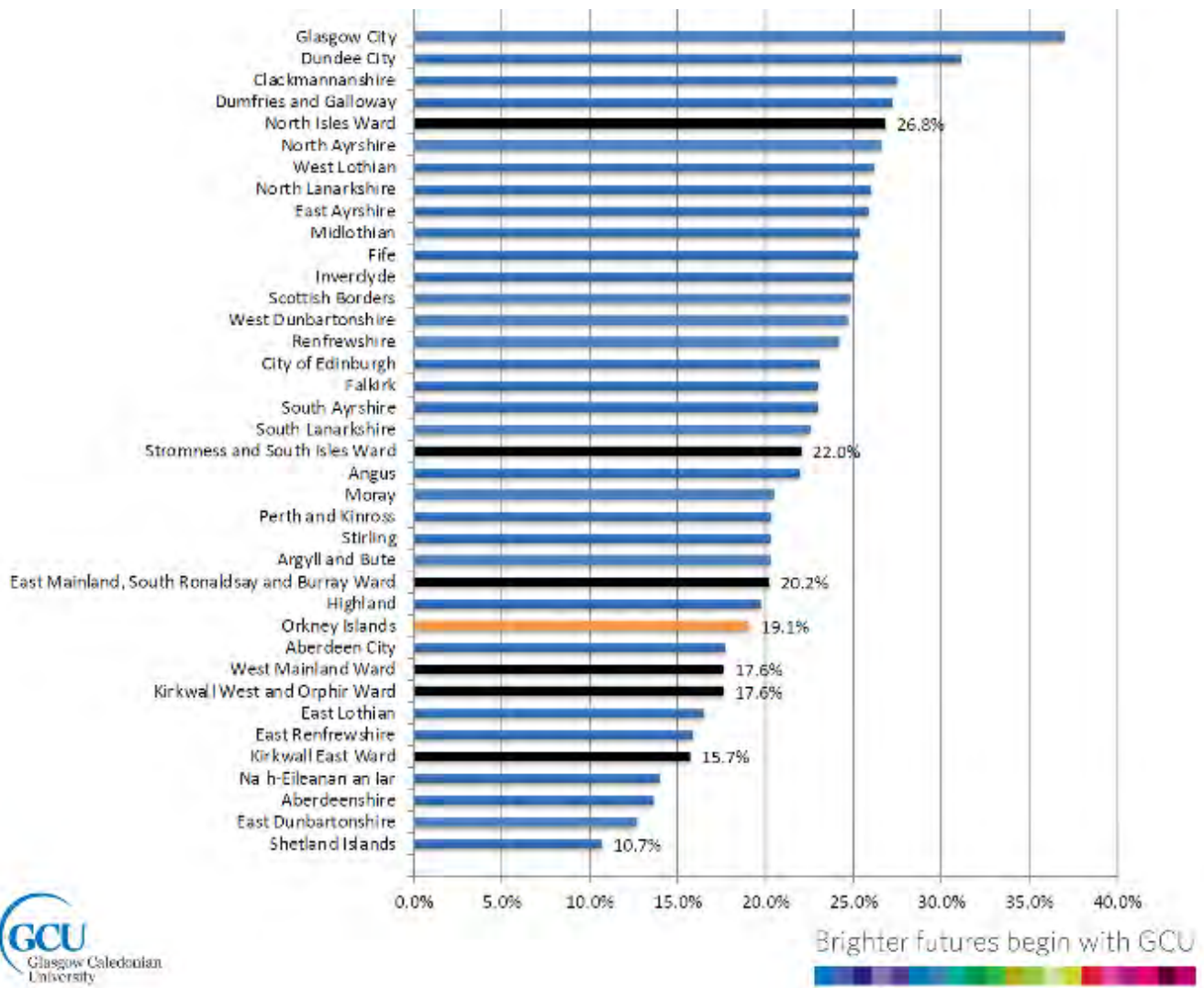
There is a striking disparity between Orkney's most and least deprived wards. It is notable that the non-linked isles, both north and south, are the two most deprived wards. There is a strong correlation here with SIMD 2020 findings for relative deprivation by datazone, listed below in Figure 15.

Figure 15

Scottish Index of Multiple Deprivation (SIMD 2020) rankings and corresponding household incomes for datazones in Orkney

Data Zone	Location	Overall SIMD 2020 rank	Overall decile 2020	Lower quartile household income	Mean household Income	Upper quartile household income
S01011821	Kirkwall - Pickaquoy	1,995	3	£13,202	£27,665	£36,627
S01011827	Hoy, Walls & Flotta	2,097	4	£10,915	£24,092	£31,307
S01011831	Stronsay, Sanday & North Ronaldsay	2,476	4	£12,354	£25,674	£33,566
S01011822	Kirkwall - Town Centre	2,679	4	£14,125	£29,352	£38,940
S01011830	Shapinsay, Rousay, Egilsay & Wyre	2,710	4	£15,161	£30,587	£40,254
S01011824	Kirkwall - The Meadows East	2,749	4	£13,943	£30,876	£41,800
S01011820	Kirkwall - Glaitness Road & Hornersquoy	3,074	5	£14,729	£34,474	£46,610
S01011832	Eday, Westray & Papay	3,153	5	£13,123	£27,604	£36,556
S01011804	Stromness - South	3,187	5	£15,239	£32,734	£43,753
S01011808	Firth	3,402	5	£18,273	£37,753	£50,105
S01011828	South Ronaldsay	3,421	5	£15,969	£34,307	£45,863
S01011819	Kirkwall - South	4,336	7	£14,788	£30,833	£41,204
S01011829	Burray	4,356	7	£20,895	£41,094	£54,104
S01011813	Holm	4,373	7	£21,412	£42,433	£56,600
S01011823	Kirkwall - KGS & Bignold Park	4,412	7	£17,039	£36,474	£48,449
S01011810	Harray	4,434	7	£18,945	£38,175	£50,365
S01011809	Orphir	4,446	7	£20,655	£39,834	£52,300
S01011825	Kirkwall - Papdale West	4,471	7	£17,314	£35,743	£47,441
S01011814	Holm East, Toab & Deerness	4,607	7	£21,139	£40,849	£53,943
S01011812	Evie, Rendall & Gairsay	4,790	7	£20,558	£41,212	£54,840
S01011817	St Ola - West	4,836	7	£20,719	£41,422	£54,711
S01011826	Kirkwall - Harbour and North	4,851	7	£19,226	£38,188	£49,974
S01011811	Birsay & Dounby	4,902	8	£20,168	£39,741	£52,667
S01011806	Stromness - Outer Town	4,911	8	£19,093	£38,916	£51,152
S01011815	Tankerness	4,977	8	£21,532	£43,412	£57,938
S01011818	Kirkwall - Holm Road	5,263	8	£18,129	£38,884	£52,062
S01011807	Sandwick and Stenness	5,424	8	£21,943	£43,139	£57,183
S01011805	Stromness - North	5,566	8	£16,724	£35,085	£46,288
S01011816	St Ola - East	5,616	9	£26,740	£50,836	£66,972

Figure 15 shows the correlation between SIMD 2020v2[12] data and household incomes[13], supplied by CACI Paycheck data.

There are 6,976 datazones in SIMD 2020, with the most deprived being no. 1 and the least deprived no. 6976. A decile corresponds to 10% of datazones. Orkney does not have any datazones in the most deprived 20% in Scotland but due to the

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[12] Corrected release see https://www.gov.scot/collections/scottish-index-of-multiple-deprivation-2020/
[13] The applicable copyright notices for CACI data can be found at
https://www.caci.co.uk/sites/default/files/imce/Copyright_and_Third_Party_Notices.pdf

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disseminated pattern of poverty in Orkney, there will be individuals and families in all areas experiencing multiple deprivation.

Income reflected by CACI Paycheck is gross household income from all sources including earnings, benefits and investments. The table shows average (mean) household income overall for each datazone, and average (mean) household incomes for households in the bottom quartile and top quartile, a quartile being a quarter or 25% of households.

Orkney's most deprived datazones are heavily skewed towards the non-linked isles and certain areas of Kirkwall, and this is reflected in the income data. The Orkney Partnership selected the non-linked isles for its first Locality Plan 2018-21[14], addressing socio-economic inequality.

Looking at individual domains within the SIMD, no fewer than 14 of Orkney's 29 datazones are among the most deprived 10% in Scotland for 'Access' (to services) with a score of 698 or less, with Hoy, Walls & Flotta scoring only 12. This measure evidences the poverty drivers illustrated in Figure 1.

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[14] http://www.orkneycommunities.co.uk/communityplanning/index.asp?pageid=681664

What we did in 2020-2021 to combat child poverty

Much of the work done by the Partnership is ongoing but Covid-19 has impacted disadvantaged families and children more than usual, and affected the ability of supporting organisations to help them. Covid-19 restrictions caused difficulties for all partner organisations and some Third Sector agencies have struggled to maintain their own income. It is possible that the support they offer to mitigate child poverty will be unavailable on similar terms in future.

All agencies and partners had to adapt, scale up and enhance services as far as possible to offer more support to families who are struggling with pressures exacerbated by the pandemic and associated economic and social issues. New ways of working were adopted to engage with families and children and to deliver services safely, for example switching from face-to-face meetings to telephone and online interactions. Staff also needed training, support and equipment to work remotely.

Actions planned for 2020-2021 and foreseen in the 2019-2020 report had to be modified to take account of pandemic restrictions, and new actions to mitigate the effects of the pandemic were put in place by Partners to meet the needs of frontline staff, families and children in particular difficulty, and the wider community.

The Covid-19 emergency impacted directly or indirectly on most actions taken by Partner organisations during 2020-2021, with increased demand for support due to loss of income, increased costs of living and other social constraints resulting from lockdowns. Partners reported increased need for advice services, financial and practical support, and support for children.

At the time of writing this report we do not have the means to collate budgetary information on the total resource dedicated by partner agencies to combating child poverty. This will be addressed in the forthcoming Child Poverty Strategy, Meanwhile the volume and variety of activity can be ascertained from the table below.

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
ADVICE & ADVOCACY			
1	**Advocacy services**	Advocacy Orkney	Income from employment Income from social security
2	**Assistance with benefit checks**	CAB Orkney	Income from social security Cost of living
3	**Assisting clients to identify and claim their full financial entitlements**	CAB Orkney	Income from social security Cost of living

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
4	**Parent Employability Support** Supporting individuals and families access information, support and essential services including welfare, training and employment.	CLD Employability	Income from employment Income from social security
5	**Providing one-to-one support, advice and signposting** **Gathering and sharing insights** on the needs of island communities with strategic partners	Island Wellbeing Project – a partnership between Voluntary Action Orkney and the Development Trusts of Hoy, Shapinsay, Stronsay, Sanday, and Rousay, Egilsay and Wyre	Income from employment Income from social security Cost of living
6	**Ensuring access to council funds, free school meals and clothing allowances**	NHS Orkney Health Visitors School Health	Income from social security
7	**Ensuring access to free national health services** e.g. Minor Ailments and continence products	NHS Orkney	Cost of living
8	**Lobbying and prompting services providers** to improve standards of living e.g. housing	NHS Orkney Health Visitors	Cost of living
9	**Regular discussions with families** about finances, debt, benefits	NHS Orkney Health Visitors	Cost of living
10	**Signposting and referrals to THAW, CAB, Foodbank, Orkney Charitable Trust, and other partner agencies**	NHS Orkney Health Visitors, School Health	Income from employment Income from social security Cost of living
11	**Referrals to CAB** for benefit checks/money advice for people in financial difficulties	OHAC Housing staff	Income from employment Income from social security Cost of living
12	**Signposting to services** such as mental health services, Coronavirus Community Hub, etc.	OHAC Housing staff	Cost of living
13	**Signposting and referrals to THAW, CAB, Foodbank, Orkney Charitable Trust, and other partner agencies**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
14	**Child Poverty data gathering and analysis**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
15	**Support with Scottish Welfare Fund Community Care Grant applications**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
16	**Holistic advice service** Assisting clients to identify and claim their full financial entitlements. Information circulated to families via schools and Facebook page to raise awareness of the benefits available and encourage local people to get in touch for a benefit check.	Orkney Citizens Advice Bureau	Income from employment Income from social security
17	**Support for individuals and families to manage relationships, improve mental health and reduce substance use** plus onward referrals to other services e.g. CAB, Women's Aid	Relationships Scotland - Orkney	Income from social security Cost of living
18	**Support for women and children affected by domestic abuse**	Women's Aid Orkney	Cost of living
FINANCIAL SUPPORT			
19	**Assisting families to apply for Best Start grants**	NHS Orkney Health Visitors School Health, Maternity unit	Income from social security
20	**Sourcing funding** (local and national) to assist families to purchase items, e.g. bicycles	NHS Orkney Occupational Therapists Health Visitors	Cost of living
21	**Financial support for local children in need** including - General fund - Help from Home Scheme - Bairns Need Nappies - Every Child Deserves A Christmas grant scheme - Supporting Christmas presents	Orkney Charitable Trust	Income from employment Income from social security Cost of living

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
22	**Funding for the electricity vouchers fulfilled by the Foodbank, and directly**	THAW Orkney	Income from employment Income from social security Cost of living
FOOD POVERTY			
23	**Referrals to Foodbank**	OHAC Housing staff	Income from employment Income from social security Cost of living
24	**Foodbank** fulfilled 574 vouchers, supporting 768 adults, 594 children (total 1362 people)	Orkney Foodbank	Income from employment Income from social security Cost of living
FUEL POVERTY			
25	**Combating Fuel Poverty** through the Home Energy Efficiency Programme for Scotland	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
26	**Electricity top ups** – so those in receipt of food parcels can heat/cook their food	Orkney Foodbank	Income from employment Income from social security Cost of living
27	**Cosy Home Packs and small grants**	THAW Orkney	Income from employment Income from social security Cost of living
28	**Processing of electricity top ups for Orkney Foodbank**	THAW Orkney	Income from employment Income from social security Cost of living
29	**Provided information and advice on energy efficiency, tariff switching support**, assistance with accessing grant funding, advocacy, income maximisation and budgeting support	THAW Orkney	Income from employment Income from social security Cost of living

DRAFT at 31 May 2021

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
30	**Providing support to householders in fuel poverty to heat their homes**	THAW Orkney	Income from employment Income from social security Cost of living
HOUSING & HOUSEHOLD SUPPORT			
31	**Support for families on low incomes**	Homestart Orkney	Income from employment Income from social security Cost of living
32	**Community larder boxes, pop-up charity shops, fuel voucher schemes etc** **Acting as a link between the community and services** e.g. supporting Orkney Foodbank with referrals from the islands	Island Wellbeing Project	Income from employment Income from social security Cost of living
33	**Enabling access to IT** computers etc for families	NHS Orkney Health Visitors School Health Paediatric therapists	Cost of living
34	**Reminding clients about the free period products** available locally	NHS Orkney Health Visitors School Health	Cost of living
35	**Addressing poor housing**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
36	**Funding for starter-packs of essential household items**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
37	**Funding of Restart Orkney**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
38	**Housing support for vulnerable families**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living

           DRAFT at 31 May 2021

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
MOTHERS & BABIES			
39	**Provision of baby boxes**	NHS Orkney Maternity unit	Cost of living
40	**Support for pregnant women and families with children**	NHS Orkney Maternity Services and Health Visitors	Cost of living
41	**Hungry Baby service** - baby milk, baby food, nappies etc (referred to Health Visitors where child/children under 2 years)	Orkney Foodbank	Income from employment Income from social security Cost of living
42	**Childsmile** – improving children's oral health	NHS Orkney Dental & Oral Health	Income from employment Income from social security Cost of living
YOUNG PEOPLE			
43	**Informal learning programme for young people transitioning out of school**	Connect Project (Voluntary Action Orkney)	Income from employment Income from social security Cost of living
44	**Active Schools**	OIC & SportScotland	Income from employment Income from social security Cost of living
45	**ActiveLife Budget Membership**	OIC & The Pickaquoy Centre	Income from employment Income from social security Cost of living
46	**Provision of school uniform/toiletries/laundry items**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
47	**Young persons' Supported Accommodation**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security
48	**Young Scot cards Youth Achievement Groups Orkney Youth Forum**	Orkney Islands Council: Community Learning and	Cost of living

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
		Development Team	
49	**Supporting vulnerable young adults**, helping them build confidence and positive relationships while focussing on life and employability skills	The Connect Project VAO	Income from employment Income from social security
DIRECT RESPONSES TO THE COVID-19 PANDEMIC			
50	**Circulated support information to families** via local schools and Facebook to raise awareness of the benefits available	CAB Orkney	Income from social security Cost of living
51	**Community Resilience Funding** to purchase products to provide over 430 families across Orkney with packs	CLD	Income from employment Income from social security Cost of living
52	**Family Activity Packs** - working with the West Mainland Youth Achievement Group and Firth Youth Club to apply for	CLD	Income from employment Income from social security Cost of living
53	**Mobile Top Ups** £10 top-up vouchers available to all young people in Orkney	CLD	Income from employment Income from social security
54	**Adapt, scale up and enhance services as far as possible** Welfare checks by Housing Officer via telephone during lockdown to ascertain that tenants were coping and referrals made to services if required	OHAC Housing staff	Income from employment Income from social security Cost of living
55	**Critical Childcare Holiday Hub** 5 weeks July – August. Providing childcare when school provision was not available, allowing key workers to continue delivering essential services	OIC	Income from employment Cost of living
56	**Child Holiday Meals** – for children missing out on school meals during periods of lockdown	Orkney Foodbank	Income from employment Income from social security Cost of living

DRAFT at 31 May 2021

	What is the action that is taking place or has taken place?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
57	**Free School Meals lockdown cash payments** Parents of all children entitled to free school meals were paid £3 per child per day to buy meals during school closures.	Orkney Islands Council	Income from employment Income from social security Cost of living
58	**Welfare checks to all council tenants** during COVID-19 lockdown to ensure tenants had appropriate support	Orkney Health & Care Housing staff	Income from employment Income from social security Cost of living
59	**New ways of working** to engage with service users and deliver services safely Housing Service moved most interactions with service users to telephone and online. This has worked relatively well and staff have adapted well to this change in working practice.	Orkney Health and Care Housing staff	Income from employment Income from social security Cost of living
60	**Ad hoc essential clothing items for Papdale Halls of Residence pupils**	Papdale Hall of Residence staff	Cost of living
61	**All Papdale Halls of Residence pupils provided with one-off pack including facemasks & hand gel**	Papdale Hall of Residence staff	Cost of living
62	**Adapt the Child Contact Centre** to enable children to have Covid-safe contact with parents they no longer live with Face-to-face, safe and socially distanced contact was maintained throughout most of the pandemic (temporary suspension during first lockdown)	Relationships Scotland Orkney	Cost of living

Reports from Third Sector partner organisations

Orkney Foodbank

Orkney Foodbank has provided food and other provisions, and support to pay for electricity (in order to be able to heat/cook the food), over 2020-2021 to:

- 768 adults
- 594 children
  (1362 people in total)

The total number of vouchers used this year = 574 vouchers.

The number of people needing our support increased by 146 % from 2019-2020. – this table and graph show a sharp rise during 2020-2021 and a steady increase year-on-year.

	Vouchers	Adults	Children	Total	% people increase YOY
2013/14	104	135	65	195	
2014/15	284	342	180	522	268
2015/16	342	430	185	615	118
2016/17	404	513	238	751	122
2017/18	342	408	231	639	85
2018/19	457	541	359	900	141
2019/20	427	538	394	932	104
2020/21	574	768	594	1362	146
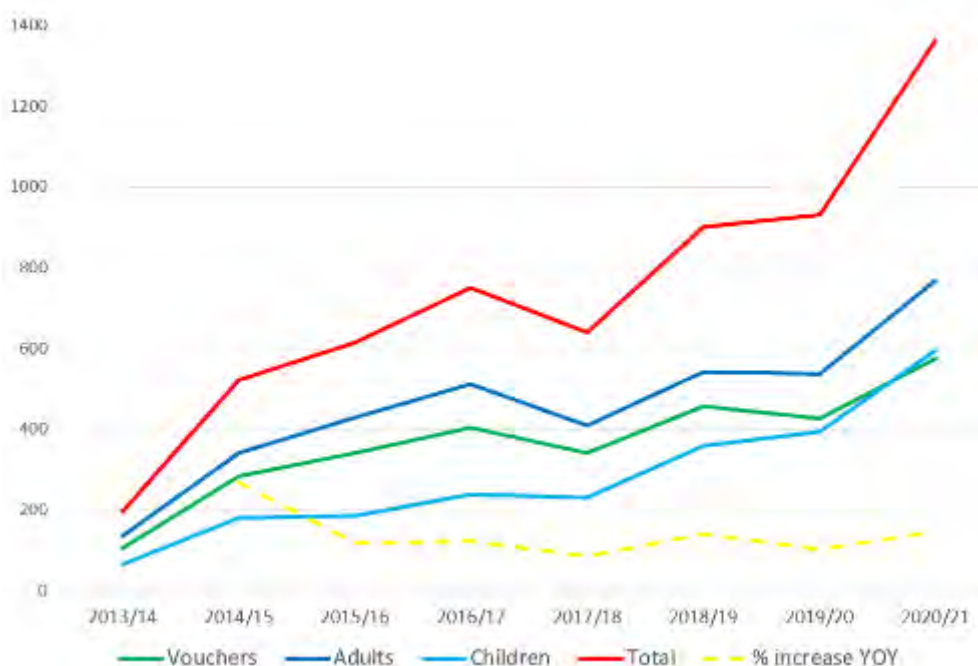
THAW Orkney

THAW's mission is:

to work for households in all Orkney communities to reduce levels of fuel poverty and achieve affordable warmth

Summary of activity

THAW Orkney's support to fuel-poor households during 2020-21 has escalated from 2019-20 when around £6000 of emergency electricity support was provided, to a total of over £50,000 of support for electricity, oil and solid fuel.

Support for families with children during 2020-21 includes:

- Emergency electricity, solid fuel or oil: £10,5050.38
- Scottish Government Home Heating Support Fund: £8,838.81
- Benefits/Income Max: £10,007
- Cosy Home Packs: £5200

At least 262 children were supported during 2020-2021, in families as follows:

No of Children	Clients
Not specified	95
0	276
1	55
2	30
3	17
3+	24

Report for 2020-2021

Over £320,000 has been secured by THAW Orkney in the past year to help folk throughout the islands with their energy costs, maximise their income, or improve their heating systems in a bid to make their homes more affordable to heat.

In a year dominated by the Covid-19 pandemic lockdown and the associated impact on jobs and income, over £50,000 of emergency electricity vouchers, grants to help to clear energy debt, or Warm Home Discount has been secured by THAW Orkney as folk struggled to heat their homes or have electricity to cook food.

The charity, based in Kirkwall but with staff working from home across Orkney, has found help for over 1000 new or existing clients in the past 12 months, with the

majority of these coming during the first lockdown period and then over the past winter.

Over 130 Cosy Home Packs have been issued to folk in this time, which include thermal blankets, hats and gloves, oil-filled radiator, low-energy bulbs, thermal mugs, and a damp trap. Items such as draught excluders, hot water tank jackets or chimney balloons can also be included as required.

The most significant increase the staff team has seen is in emergency electricity vouchers. In the financial year 2019-20 THAW Orkney issued vouchers worth just over £6000. This year that figure is £28,868 for vouchers alone. Added to that is over £2500 of awards from the Fuel Bank Foundation's heat fund, which paid for oil tank fills or solid fuel for clients, and almost £4000 of Warm Home Discount secured for clients.

But the most phenomenal boost for folk has come through the Scottish Government's Home Heating Support Fund, which has allowed us to secure over £26,000 of awards for some of our most vulnerable clients in just one month. This was a £4 million fund announced by the Scottish Government in late February, with the statement that no household should suffer in fuel poverty or have to ration fuel to get by. As it closed on 31 March, it has been a focus of our work in the past month, and to great effect, clearing debts for clients and giving them a bit of breathing space on their energy bills.

This fund recognised that awards could be made to any households in remote, rural, or island communities, to reflect the higher energy costs that we face.

The significant increase in demand for support has come as folk have spent longer periods at home - either furloughed or working from home - and as families have had children at home when schools and nurseries have been closed. This all adds to energy usage and costs, and electricity prices continue to rise far ahead of income, hitting folk hard.

Referrals to THAW Orkney during the year have come from Orkney Foodbank, for whom THAW Orkney now administers electricity vouchers to help folk cook the food they receive, and other agencies including Orkney Islands Council (OIC), Orkney Housing Association Ltd (OHAL), NHS Orkney, Orkney Health and Care, Orkney Citizen's Advice Bureau, Women's Aid Orkney, Macmillan, CLAN, Orkney Blide Trust, Home Energy Scotland, Orkney Care and Repair, YPeople, and Homestart as well as over 200 self-referrals.

Clients come from all housing tenures, including homeowners, OIC tenants, OIC emergency housing tenants, OHAL tenants and sharing owners, private rented tenants, and those life rented in properties.

Many of the new clients have required additional support, making full use of THAW Orkney's Community Support service, which works closely with other agencies including the pilot Community Link Practitioners based in GP practices.

THAW Orkney's Welfare Support service has seen significant income gains for clients throughout the year, including over £40,000 of Attendance Allowance secured, over £18,000 of Personal Independence Payments, £10,000 of Employment and Support Allowance, £7500 of debt written off, along with Council Tax reductions of over £2000.

At the same time as offering these frontline services to clients, THAW Orkney has again administered the SSE-funded Aiming Beyond Cancer programme, delivering 22 heating systems and 37 energy efficient white goods to clients who have an active cancer diagnosis. These clients are referred to THAW Orkney by CLAN and Macmillan, and by GP practices, as well as some self-referrals.

The THAW staff team - like so many other organisations - transformed from office-based to working from home, in Birsay, Papa Westray, Shapinsay, Deerness, and Kirkwall, with minimal staff in the office.

One client responding to a staff member after receiving a Home Heating Support Fund award said "you're my guardian angel who has literally changed my life. Makes me so happy and safer to know the electricity debt has gone. It's so lovely having a guardian angel."

Orkney Citizens Advice Bureau

We offer a holistic advice service which includes income maximisation, benefit take up and assistance with debt issues. We offer a full benefit check and assistance to claim any relevant benefits identified by this check. We provide a full debt advice service if required an assistance with employment, tax etc. We represent clients in court who are facing eviction action and assist with Simple Procedure cases (previously known as Small Claims). We encourage other agencies to refer clients to us for assistance and many clients also self-refer.

During 2020-2021 we carried out some worked targeted at increasing household income for families. This involved providing local schools with information on the financial benefits and entitlements available for families which was distributed to all parents and guardians. We also regularly used our Facebook page to raise awareness of the benefits available and encouraged local people to get in touch for a benefit check.

In 20/21 our benefits advisers recorded Client Financial Gain (financial entitlements secured for clients) of £1,702,106.43. Assistance with claiming disability benefits is one of our key areas of work, during 2020-21 we recorded £727,348 of CFG relating to ill health/disability benefit claim for those of working age and £41,051 in benefits and entitlements for children including Child DLA and the new Scottish Child Payment.

Island Wellbeing Project

The Island Wellbeing Project is a partnership between Voluntary Action Orkney and the Development Trusts of Hoy, Shapinsay, Stronsay, Sanday, and Rousay, Egilsay and Wyre.

We work to improve the health, economic and social wellbeing of island residents. We provide one-to-one support, whilst also developing new groups, projects and relationships to build the long-term capacity of the community.

The project employs five coordinators who use the 'I.N.C.A' approach:

- **Innovator**: Developing new groups, projects and ways of working with mainland providers (e.g., community larder boxes, pop-up charity shops, fuel voucher schemes)
- **Navigator**: Providing one-to-one support, advice and signposting
- **Connector**: Acting as a link between the community and services (e.g., supporting Orkney Foodbank with referrals from the islands)
- **Advocate**: Gathering and sharing insights on the needs of island communities with strategic partners

Projects and groups with a focus on alleviating poverty in 2020-2021:

Project	Where	Details
Tackling period poverty	All isles	Sanitary products made available free of charge across the isles and on the ferries.
Covid Grocery Boxes	Shapinsay	Grocery boxes made available to those facing food insecurity as a result of higher cost of living.
Cast Affs	Shapinsay	Charity shop which makes cheap clothing, homeware, crockery etc. available to residents unwilling or unable to travel to the mainland. All profits redistributed to groups on the island.
Community Larder Scheme	Hoy	Grocery boxes made available to those facing food insecurity as a result of higher cost of living.
Information and support Hub	Hoy	Drop-in centre created for people to come with any personal issues, including difficulties accessing benefits, affording food or fuel, or finding services.
Christmas Meal Delivery	Hoy	Free hot meal delivered to any household that wanted it.
Clothes Zone	Hoy	Appointment only sessions which provides children clothes free of charge to those who need it
Community Support Fund	Hoy	Grants available to those struggling with the cost of living
Community Pantry	Sanday	Container full of food stocked by shop, available for residents to use

Peedie Larder Box scheme	Stronsay	Partnership with local growers to provide fresh fruit and veg

Reasons for support (uncategorized)

IT skills
5.1%

Isolation or loneliness
7.4%

Transport difficulties
3.4%

Housing or housing repairs
13.1%

Benefits
5.7%

Childcare related costs
1.7%

Difficulty affording fuel
9.7%

Difficulty affording food
6.9%

Unaware of support available
8.6%

Difficulties accessing service
9.1%

Paperwork/understanding i…
9.1%

Requires support with activi…
4.6%

Shielding or self-isolating d…
1.1%

Support for carer
1.1%

Mental Health
6.9%

Mobility
5.7%

Unemployment or unstable…
0.6%

Support provided

Living aids assessment
4.1%

Planned to support with househol…
3.0%

Supported them to attend a group…
3.6%

Delivered food or medication
5.1%

Support with IT skills
3.6%

Administered grant or voucher
0.5%

Followed up referral
5.6%

Identified friends and neighbours…
3.0%

Supported with paperwork/forms/…
10.7%

Emotional support
18.8%

Signposting
9.6%

Referred to another service
9.6%

Gave them information
22.8%

OIC Critical Childcare Holiday Hub

The Holiday Hub ran from 3 July to 7 August 2020, providing childcare over a 5 week period when school provision was not available, allowing key workers to continue delivering essential services. Key workers were identified as those who were helping to support us through the challenges presented by the pandemic.

The Hub, which operated within Papdale Halls of Residence, also provided spaces for children for children requiring support over this period. Provision for these children was increased over the 5 week period as and when slots became available.

Although numbers attending varied from 10-20 each day, approximately 40 young people in P1 to S2 age range and their families benefited from the service.

The Hub operated for 10 hours each day and was staffed by members of the Council's CLD Service, Active Schools Service, and support/teaching staff from Papdale Primary School. Activities on offer included team games, climbing, archery and bushcraft. Children also had full access to the wide range of recreational facilities within the Hub.

From the word go, Council staff worked tirelessly to make the provision available on an extremely tight time scale and although authorisation was given by the Government to end the provision a week early, the Council stood by its commitment to continue this valuable provision until August 7th.

Parents and carers of children attending the Hub were extremely grateful for the service and voiced their personal thanks to staff on many occasions.

"To everyone. Thank you for being the best club ever."

"Thank you for everything at the holiday hub.
The girls enjoyed every minute. Plus it has allowed me to do my job as a staff nurse."
(Parent)

DRAFT at 31 May 2021

The Connect Project VAO

The Project is an informal learning programme to support vulnerable young adults after school and help them build confidence and positive relationships while focussing on life and employability skills with the goal to support them into the next steps that are right for the young person and a positive sustained transition.

Young people referred to connect have come with a variety, and often multiple, disadvantages. All these are recognised as reasons that affect a young person's life chances and ability to move out of and not move into economic disadvantage and poverty.

Needs of young people:

- Care experienced; childhood trauma; experience of food and fuel poverty; experience of family break downs; homelessness and joblessness.
- Physical and mental ill health, involvement in the justice system
- Learning difficulties and disabilities, social and emotional communication difficulties, isolation within the community.

The relationships built through the programme help us uncover and work with issues such as family neglect, suicidal ideation and homelessness that become issues for our young people and there is a level of trust that may exist from being outside statutory services that allow us to support, link with partner agencies and be flexible in our approach that helps.

Many issues within Orkney can remain hidden because of geography and social stigma and poverty and the lack of opportunities it leads to can be insidious in its effects on young people and vulnerability. Many people can be unaware of the difficulties others face with comments such as "everyone in Orkney has access to a car" or "there are lots of opportunities for young people in Orkney" that show a complete lack of awareness of aspects of lack of family support, transport, money for subscriptions, uniforms, lessons, entry as well as social discomfort within peer groups that can be insurmountable barriers.

Connect has been a point of stability and support in the lives of many young people. It has been extremely challenging already for the young people at this time of COVID and it will take time to rebuild confidence, socialisation and communication. However, it would have been even harder had they not had a regular pattern of support in their lives at this time so they will be far more able and willing to move forward and access any opportunities as and when we can. We can help to recognise where existing problems have been exacerbated by the current situation and how we can support young people.

DRAFT at 31 May 2021

Case Studies of Young people supported by Connect

Case Study B

B was referred to the Connect Project in March 2019, via the school and Skills Development Scotland. This young person was indicating that they may go to college at a later date but needed some support to build their personal skills prior to making any next stage progression.

B started at Connect in April 2019 at the age of 16, they had left school. **B** was very quiet and withdrawn and struggled in medium to large groups, they were most comfortable in small groups of 3 or 4 others. They had very low self confidence and self-esteem. Their experience at school had not been positive with instances of bullying and being segregated from the mainstream to be in a group of 'low achievers' as defined by the school. **B** had been repeatedly told by the school that they were too stupid to continue at school, which they had come to accept as their truth. **B** was also diagnosed as dyslexic. B had a challenging home life and also disclosed that a person they had looked to as a mentor had been lost to them through suicide

On starting at the project, **B** was given a key support worker and encouraged to join in with activities. **B** had a negative dialogue about themselves and was convinced that they could not do anything well. **B**'s body language was self-depreciating keeping their hood up, head down and not making eye contact and very little communication with others. The support staff worked with **B** and encouraged their participation. The staff also used positive framing to help to move away from the negative self-beliefs. As **B** continued to be involved in the project they found things that they enjoyed doing and started to slowly grow in confidence. This displayed in their body language; not keeping their hood up, voluntarily joining in group activities and talking to others.

As their participation at the Connect project continued **B** decided that they didn't want to go to college but wanted to work instead. The staff supported **B** with employability skills and supported volunteering. They took part in a great range of projects to benefit the community. As **B** continued to grow in confidence they became a much brighter person and an integral part of the group. They received a Youth Team Award for their participation in a project to clear the paths and walkways of a local nature reserve.

In October 2020, **B** moved into their own accommodation at the local Y People supported premises in Kirkwall. **B** is continuing to be supported by the Connect project and Skills Development Scotland both with their confidence and in looking for work. Once the pandemic restrictions are lifted **B** will begin supported work experience at a local work project and will move into employment when they are ready.

Case study C

C started with Connect after finishing at school at age 16. They were care experienced and had some difficult early memories of life with their mother with a history of familial alcohol and domestic abuse. They had not enjoyed school for

many reasons including bullying and did not consider the possibility of staying on because "I was too stupid".

C lacked self-confidence, spoke very little and also felt quite isolated in the community. They had previously had a group of friends who had become quite anti-social and involved in activities that they had become uncomfortable with. Taking a step back from them, they had been verbally and physically attacked, had their home egged and felt they had no option but to stay at home by themselves. They didn't have a lot of trust as "people don't care" and had little positive aspirations.

They started the Connect programme and attended regularly for the full programme of a range of activities. They enjoyed the learning through 'doing' and being able to take part in opportunities around the community. Support staff encouraged them to explore what interested them and found they enjoyed creative writing, Viking culture, art and working with animals.

C gained more confidence, began offering their opinion more and were involved in choosing and planning activities. They had positive relationships with the staff and other young people taking on a leadership role at times.

C recorded a thank you speech for a team to receive a Youth Award which was being delivered through an online live event instead of in person. This was a huge step forward in their confidence knowing that the speech would be viewed by hundreds of people. In Connect photos you can see a progression from them blocking their face from the camera, frowning or making a face, to smiling and being more comfortable in pictures.

When lockdown came in 2020 it affected their stated aim of a move into the workplace for **C** and they had conversations with their key-worker about the options available. They decided to apply to college and although nervous prepared with their key worker for the interview. They were accepted for a place on an employability skills course.

They kept in contact with the Connect staff and other young people, took part in activities and also found time in lockdown to develop their creative writing - submitting fan-fiction and working on art and sharing it with us.

Due to limited contact and changes due to govt. guidance the college course is operating on a one week in/one out programme for attendance. **C** has continued at their discretion to keep in touch with Connect, asked questions regarding coursework, taken part in some activities and have taken up the offer of studying Viking History in an online course so they "won't be bored".

Their time with Connect has allowed them to grow in confidence and maturity and feel more prepared and less anxious about what the future will hold for them.

Homestart Orkney

Many of the parents in the families supported by our service are either on a very low wage, or are not working: predominately due to health issues, but also there are those who are caught in a cycle of poverty, and there is a family history of unemployment.

During 2021-21, as with many services, our support to families changed overnight when the nation went into lockdown. Volunteers and staff remained in regular contact with supported families, and we continued to receive referrals. Despite, and in some instances because of, restrictions we supported those affected by poverty in the following ways:

- Advising on financial assistance from other sources eg Social Security Scotland
- Sourcing additional grants to distribute to those affected by the pandemic, whose income had reduced as well as those already receiving benefits

Additionally, our staff team also supported families by:

- Distributing grants received for those affected by Covid-19 pandemic
- Applying for Every Child Deserves a Christmas grants from Orkney Charitable Trust for eligible children
- Assisting families in accessing other services, such as THAW Orkney, for further assistance and advice with heating
- Applying for food vouchers from Orkney Foodbank for those families who struggled to afford meals for their children while schools/nurseries were closed, and those who would have struggled regardless of the pandemic
- Compiled and distributed activity packs to families
- Sourced and distributed outdoor clothing and toys so as children could enjoy outdoor play
- Distributed donations of toys/books/clothes (acting more as an intermediary)
- Worked as intermediary to ensure those children learning from home had suitable devices to enable them to do so (via contact with relevant services)
- Applying for grants for specific, essential, household items, such as cookers, etc

We continued to offer weekly Group Support sessions online during the pandemic and initial lockdown. After moving into Tier 1 (and subsequently Tier 3), we have been offering indoor Group Support, following national guidance. Many of those who attend our Group Support often struggle to attend mainstream groups, due to anxiety and also not being able to afford some of the activities on offer, or indeed to travel to participate.

We have also been able to offer face to face support to families, with volunteers meeting with families in public spaces and, in some instances, within family homes. These meetings and support all follow national guidance in terms of Covid

Priority groups we have worked with include:

- Lone parents
- Families with a disability
- Families with 3+ children
- Minority ethnic families
- Families with the youngest child aged under 1
- Mothers who are under the age of 25
- Families with children residing on the isles
- Families with experience of the care system

Orkney Charitable Trust

Orkney Charitable Trust raises and distributes funds to help people under 25 who live in the Orkney Islands. Our funds are available to young people in times of ill health, disability, hardship or disadvantage and are open to all.

- **Orkney Fund** – responsive to families needs when the most

- **Bairns Need Nappies** – working in partnership with NHS Orkney Health Visitors & Midwives, we help with the supply and cost of nappies for people who need some help providing these for young children in Orkney.

- **Help from Home** – aims to provide financial support to local families who require it when a child, or young person, needs treatment in a hospital out-with Orkney.

- **Every Child Deserves A Christmas** – to help reduce festive inequalities and bring some Christmas magic to Orkney children where a little help is needed. Also supporting Christmas presents with the Salvation Army.

We gave out more than £11,000 in Spring 'helping hand' grants in May 2021, using a £3,000 grant from Youth Scotland, working alongside families using the Food Bank and THAW.

Community Learning & Development Orkney

- Parent Employability Support
- Mobile Top Ups – 2020-2021
- Orkney Youth Forum
- Family Activity Packs

Parent Employability Support

At a strategic level the newly established Local Employability Partnership will have a wider membership and a remit for longer term planning, coordination and delivery of the employability agenda in Orkney and ensuring NOLB principles to service delivery are developed and maintained across provision. Parent Employability Support will be an agenda item so provision can be coordinated and targeted to those most in need with the overarching target to reduce child poverty within the local community.

CLD Employability team have met with various Statutory and Third sector partners including early years, housing, and health to discuss support and identify potential families/ parents who would benefit from employability support. All partners have referral forms and have agreed to engage with highlighted families to progress referrals for support.

Exploring potential of working within early years settings once this can happen to have a regular presence in Early Years setting to build relationships with and support parents.

The CLD Employability team has worked with various partners across sectors to identify individuals and families on low incomes that have little or no access to digital connectively and devices. We received 26 referrals and submitted a bid to Connecting Scotland for 26 devices which was successful. The devices were distributed in January and have support individuals/families access information, support and essential services including welfare, training and employment. Employability Support information leaflets were distributed with each device and the Employability team have offered one to one bespoke support to individuals who have requested it. After talking to parents during this project w are currently working with Learning Link to develop and deliver a series of digital literacy sessions to meet parents needs including basic set up, setting up emails, online banking, internet safety etc.

CLD Employability team have met with HomeStart Orkney to explore potential for art-based consultation project with families to gather their lived experience and views which could feed into the Child Poverty Plan. Also discussed was the potential for the CLO work with Homestart volunteers to provide informal training re Social Security Scotland Benefits, Confidence to Cook and personal budgeting resources. This would increase their knowledge and confidence when working with families.

DRAFT at 31 May 2021

The CLD Employability Team are working with WhoCares Scotland colleagues to plan and deliver holistic and bespoke programme of activities/opportunities for young people and families with care experience. The group will be supported to look at collective advocacy opportunities that could feed into various strategic plans and service design.

The CLD Employability team has established links with the new Enhancing Wellbeing Project Manager based at Voluntary Action Orkney and who is responsible for coordinating the Wellbeing Coordinators on 4 of the non-linked isles. We are working with the team to establish specific needs identified on the islands for parents/ families and the wider community and how we can potentially work in partnership to ensure support and provision is provided to meet needs of individuals and communities.

Mobile Top Ups – 2020-2021

It became apparent that as young people were accessing school work and other youth work activities at home that often access to wi-fi was poor or where they were using mobile data this was limited and expensive.

Therefore, CLD Youth Clubs applied to Youth Scotland for funding to support with this. This funding provided the opportunity for young people to apply for a free £10 top up to enable them to stay connected.

The vouchers were made available to all young people in Orkney, who, after completing a short application form, would be issued a £10 top-up to their mobile phone to keep in touch and stay connected.

Many areas of Orkney have poor broadband service, and this allowed young people to stay connected using their mobile device 4G without the worry of cost or poor connectivity. The Top-Up scheme allowed 90 young people, some applying more than once, to stay connected where they may otherwise not have.

> *"We have very poor internet connection where we live and these 2 x £10 vouchers for the girls have supported them to continue online use on their mobile devices for a period of time (a month). The process was very easy and straightforward with effective and quick communication."* A parent

Orkney Youth Forum

Orkney Youth Forum is a group of young people who come from across Orkney to address issues that are relevant to them. The group is supported by a member of OIC CLD team, who also supports the 2 elected Members of the Scottish Youth Parliament (MSYP's) whom are also members of this forum. The forum is open to young people across Orkney aged 12-25 years old. There are currently 14 young people who regularly attend meetings from across Orkney.

Lockdown forced us to facilitate more sessions online rather than face to face and as a result of this the Youth Forum has grown and have started meeting more regularly via MS Teams. The meetings are better attended online than they have ever been on the past, with approximately 10 members attending on a regular basis. The forum has also attracted a number of new members, although not necessarily ready to put on their camera or contribute to the discussions, they have indicated that they enjoy being part of this group and hope to be able to contribute to the discussions more soon.

Since the start of the pandemic the forum have been involved in a number of discussions/projects and have met with numerous key partners. They have been involved in shaping 'Orkney's vision for Children and Young People, gave their feedback to a Child and Young People Healthy Weight questionnaire and have met with MSP's in parliament to discuss employability and career opportunities, amongst a plethora of others.

Family Activity Packs

The Community Resilience Fund was established by Orkney Islands Council, through hardship Funding from the UK Government, to support, among others,

'Vulnerable isolated people and families, particularly those living in remote rural areas, families where a parent or both parents have lost employment or children living in poverty'.

The CLD team worked with the West Mainland Youth Achievement Group and Firth Youth Club to apply for this funding to purchase products to provide over 430 families across Orkney with Family Activity Packs full of interactive ideas for the whole family. Packs included: pens, pencils, paper, glue, scissors, colouring sheets, story books, recipes, puzzles, board game, outdoor games, seeds, upcycling ideas, time capsules, information from the Scottish Fire and Rescue Service, online Safety from Police Scotland and information on Youth Accreditation Programmes such as Hi5 and Dynamic Youth Awards.

Through working in partnership with schools across Orkney we were able to identify the young people and families in most need of receiving an Activity Pack. With support from local hauliers, the packs were transported to the Outer Isles and the CLD team delivered to mainland schools who distributed the packs to their families on our behalf.

These packs were gratefully received from families from across Orkney. Especially in such an uncertain time for families and for children, it gave them a nice surprise and some focus for the children to receive some free resources to take some time out for themselves away from the fact that they were not able to do their normal routines, such as attend school.

DRAFT at 31 May 2021

"My children are ages 6 and 16. It was great for the 6 year old and fire safety for all. We used the materials to make cards for birthdays and being able to adjust the skipping rope to suit any age was great. It was well thought of and a super surprise." Parent

> *"Just wanted to say a big thank you from my daughters. The activity packs are a big success!"*

Outline action plan for 2021-2022

Many actions already in train will continue. New actions are being planned, including using the Scottish Government's Parental Employability Support Fund (PESF). This fund aims to deliver a more flexible and user-based model of employability, supporting our ambition to reduce child poverty. PESF provides support for service users both in and out of employment and will help service users to access or progress in employment, improving their own and their family's circumstances with the aim of ultimately reducing child poverty rates.

	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
ADVICE & ADVOCACY			
C1	**Advocacy services** Advocacy Service commissioned by NHS Orkney and Orkney Islands Council	TBC following a tender process but currently CAB Orkney	Income from employment Income from social security
C2	**Assisting clients to identify and claim their full financial entitlements**	CAB Orkney	Income from social security Cost of living
C3	**Assistance with benefit checks**	CAB Orkney	Income from social security Cost of living
C4	**Parent Employability Support** Supporting individuals and families access information, support and essential services including welfare, training and employment	CLD Employability	Income from employment Income from social security
C5	**Ensuring access to council funds, free school meals and clothing allowances**	NHS Orkney Health Visitors School Health	Income from social security
C6	**Ensuring access to free national health services** e.g. Minor Ailments, continence products	NHS Orkney	Cost of living
C7	**Signposting and referrals to THAW, CAB, Foodbank, Orkney Charitable Trust, and other partner agencies**	NHS Orkney Health Visitors, School Health, Maternity unit	Income from employment Income from social security Cost of living
C8	**Regular discussions with families** about finances, debt, benefits	NHS Orkney Health Visitors	Cost of living
C9	**Lobbying and prompting services providers** to improve standards of living e.g. housing	NHS Orkney Health Visitors	Cost of living

	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
C10	**Referrals to CAB** for benefit checks/money advice for people in financial difficulties	OHAC Housing staff	Income from employment Income from social security Cost of living
C11	**Signposting to services** such as mental health services, Coronavirus Community Hub, etc .	OHAC Housing staff	Cost of living
C12	**Signposting and referrals to THAW, CAB, Foodbank, Orkney Charitable Trust, and other partner agencies**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
C13	**Support with Scottish Welfare Fund Community Care Grant applications**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
C14	**Child Poverty data gathering and analysis**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
C15	**Holistic advice service** Assisting clients to identify and claim their full financial entitlements.	Orkney Citizens Advice Bureau	Income from employment Income from social security
C16	**Support for individuals and families to manage relationships, improve mental health and reduce substance use** plus onward referrals to other services e.g. CAB, Women's Aid	Relationships Scotland - Orkney	Income from social security Cost of living
C17	**Support for women and children affected by domestic abuse**	Women's Aid Orkney	Cost of living
FINANCIAL SUPPORT			
C18	**Sourcing funding** (local and national) to assist families to purchase items, e.g. bicycles	NHS Orkney Occupational Therapists Health Visitors	Cost of living

	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
C19	**Assisting families to apply for Best Start grants**	NHS Orkney Health Visitors School Health, Maternity unit	Income from social security
C20	**Financial support for local children in need** including • General fund • Help from Home Scheme • Bairns Need Nappies • Every Child Deserves A Christmas grant scheme • Supporting Christmas presents	Orkney Charitable Trust	Income from employment Income from social security Cost of living
C21	**Funding for the electricity vouchers fulfilled by the Foodbank, and directly**	THAW Orkney	Income from employment Income from social security Cost of living
C22	**Ensuring dental and wider health services are accessible** without barriers of finance	NHS Orkney Dental & Oral Health	Income from employment Income from social security Cost of living
FOOD POVERTY			
C23	**Referrals to Foodbank**	OHAC Housing staff	Income from employment Income from social security Cost of living
C24	**Foodbank**	Orkney Foodbank	Income from employment Income from social security Cost of living
FUEL POVERTY			
C25	**Combating Fuel Poverty** through the Home Energy Efficiency Programme for Scotland	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living

	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
C26	**Providing information and advice on energy efficiency, tariff switching support**, assistance with accessing grant funding, advocacy, income maximisation and budgeting support	THAW Orkney	Income from employment Income from social security Cost of living
C27	**Providing support to householders in fuel poverty to heat their homes**	THAW Orkney	Income from employment Income from social security Cost of living
C28	**Cosy Home Packs and small grants**	THAW Orkney	Income from employment Income from social security Cost of living
C29	**Electricity top ups** – so those in receipt of food parcels can heat/cook their food	Orkney Foodbank	Income from employment Income from social security Cost of living
C30	**Processing of electricity top ups for Orkney Foodbank**	THAW Orkney	Income from employment Income from social security Cost of living
HOUSING & HOUSEHOLD SUPPORT			
C31	**Support for families on low incomes**	Homestart Orkney	Income from employment Income from social security Cost of living
C32	**Community larder boxes, pop-up charity shops, fuel voucher schemes etc** **Acting as a link between the community and services** e.g. supporting Orkney Foodbank with referrals from the islands	Island Wellbeing Project	Income from employment Income from social security Cost of living
C33	**Enabling access to IT** computers etc for families	NHS Orkney Health Visitors School Health Paediatric therapists	Cost of living

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	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
C34	**Reminding clients about the free period products** available locally	NHS Orkney Health Visitors School Health	Cost of living
C35	**Addressing poor housing**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
C36	**Funding of Restart Orkney**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
C37	**Funding for starter-packs of essential household items**	OIC: Housing and Homelessness Services, and appointed agents	Income from employment Income from social security Cost of living
C38	**Housing support for vulnerable families**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
C39	**Ad hoc essential clothing items for Papdale Halls of Residence pupils**	Papdale Hall of Residence staff	Cost of living
MOTHERS & BABIES			
C40	**Provision of baby boxes**	NHS Orkney Maternity unit	Cost of living
C41	**Support for pregnant women and families with children**	NHS Orkney Maternity Services and Health Visitors	Cost of living
C42	**Hungry Baby service** - baby milk, baby food, nappies etc (referred to Health Visitors where child/children under 2 years)	Orkney Foodbank	Income from employment Income from social security Cost of living
C43	**Childsmile** - improving children's oral health	NHS Orkney Dental & Oral Health	Income from employment Income from social security Cost of living

	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
YOUNG PEOPLE			
C44	**Informal learning programme for young people transitioning out of school**	Connect Project (Voluntary Action Orkney)	Income from employment Income from social security Cost of living
C45	**Active Schools**	OIC & SportScotland	Income from employment Income from social security Cost of living
C46	**ActiveLife Budget Membership**	OIC & The Pickaquoy Centre	Income from employment Income from social security Cost of living
C47	**Young persons' Supported Accommodation**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security
C48	**Provision of school uniform/toiletries/laundry items**	OIC: Housing and Homelessness Services, Halls of Residence, and appointed agents	Income from employment Income from social security Cost of living
C49	**Young Scot cards Youth Achievement Groups Orkney Youth Forum**	Orkney Islands Council: Community Learning and Development Team	Cost of living
C50	**Supporting vulnerable young adults**, helping them build confidence and positive relationships while focussing on life and employability skills	The Connect Project VAO	Income from employment Income from social security

	What is the action that is continuing for 2021-2022?	Who is carrying out the action?	Which poverty driver(s) is it addressing?
CONTINUING IMPACTS OF THE COVID-19 PANDEMIC			
C51	**New ways of working** to engage with service users and deliver services safely. Housing Service moved most interactions with service users to telephone and online. This has worked relatively well and staff have adapted well to this change in working practice.	Orkney Health and Care Housing staff	Income from employment Income from social security Cost of living
C52	**Moratorium on increase of rents within emergency housing**	OHAC, OIC: Housing and Homelessness	Income from employment Income from social security Cost of living

		Who is carrying out the action?	Which poverty driver(s) is it addressing?
NEW ACTIONS FOR 2021-2023			
N1	**Explore passporting of benefits** to reduce the bureaucracy and perceived stigma for families having to make multiple applications for benefits to which they are entitled.	OHAC	Income from social security
N2	**Explore implications of new Scottish Government policy on universal free school meals** for P4 and P5 pupils due to take effect during 2021-22. This may have the unintended effect of excluding families from linked benefits.	Orkney Islands Council	Income from social security Cost of living
N3	**Winter project** of kids and coats	Orkney Charitable Trust	Income from employment Income from social security Cost of living

Appendix 10.

Stage 2 Capital Project Appraisal

Capital Programme: Non-General Fund: House Build Programme

Client Service: Education, Leisure and Housing

Project Name: Carness Road, Kirkwall (Phase 2)

1. Background

The proposal is to develop 8 x 2-bedroom and 6 x 3-bedroom properties on land owned by the Council and held on the Housing Revenue Account and serviced as part of the Phase 1 project at the Carness Road site in Kirkwall. Due to the significant need for permanent housing in Kirkwall, this project provides the opportunity to utilise an existing site, maximise the use of Scottish Government funding and help meet housing need.

The properties will meet the robust requirements of the Council's housing design brief, including ensuring the properties have high levels of energy efficiency, as well as the new requirement for fire suppressions systems which has been introduced by the Scottish Government.

2. Options Available

Kirkwall is the area of highest demand for social housing and the site at Carness Road is not impacted by any infrastructure constraints, be it foul drainage, school capacities or roads.

Option 1 – Do nothing:

- Scottish Government funding lost.
- No additional housing units at the site developed.
- Potential reputational risk to the Council.
- No requirement for the Housing Revenue Account to take on additional debt.

Option 2 – Develop the remaining 14 properties on the Carness Road, Kirkwall site:

- Scottish Government grant utilised.
- 14 additional housing units developed.
- Requirement for the Housing Revenue Account to take on additional debt.

3. Land Purchase Requirement

The Council already owns the site at Carness Road, so there would be no need for additional land purchase.

4. Project Appraisal

	Criteria.	Response.
1.	Protects Existing Statutory Provision.	The project provides additional social housing which helps the Council meet statutory targets around homelessness in line with the Rapid Rehousing Transition Plan.
2.	Meets Corporate Priority/ Community Planning Goal.	The proposals support and contribute to improved outcomes for communities as outlined in the Council Plan strategic priorities of Thriving Communities.
3.	Protects Existing Assets	Not applicable.
4.	Minimises Capital Cost.	Best value is being achieved by ensuring a competitive tendering process is undertaken at a time when build prices are generally competitive. Utilising Council owned sites also ensures best value.
5.	Maximises Investment from External Sources.	The project aims to draw in around £1,176,000 in Scottish Government funding to help cover a significant percentage of costs.
6.	Beneficial Impact on Revenue Expenditure.	Not applicable.
7.	Linked to Other Council Provision:	
(a).	Enhances statutory provision.	Not appliable.
(b).	Protects or enhances discretional provision.	The provision of additional social housing will allow the Council to help house some of the 700 households that are currently on the social housing waiting list.
8.	Re-use of Derelict Land or Building.	Not applicable.
9.	Promote or Enhance Orkney's Environment.	Not applicable.
10.	Promote or Enhance Orkney's Heritage.	Not applicable.
11.	Economic Prosperity or Sustainable Communities.	The project provides additional housing which is in hugely short supply in Orkney due to a growing population and significant year on year net in-migration.

	Criteria.	Response.
12.	Enhances Council operations or Improves Health and Safety.	The project will provide additional housing units which will help the Housing Service deliver.

5. Financial Implications

A summary of the financial implications is detailed in Annexes 1 and 2. Annex 1 details the capital implications associated with the project, analysed across the different cost and funding elements. Annex 2 details the associated revenue budget implications including one-off and recurring costs, and offset where possible by any identifiable income streams.

6. Risk Assessment

Risk.	Explanation.	Mitigation.
Funding risk.	Potential that the required level of funding support from the Scottish Government is not available.	Close and constant engagement with the Scottish Government around funding requirements.
Planning.	Potential delays through the planning process.	Planning Permission approved and some landscaping conditions to be purified.
Cost risk.	Potential for cost overruns, particularly as prices of materials have spiked significantly over the past 12 months and Orkney's main contractors are all busy with various projects.	Ensure a robust procurement process is undertaken.
Fire suppression design and installation risk.	A new requirement from the Scottish Government for fire suppression systems to be installed in social rented housing	Early discussions with Scottish Water to ensure adequate water supply and potential contractors to ensure the design meets the legislative requirements.
Timing risk	Potential for overrun means that less Scottish Government funding than hoped might be spent in 2021/22.	Moving the project along as fast as possible via a design and build route and keeping the number of properties tied to this contract down to ensure that they can be developed in time.
Resources risk.	Lack of resources within Housing Services and Development and	Prioritisation of workload where possible and

Risk.	Explanation.	Mitigation.
	Infrastructure to ensure the project can be delivered in the timescale required.	increased resource if possible.
Project creep.	Potential for the project to creep and be delayed.	Ensure the project remains focused on the properties required.

7. Conclusion

The Phase 2 housing development project at Carness Road, Kirkwall offers the opportunity to maximise the use of available Scottish Government funding and provide much needed additional housing in Orkney's highest demand market area.

8. Recommendations

The recommendation is to progress Option 2 and develop the 14 properties that make up the Carness Road, Kirkwall (Phase 2) project, at an estimated cost of £2,364,151.

9. Accountable Officer

Steven Burnett, Service Manager (Resources), Education, Leisure and Housing Services.

10. Annexes

Annex 1 – Financial Assessment of Capital Expenditure.

Annex 2 – Financial Assessment of Revenue Expenditure.

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED CAPITAL EXPENDITURE IMPLICATIONS

Capital Programme: **Non General Fund**

Client Service: **Education Leisure and Housing**

Project Name: **Carness Road, Kirkwall (Phase 2)**

CAPITAL COSTS	Total £ 000	1 2021/22 £ 000	2 2022/23 £ 000	3 2023/24 £ 000	4 2024/25 £ 000	5 2025/26 £ 000	Onwards £ 000	Notes
1. Initial Costs (at inflated prices)								
Land or Property Purchase	-	-	-	-	-	-	-	
Other Site Costs (including Fees)	-	-	-	-	-	-	-	
Construction or Improvements	2,056.2	250.0	1,735.2	71.0	-	-	-	
Information Technology Costs	-	-	-	-	-	-	-	
Plant,Vehicles & Equipment	-	-	-	-	-	-	-	
Professional Fees - Consultancy	-	-	-	-	-	-	-	
- In-house	308.0	40.0	258.0	10.0	-	-	-	
Gross Capital Expenditure	2,364.2	290.0	1,993.2	81.0	-	-	-	
2. Initial Funding (at inflated prices)								
Government Grants	1,176.0	250.0	926.0	-	-	-	-	
Other Grants	-	-	-	-	-	-	-	
Other Financial Assistance	-	-	-	-	-	-	-	
Total Grants Recievable, etc.	1,176.0	250.0	926.0	-	-	-	-	
Net Capital Cost of Project	1,188.2	40.0	1,067.2	81.0	-	-	-	
Net Present Value	1,024.8	36.3	921.9	66.6	-	-	-	
Cost of Capital		5%	5%	5%	5%	5%		
Year		2	3	4	5	5		

Notes - Additional narrative on main assumptions and support working papers

1
2
3
4
etc.

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED REVENUE BUDGET IMPLICATIONS

Capital Programme: **Non-General Fund**

Client Service: **Education Leisure and Housing**

Project Name: **Carness Road, Kirkwall (Phase 2)**

| | | 1 | 2 | 3 | 4 | 5 | | |
REVENUE COSTS / (SAVINGS)	Total £ 000	2021/22 £ 000	2022/23 £ 000	2023/24 £ 000	2024/25 £ 000	2025/26 £ 000	Onwards £ 000	Notes
1. Operating Costs (at inflated prices)								
Staff Costs	-	-	-	-	-	-	-	
Other Staff Costs (incl. recruitment, etc.)	-	-	-	-	-	-	-	
Property Costs	-	-	-	-	-	-	-	
Supplies and Services	-	-	-	-	-	-	-	
Transport, Vessel and Plant Costs	-	-	-	-	-	-	-	
Administration Costs	-	-	-	-	-	-	-	
Apportioned Costs	-	-	-	-	-	-	-	
Third Party Payments	-	-	-	-	-	-	-	
Finance and Loan Charges	328	2	53	69	69	68	67	
Miscellaneous Expenditure	-	-	-	-	-	-	-	
Gross Revenue Expenditure/(Saving)	328	2	53	69	69	68	67	
2. Operating Income (at inflated prices)								
Government Grants	-	-	-	-	-	-	-	
Other Grants	-	-	-	-	-	-	-	
Rents and Lettings	396	-	76	78	79	81	82	
Sales	-	-	-	-	-	-	-	
Fees and Charges	-	-	-	-	-	-	-	
Miscellaneous Income	-	-	-	-	-	-	-	
Gross Revenue Income	396	-	76	78	79	81	82	
Net Expenditure/(Saving) of Project	- 68	2	- 23	- 9	- 10	- 13	- 15	
Net Present Value	- 63	2	- 22	- 8	- 9	- 11	- 15	
Cost of Revenue		3%	3%	3%	3%	3%		
Year		1	2	3	4	5		

Notes - Additional narrative on main assumptions and support working papers

1
2
3
4
etc.

Appendix 11.

Stage 2 Capital Project Appraisal

Capital Programme: Non-General Fund – Housing Revenue Account

Client Service: Education, Leisure and Housing

Project Name: Proposed Heating Upgrades to Council Housing

1. Background

The proposal is to upgrade the central heating systems of 20 of the Council's social rented housing properties that are currently heated by solid fuel or oil central heating, replacing them with modern, efficient air to water heat pumps.

The upgrades will provide tenants with modern efficient heating and enhance the energy efficiency of the properties in question.

2. Options Available

Two options are outlined below.

Option 1 – Do nothing

- The Scottish Government funding that has been won would be lost.
- The 20 properties in question would retain their outdated heating systems.
- Upgrade works would be required to these properties at a later date as their heating systems failed.

Option 2 – Undertake the project to install 20 new air to water heat pumps in the properties identified

- Scottish Government grant utilised.
- The heating systems in twenty properties would be upgraded to modern, efficient air to water heat pumps benefitting the tenants and the housing stock.
- Requirement for the Housing Revenue Account to take on additional debt.

3. Land Purchase Requirement

There is no requirement to purchase land for this project.

4. Project Appraisal

	Criteria.	Response.
1.	Protects Existing Statutory Provision.	The Council is statutorily required to improve the energy efficiency of its social housing stock in line with the Scottish Government's new Energy Efficiency Standard for Social Housing 2 (EESSH2). This project will deliver energy efficiency improvements to 20 social rented properties.
2.	Meets Corporate Priority / Community Planning Goal	Not applicable.
3.	Protects Existing Assets.	The project enhances the existing Council housing stock in question, providing replacement heating systems for systems that are in need of replacement.
4.	Minimises Capital Cost.	Best value is being achieved by ensuring a competitive tendering process is undertaken.
5.	Maximises Investment from External Sources.	The project has drawn in £131,300 in Scottish Government funding to help cover up to 50% of the expected costs.
6.	Beneficial Impact on Revenue Expenditure.	Not applicable.
7.	Linked to Other Council Provision:	
(a).	Enhances Statutory Provision.	The project will enhance the energy efficiency of the 20 properties in question bringing them closer to the Energy Efficiency Standard for Social Housing 2 (EESSH2) target recently set by the Scottish Government.
(b).	Protects or Enhances Discretionary Provision.	Not applicable.
8.	Re-use of Derelict Land or Building.	Not applicable.
9.	Promote or Enhance Orkney's Environment.	Not applicable.
10.	Promote or Enhance Orkney's Heritage.	Not applicable.
11.	Economic Prosperity or Sustainable Communities.	Not applicable.
12.	Enhances Council operations or Improves Health and Safety.	Not applicable.

5. Financial Implications

A summary of the financial implications is detailed in Annexes 1 and 2. Annex 1 details the capital implications associated with the project, analysed across the different cost and funding elements. Annex 2 details the associated revenue budget implications including one-off and recurring costs, and offset where possible by any identifiable income streams.

6. Risk Assessment

Risk.	Explanation.	Mitigation.
Funding risk.	Potential that the project overruns 31 March 2022 deadline which may impact on funding.	Close and constant engagement with the Scottish Government around funding requirements and any slippage that is expected. Close on the ground project management to ensure maximum spend.
Tenant risk.	Some tenants may refuse access to the property or the offered upgrade works.	Early engagement with tenants to ensure maximum uptake and understanding of the benefits.
Design risk.	Due to limited access to the properties to undertake surveys design assumptions will be made which may lead to additional works and cost.	Early engagement with tenants and early access to properties to undertake surveys.
Cost risk.	Potential for cost overruns, particularly as prices of materials have spiked significantly over the past 12 months and Orkney's main contractors are all busy with various projects.	Ensure a robust procurement process is undertaken.
Procurement risk.	Heating engineers in Orkney are all very busy due to significant funding being available for heating upgrades. It is possible that the Council may fail to procure or pay a higher than expected price due to significant demand and limited supply.	Early engagement with contractors and undertaking robust costings.
Timing risk.	Potential for overrun means that there is a potential risk to the Scottish Government funding.	The project will be developed and delivered as quickly as practicably possible.

Risk.	Explanation.	Mitigation.
Resources risk.	Lack of resources within Housing Services and Development and Infrastructure to ensure the project can be delivered in the timescale required.	Prioritisation of workload where possible and increased resource if possible.
Project creep.	Potential for the project to creep and be delayed.	Ensure the project remains focused on the properties required.

7. Conclusion

The Council needs to update its housing stock to reach the new Energy Efficiency Standard for Social Housing 2 (EESSH2) and this project will help bring 20 properties closer to that target, while replacing old and less efficient heating systems.

8. Recommendations

The recommendation is to progress Option 2 and deliver air to water heating system upgrades to 20 Council social housing rented properties, at an estimated cost of £322,600.

9. Accountable Officers

Steven Burnett, Service Manager (Resources), Education, Leisure and Housing Services.

Frances Troup, Head of Lifelong Learning, Leisure and Housing.

10. Annexes

Annex 1 – Financial Assessment of Capital Expenditure.

Annex 2 – Financial Assessment of Revenue Expenditure.

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED CAPITAL EXPENDITURE IMPLICATIONS

Capital Programme: **General Fund**

Client Service: **Education, Leisure and Housing**

Project Name: **Proposed Heating Upgrades to Council Housing**

CAPITAL COSTS	Total £ 000	1 2021/22 £ 000	2 2022/23 £ 000	3 2023/24 £ 000	4 2024/25 £ 000	5 2025/26 £ 000	Onwards £ 000	Notes
1. Initial Costs (at inflated prices)								
Land or Property Purchase	-	-	-	-	-	-	-	
Other Site Costs (including Fees)	-	-	-	-	-	-	-	
Construction or Improvements	273.0	273.0	-	-	-	-	-	
Information Technology Costs	-	-	-	-	-	-	-	
Plant,Vehicles & Equipment	-	-	-	-	-	-	-	
Professional Fees - Consultancy	-	-	-	-	-	-	-	
- In-house	49.6	49.6	-	-	-	-	-	
Gross Capital Expenditure	322.6	322.6	-	-	-	-	-	
2. Initial Funding (at inflated prices)								
Government Grants	161.3	161.3	-	-	-	-	-	
Other Grants	-	-	-	-	-	-	-	
Other Financial Assistance	-	-	-	-	-	-	-	
Total Grants Recievable, etc.	161.3	161.3	-	-	-	-	-	
Net Capital Cost of Project	161.3	161.3	-	-	-	-	-	
Net Present Value	153.6	153.6	-	-	-	-	-	
Cost of Capital		5%	5%	5%	5%	5%		
Year		1	2	3	4	5		

Notes - Additional narrative on main assumptions and support working papers

1
2
3
4
etc.

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED REVENUE BUDGET IMPLICATIONS

Capital Programme: **General Fund**

Client Service: **Education, Leisure and Housing**

Project Name: **Proposed Heating Upgrades to Council Housing**

REVENUE COSTS / (SAVINGS)	Total £ 000	1 2021/22 £ 000	2 2022/23 £ 000	3 2023/24 £ 000	4 2024/25 £ 000	5 2025/26 £ 000	Onwards £ 000	Notes
1. Operating Costs (at inflated prices)								
Staff Costs	-	-	-	-	-	-	-	
Other Staff Costs (incl. recruitment, etc.)	-	-	-	-	-	-	-	
Property Costs	-	-	-	-	-	-	-	
Supplies and Services	-	-	-	-	-	-	-	
Transport, Vessel and Plant Costs	-	-	-	-	-	-	-	
Administration Costs	-	-	-	-	-	-	-	
Apportioned Costs	-	-	-	-	-	-	-	
Third Party Payments	-	-	-	-	-	-	-	
Finance and Loan Charges	66	10	12	12	11	11	10	
Miscellaneous Expenditure	-	-	-	-	-	-	-	
Gross Revenue Expenditure/(Saving)	66	10	12	12	11	11	10	
2. Operating Income (at inflated prices)								
Government Grants	-	-	-	-	-	-	-	
Other Grants	-	-	-	-	-	-	-	
Rents and Lettings	-	-	-	-	-	-	-	
Sales	-	-	-	-	-	-	-	
Fees and Charges	-	-	-	-	-	-	-	
Miscellaneous Income	-	-	-	-	-	-	-	
Gross Revenue Income	-	-	-	-	-	-	-	
Net Expenditure/(Saving) of Project	66	10	12	12	11	11	10	
Net Present Value	61	10	11	11	10	9	10	
Cost of Revenue		3%	3%	3%	3%	3%		
Year		1	2	3	4	5		

Notes - Additional narrative on main assumptions and support working papers

1
2
3
4
etc.

Appendix 12.

Stage 2 Capital Project Appraisal

Capital Programme: General Fund

Client Service: Education, Leisure and Housing

Project Name: Development of Point of Ness Campsite

1. Background

The proposed development of Point of Ness Campsite relates directly to Priority 5.18 in the Council plan, Consider the redevelopment of the Point of Ness Campsite and develop the Birsay Campsite.

Tourism is an important growth area for Orkney's economy. 2017 data suggests that Orkney attracts approximately 304,000 visitors, resulting in an estimated tourism spend at over £50m per annum.

The vision of the Orkney Tourism Strategy 2020 – 2025 is that by 2025, Orkney will be a world class sustainable destination enriching the lives of its people and visitors.

Point of Ness Campsite is one of the 3 main service hubs for camping and caravanning visitors to Orkney. The sites infrastructure is however, in need of refurbishment and development in order that it can meet the needs of Orkney's increasing visitor numbers,

In 2018 12 of the Point of Ness pitches were turned from grass to hard standing to help reduce damage to the site due to increased usage and inclement weather.

All visitor sites receive an annual Quality Business Advice Report from VisitScotland. The 2019 report for Point of Ness makes detailed and specific reference to the toilet and wash facilities, and that how the increased visitor numbers has taken its toll on the ageing facilities.

A Funding application was submitted to VisitScotland's Rural Tourism Infrastructure Fund to develop and improve the site for visitors of all ages and abilities while also complementing additional aspirations for the site such as extending the operating season and site security.

Wild camping in Orkney is becoming a key issue that is causing negative environmental impacts such as increase littering and waste disposal from campervans and caravans. The proposed upgrading of Point of Ness represents an opportunity for the Council to contribute towards the development of a strategically important visitor site while also delivering against the Council's broader responsibilities relating to climate change through the upgrading of chemical waste disposal facilities, installation of solar thermal panels and ground source heating.

Council officers have received support for the proposed development of Point of Ness from a range of community groups including Stromness Community Council, Stromness Development Trust, Destination Orkney and Serco Northlink Ferries.

2. Options Available

There are two options available:

Option 1 – to undertake the project as proposed.

Option 2 – to cancel the project.

With Option 1, the total £357,075 of funding required to carry out this project has been secured through VisitScotland's Rural Tourism Infrastructure Fund and the Council's Crown Estate Fund.

With Option 2, the opportunity for the Council to contribute to the development of a strategically important visitor site and in doing so meeting a priority of the Council Plan would be lost due to the VisitScotland funding having a specific timescale allocated to it which is March 2022.

3. Land Purchase Requirement

There is no land purchase requirement. The land incorporating Point of Ness is in Council ownership and forms part of the Education, Leisure and Housing Service Estate.

4. Project Appraisal

	Criteria.	Response.
1.	Protects Existing Statutory Provision.	In terms of section 14 of the Local Government and Planning (Scotland) Act 1982 the Council shall ensure there is adequate provision of facilities for inhabitants of their area for recreational, cultural and social activities.
2.	Meets Corporate Priority / Community Planning Goal	The project relates directly to the Quality of Life theme of the Council Plan 2018-23. It delivers against the Priorities to protect Orkney's landscape and wildlife heritage and promote good practice and social responsibility in areas such as driving, parking, waste disposal and dog walking. Specifically this relates to priorities 5.18, to consider the redevelopment of the Point of Ness Campsite and develop the Birsay campsite facilities. These actions are carried through into the Education, Leisure and Housing Service Plan.
3.	Protects Existing Assets.	The project will protect the existing asset of the Point of Ness Campsite.

	Criteria.	**Response.**
4.	Minimises Capital Cost.	The project has been designed to ensure best value, with applications for construction funding made to VisitScotland's Rural Tourism Infrastructure Fund and the Council's Crown Estate Fund. Both funding sources have been confirmed and secured.
5.	Maximises Investment from External Sources.	The VisitScotland Rural Tourism Infrastructure funding represents 73% of the project costs.
6.	Beneficial Impact on Revenue Expenditure.	Maintenance will be minimised by the provision of hardstanding to avoid wet, muddy grassed areas, which have posed access and maintenance problems in the past. The proposals include the completion of hardstanding upgrades, which started 3 years ago and has had a beneficial effect on maintenance and sustainability of the campsite through the extended tourist season. As a result of the proposed developments it is estimated that annual maintenance and utility costs will not be greater than they currently are, but more likely to be reduced through installation of solar panels and ground source heating. Having new toilet and shower facilities will significantly reduce the number of maintenance call outs to the site, in doing so reducing the overall maintenance cost.
7.	Linked to Other Council Provision:	
(a).	Enhances Statutory Provision.	Not applicable.
(b).	Protects or Enhances Discretionary Provision.	Improving facilities for recreational culture and social activities.
8.	Re-use of Derelict Land or Building.	Not applicable.
9.	Promote or Enhance Orkney's Environment.	The proposals will have no visual impact on the local and cultural environment. The existing building is to be adapted to upgrade the property to modern standards and practices. The existing drainage/ chemical waste system will be replaced which will greatly improve the environment at and around the site as well as the marine environment at the existing outfall. Enhancing the waste facilities at the Point of Ness will not only benefit the users of the site, but will provide a location for other campervan/

	Criteria.	Response.
		caravan visitors to Orkney to dispose of their waste and use the other facilities such as showers and laundry, in doing so enhancing the experience of all visitors to Orkney not just those staying at the site and protecting Orkney's natural environment from people disposing of waste anywhere.
		External building finishes are to remain as they currently are. Solar panels will be fitted to the south-facing roof slope, although these are not visible from inside the campsite, and will have very little if any visual impact to the surrounding area.
10.	Promote or Enhance Orkney's Heritage.	Not applicable.
11.	Economic Prosperity or Sustainable Communities.	The project will provide opportunities for local construction companies to tender for the works, potentially delivering local economic development in adherence to the Council's Sustainable Procurement Policy.
12.	Enhances Council operations or Improves Health and Safety.	The project will improve the quality of not only the facilities block at Point of Ness but the site as a whole through increased hardstanding and site security.

5. Financial Implications

The cost of the project is £357,075.   An application to VisitScotland for £260,000 has been approved. The Policy and Resources Committee recommended approval of £97,075 from the Council's Crown Estate fund.

A summary of the financial implications is detailed in Annexes 1 and 2. Annex 1 details the capital implications associated with the project, analysed across the different cost and funding elements. Annex 2 details that no additional revenue implications are associated with this project.

6. Risk Assessment

Risk of not proceeding:

- The opportunity to use £260,000 external funding for VisitScotland's Rural Tourism Infrastructure fund would be lost.
- Due to the continuing deterioration of specific areas of the site such as the toilets and showers, it is anticipated that these items will require to be fully upgraded by mid-2022. There is no budget to replace these items.

- The opportunity to potentially reduce the Council's ongoing maintenance and utilities costs for the Point of Ness campsite will be lost.
- Loss of confidence in the Council's ability to deliver the project which originates from the Council Plan 2018 - 2023.
- The opportunity to develop a strategically important visitor site will be lost.

Risk of proceeding:

- Limited market interest affects project value for money.
- Project Creep increases the programme period and project costs.
- Works are more expensive than the estimate.
- Delays due to external sources lead to delay in completion out with the grant funding period.
- Lack of resources to deliver the project within the funding timescales.
- Statutory authorities delay approval of necessary permissions.

7. Conclusion

This project represents an opportunity for the Council to make improvements to the Point of Ness campsite in a way which will achieve multiple benefits.

Priorities within the Council's plan, Orkney's Tourism Strategy and Orkney's destination Management Plan can be met and in doing so minimising and environmental impact not only on the surround area but helping to relieve negative environmental impacts associated with increased visitor numbers and wild camping throughout Orkney. The Council can contribute to protecting Orkney's landscape and wildlife heritage. It can also potentially reduce its maintenance and utility costs.

While there is limited market value considering economics, business will be supported in the construction phase, as well as potential increased trade for local businesses through increase visitor numbers.

There is an opportunity to benefit from significant external grant funding.

8. Recommendations

It is recommended that Option 1, proposed improvements to the Point of Ness campsite, at a capital cost of £357,075, be approved.

9. Accountable Officers

Garry Burton, Sport and Leisure Manager, extension 2440, Email garry.burton@orkney.gov.uk.

10. Annexes

Annex 1 – Financial Assessment of Capital Expenditure.

Annex 2 – Financial Assessment of Revenue Expenditure.

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED CAPITAL EXPENDITURE IMPLICATIONS

Capital Programme: **General Fund**

Client Service: **Education Leisure and Housing**

Project Name: **Development of Point of Ness Campsite**

CAPITAL COSTS	Total £ 000	1 2021/22 £ 000	2 2022/23 £ 000	3 2023/24 £ 000	4 2024/25 £ 000	5 2025/26 £ 000	Onwards £ 000	Notes
1. Initial Costs (at inflated prices)								
Land or Property Purchase	-	-	-	-	-	-	-	
Other Site Costs (including Fees)	-	-	-	-	-	-	-	
Construction or Improvements	310.9	300.9	10.0		-	-	-	
Information Technology Costs	-	-	-	-	-	-	-	
Plant,Vehicles & Equipment	-	-	-	-	-	-	-	
Professional Fees - Consultancy	20.0	20.0	-	-	-	-	-	
- In-house	26.2	23.2	3.0		-	-	-	
Gross Capital Expenditure	357.1	344.1	13.0	-	-	-	-	
2. Initial Funding (at inflated prices)								
Government Grants	260.0	260.0		-	-	-	-	1
Other Grants	97.0	87.0	10.0	-	-	-	-	2
Other Financial Assistance	-	-	-	-	-	-	-	
Total Grants Recievable, etc.	357.0	347.0	10.0	-	-	-	-	
Net Capital Cost of Project	0.1	- 2.9	3.0	-	-	-	-	
Net Present Value	- 0.0	- 2.6	2.6	-	-	-	-	
Cost of Capital		5%	5%	5%	5%	5%		
Year		2	3	4	5	5		

Notes - Additional narrative on main assumptions and support working papers
1 Grant funding from VisitScotland Rural Tourism Infrastructure Fund
2 OIC contribution from Crown Estate Funding as agreed by Policy & Resources 16 Feb 2021

STAGE 2 - CAPITAL PROJECT APPRAISAL
FINANCIAL ASSESSMENT OF ASSOCIATED REVENUE BUDGET IMPLICATIONS

Capital Programme: **General Fund**

Client Service: **Education Leisure and Housing**

Project Name: **Development of Point of Ness Campsite**

REVENUE COSTS / (SAVINGS)	Total £ 000	1 2021/22 £ 000	2 2022/23 £ 000	3 2023/24 £ 000	4 2024/25 £ 000	5 2025/26 £ 000	Onwards £ 000	Notes
1. Operating Costs (at inflated prices)								
Staff Costs	-	-	-	-	-	-	-	
Other Staff Costs (incl. recruitment, etc.)	-	-	-	-	-	-	-	
Property Costs	-	-	-	-	-	-	-	
Supplies and Services	-	-	-	-	-	-	-	
Transport, Vessel and Plant Costs	-	-	-	-	-	-	-	
Administration Costs	-	-	-	-	-	-	-	
Apportioned Costs	-	-	-	-	-	-	-	
Third Party Payments	-	-	-	-	-	-	-	
Finance and Loan Charges	-							
Miscellaneous Expenditure	-	-	-	-	-	-	-	
Gross Revenue Expenditure/(Saving)	-	-	-	-	-	-	-	
2. Operating Income (at inflated prices)								
Government Grants	-	-	-	-	-	-	-	
Other Grants	-	-	-	-	-	-	-	
Rents and Lettings	-	-						
Sales	-	-	-	-	-	-	-	
Fees and Charges	-	-	-	-	-	-	-	
Miscellaneous Income	-	-	-	-	-	-	-	
Gross Revenue Income	-	-	-	-	-	-	-	
Net Expenditure/(Saving) of Project	-	-	-	-	-	-	-	1
Net Present Value	-	-	-	-	-	-	-	
Cost of Revenue		3%	3%	3%	3%	3%		
Year		1	2	3	4	5		

Notes - Additional narrative on main assumptions and support working papers
1 There are no expected revenue changes as a result of this project.

Grounds Maintenance – Specifications

Amenity Grade 1 (AM1)

- 23 cuts per year, 12 strims, grass is collected.
- Grass height after mowing 25mm minimum, 50mm maximum.

Cut Number	Timeframe
1	1 April to 20 April
2	21 April to 30 April
3 to 20	1 May to 3 September weekly cutting schedule
21	4 September to 15 September
22	16 September to 30 September
23	1 October to 31 October

Amenity Grade 2 (AM2)

- 12 cuts per year, 6 strims, grass is not collected.
- Grass height after mowing 50mm minimum, 75mm maximum.

Cut Number	Timeframe
1	1 April to 20 April
2	21 April to 30 April
3 to 10	1 May to 1 September programmed bi-weekly cut
11	2 September to 23 September
12	24 September to 15 October

Rough Grass (RG)

- 7 cuts per year.
- Grass height after mowing 75mm minimum, 100mm maximum.

Cut Number	Timeframe
1	April
2	May
3	June
4	July
5	August
6	September
7	October

Core Paths (CP)

- 7 cuts per year.
- Grass height after mowing 75mm minimum, 100mm maximum.

Cut Number	Timeframe
1	April
2	May
3	June
4	July
5	August
6	September
7	October

- Different types of core paths

Classification	Description	Specification
CP1	Bridleway	Mower- Maintain 2m min width
CP2	Path Hardcore	Strim- 300mm strip / to boundary on each side
CP3	Path Grass	Mower- Maintain 1m min width
CP4	Path Grass	Strim- Maintain 1m min width
CP5	Track	Strim- 300mm strip / to boundary on each side

Minute

Pension Fund Sub-committee, together with Pension Board

Wednesday, 26 May 2021, 11:30.

Microsoft Teams.

Present

Pension Fund Sub-committee:

Councillors W Leslie Manson, Alexander G Cowie, Barbara Foulkes, Steven B Heddle, Rachael A King, Stephen Sankey and James Stockan.

Pension Board:

Employer Representatives:

Councillors J Harvey Johnston and Duncan A Tullock, Orkney Islands Council.

Trade Union Representatives:

Karen Kent (Unison), Eoin Miller (Unite) and Eileen Swanney (Unison).

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Gareth Waterson, Head of Finance.
- Colin Kemp, Corporate Finance Senior Manager.
- Bryan Hay, Payroll and Pensions Manager.
- Paul Maxton, Solicitor.

Audit Scotland:

- Claire Gardiner, Senior Audit Manager.

Hymans Robertson:

- David Walker, Chief Investments Officer.
- Kameel Kapitan, Associate Consultant.

Observing

- Rebecca McAuliffe, Press Officer.

Apologies

Pension Board:

Employer Representatives:

- Councillor Owen Tierney.
- Andrew Blake, Orkney Ferries.

Not Present

Pension Board:

Trade Union Representative:

- Mark Vincent (GMB).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor W Leslie Manson.

1. Disclosure of Exempt Information

The Sub-committee noted the proposal that the public be excluded from the meeting for consideration of Items 6 and 7 and Appendix 1 of Item 4, as the business to be discussed involved the potential disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

2. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll (recorded vote).

3. Orkney Island Council Pension Fund – Annual Audit Plan

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Senior Audit Manager, Audit Scotland, the Sub-committee:

Noted the external audit annual plan for 2020/21 in respect of the Council's Pension Fund, prepared by Audit Scotland, attached as Appendix 1 to the report by the Head of Finance.

Karen Kent and Eoin Miller joined the meeting during discussion of this item.

4. Pensions Administration – Performance

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Payroll and Pensions Manager, the Sub-committee:

Noted:

4.1. That the Orkney Islands Council Pension Fund invested and administered pensions on behalf of five current and former employers, including Scheduled Bodies brought into the Fund by legislation and Admitted Bodies who were permitted to join the Fund.

4.2. Pension Fund administration performance for the period 1 April 2020 to 31 March 2021, as detailed in sections 4 to 9 of the report by the Head of Finance.

5. Exclusion of the Public

On the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, the Sub-committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the disclosure of exempt information of the classes described in Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

6. Statement of Managed Pension Funds

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing reports from the Corporate Finance Senior Manager and the Associate Consultant, Hymans Robertson, the Sub-committee:

Noted:

6.1. The investment monitoring report for the Pension Fund produced by Hymans Robertson, the Council's appointed investment advisor, attached as Appendix 1 to the report by the Head of Finance, relating to the performance of managed funds for the quarter to 31 March 2021.

6.2. That the Pension Fund investments returned a gain of £4,800,000, or 0.8%, over the quarter to 31 March 2021, which was 0.8% behind the benchmark and was considered poor.

6.3. That the value of the Pension Fund had increased by 38.3% over the 12-month period to 31 March 2021, being 14.1% ahead of the target, which was considered exceptional.

6.4. That an average return of 12.0% per annum for the Pension Fund remained 2.5% ahead of the target over the five-year period.

6.5. The Governance Summary extracted from Baillie Gifford's performance report for the quarter ending 31 March 2021, attached as Appendix 2 to the report by the Head of Finance.

6.6. The Corporate Governance Summary extracted from Legal and General's investment report for the quarter ending 31 March 2021, attached as Appendix 3 to the report by the Head of Finance.

Councillor Steven B Heddle joined the meeting during discussion of this item.

7. Review of Investment Strategy

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing reports from the Corporate Finance Senior Manager and the Associate Consultant, Hymans Robertson, the Sub-committee:

Resolved, in terms of delegated powers, what action should be taken with regard to a review of the investment strategy for the Pension Fund.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

Councillors Barbara Foulkes and Duncan A Tullock left the meeting during discussion of this item.

8. Conclusion of Meeting

At 13:13 the Chair declared the meeting concluded.

Signed: L Manson.

Minute

Investments Sub-committee

Thursday, 27 May 2021, 10:30.

Microsoft Teams.

ORKNEY
ISLANDS COUNCIL

Present

Councillors W Leslie Manson, Alexander G Cowie, Barbara Foulkes, Steven B Heddle, Rachael A King, Stephen Sankey and James W Stockan.

Clerk

- Sandra Craigie, Committees Officer.

In Attendance

- Gareth Waterson, Head of Finance.
- Colin Kemp, Corporate Finance Senior Manager.
- Michael Scott, Solicitor.

Hymans Robertson:
- David Walker, Chief Investments Officer.
- Kameel Kapitan, Associate Consultant.

Observing

- Lorraine Stout, Press Officer (for Items 6 and 7).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor W Leslie Manson.

1. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll (recorded vote).

2. Disclosure of Exempt Information

The Sub-committee noted the proposal that the public be excluded from the meeting for consideration of Items 5 and 6, as the business to be discussed involved the potential disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

3. Temporary Loans

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Corporate Finance Senior Manager, the Sub-committee:

Noted:

3.1. The status of the temporary loan portfolio as at 31 March 2021, as detailed in section 3 of the report by the Head of Finance.

3.2. That, for the period 1 April 2020 to 31 March 2021, the temporary loans portfolio made a return of £164,584.58 at an average interest rate of 0.53%.

The Sub-committee scrutinised:

3.3. The temporary loans portfolio, detailed in sections 3 and 4 of the report by the Head of Finance, and obtained assurance that the Treasury Management Statement was being adhered to by the Finance Service and the temporary loans portfolio was producing an acceptable rate of return.

4. Exclusion of the Public

On the motion of Councillor W Leslie Manson, seconded by Councillor Barbara Foulkes, the Sub-committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the disclosure of exempt information of the classes described in Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

5. Statement of Managed Funds

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing reports from the Corporate Finance Senior Manager and the Associate Consultant, Hymans Robertson, the Sub-committee:

Noted:

5.1. The investment monitoring report for the Strategic Reserve Fund produced by Hymans Robertson, the Council's appointed investment advisor, attached as Appendix 1 to the report by the Head of Finance, relating to the performance of managed funds for the quarter to 31 March 2021.

5.2. That the performance of the Strategic Reserve Fund investments was considered average over the quarter to 31 March 2021, with the value of the Fund increasing by 2.0%, which was only 0.5% ahead of the benchmark.

5.3. That, in absolute terms, the performance of the Strategic Reserve Fund had been positive over the 12-month period to 31 March 2021, with the value of the Fund increasing by 23.0% which, at 6.9% ahead the benchmark, was considered excellent.

5.4. The Sustainable Investment Report as at 31 March 2021, produced by Schroders, attached as Appendix 2 to the report by the Head of Finance.

5.5. The Investment Stewardship Report as at 31 March 2021, produced by Blackrock, attached as Appendix 3 to the report by the Head of Finance.

5.6. The Governance Summary extracted from Baillie Gifford's performance report for the quarter ending 31 March 2021, attached as Appendix 4 to the report by the Head of Finance.

Councillor James W Stockan joined the meeting during discussion of this item.

6. Strategic Reserve Fund – Investment Strategy

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing reports from the Corporate Finance Senior Manager and the Associate Consultant, Hymans Robertson, the Sub-committee:

Resolved, in terms of delegated powers, what action should be taken with regard to the investment strategy of the Strategic Reserve Fund.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

7. Conclusion of Meeting

At 11:44 the Chair declared the meeting concluded.

Signed: L Manson.

Minute

Asset Management Sub-committee

Tuesday, 1 June 2021, 10:30.

Microsoft Teams.

Present

Councillors W Leslie Manson, Norman R Craigie, Robin W Crichton, Andrew Drever, Steven B Heddle, John A R Scott and James W Stockan.

Clerk

* Sandra Craigie, Committees Officer.

In Attendance

* Hayley Green, Head of IT and Facilities.
* Colin Kemp, Corporate Finance Senior Manager.
* Michael Scott, Solicitor.
* Graeme Christie, Estates Manager.
* Kenny MacPherson, IT Service Manager (for Items 1 to 3).
* Jamie McVie, Planning Manager (Development Management).
* Hazel Flett, Senior Committees Officer (for Items 3 to 9).

Observing

* Jackie Thomson, Development and Regeneration Manager (for Items 6 to 9).
* Rebecca McAuliffe, Press Officer.

Declarations of Interest

* Councillor Robin W Crichton – Items 6 and 7.
* Councillor W Leslie Manson – Item 8.
* Councillor John A R Scott – Item 8.

Chair

* Councillor W Leslie Manson, for Items 1 to 7.
* Councillor James W Stockan, for Items 8 and 9.

1. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the matters to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll (recorded vote).

2. Disclosure of Exempt Information

The Sub-committee noted the proposal that the public be excluded from the meeting for consideration of Items 5 to 8, as the business to be discussed involved the potential disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

3. ICT Asset Management Plan

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from IT Services Manager, the Sub-committee:

Resolved to **recommend to Council** that the ICT Asset Management Plan 2021 to 2026, attached as Appendix 1 to this Minute, be approved.

4. Exclusion of the Public

On the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, the Sub-committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the disclosure of exempt information of the classes described in Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

5. Request to Purchase Site at Hatston Industrial Estate, Kirkwall

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Estates Manager, the Sub-committee:

Resolved, in terms of delegated powers, what action should be taken with regard to a request to purchase a site at Hatston Industrial Estate, Kirkwall.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

Councillor Steven B Heddle left the meeting during discussion of this item.

6. Request to Purchase Site at Hatston Industrial Estate, Kirkwall

Councillor Robin W Crichton declared a non-financial interest in this item, in that a family member's company was named in the correspondence submitted by the applicant, but concluded that his interest did not preclude his involvement in the discussion.

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Estates Manager, the Sub-committee:

Resolved, in terms of delegated powers, what action should be taken with regard to a request to purchase a site at Hatston Industrial Estate, Kirkwall.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

7. Request to Purchase Site at Garson Industrial Estate, Stromness

Councillor Robin W Crichton declared a non-financial interest in this item, in that a family member's company was named in the correspondence submitted by the applicant, but concluded that his interest did not preclude his involvement in the discussion.

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Estates Manager, the Sub-committee:

Resolved, in terms of delegated powers, what action should be taken with regard to a request to purchase a site at Garson Industrial Estate, Stromness.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

8. Request for Wayleave

Councillor John A R Scott declared a non-financial interest in this item, in that he was Vice Chair of the Planning Committee and, although he did not leave the meeting, he took no part in discussion thereof.

Councillor W Leslie Manson declared a non-financial interest in this item, in that the developer was known to him, and left the meeting at this point.

Councillor James W Stockan took the Chair for the remainder of the meeting.

Signed: W Leslie Manson.

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Estates Manager, the Sub-committee:

Resolved to **recommend to the Council** what action should be taken with regard to a request for a wayleave.

The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.

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9. Conclusion of Meeting

At 12:21 the Chair declared the meeting concluded.

Signed: James W Stockan.

ICT Asset Management Plan 2021 - 2026

14/05/2021

Contents

1. Introduction

This Information and Communications Technology Asset Management Plan 2021 – 2026, hereon referred to as the ICT Asset Management Plan, has been developed in accordance with the Council's Corporate Asset Management Plan 2019 – 2023, under the overarching Council Plan 2018 – 2023 and the Council Delivery Plan 2018 – 2023.

This plan summarises the Council's aims and objectives for its Information Technology assets, to ensure that these are managed, maintained and used in an effective and efficient manner.

The function of asset management normally applies to tangeable, physical assets. However, the essence of Information Technology is the unique combination of "information" and "technology".

Therefore, while many of the themes in this plan correspond with tangible, physical assets of *technology* (IT infrastructure and equipment), there also will be consideration of the management of *information* itself as an asset.

2. Background

The plan follows on from the Information and Communications Technology Asset Management Plan 2016 – 2020, and builds on that plan.

That plan described a framework of asset management based on established practice. It explained some standard building blocks for defining, classifying, recording, monitoring and managing assets. Some key performance indicators were taken to describe the health of the asset base, in some cases to provide assurance of good practice and in others to highlight any particular areas of concern.

This new ICT Asset Management Plan will revisit much of these areas and will provide a measure of progress. However, in recognition of the fast-changing nature of IT, some aspects of this new plan will differ from the frameworks previously set out, where there is an opportunity to improve the benchmarking.

Where possible standard approaches to asset management are used based upon the appropriate International Standards Organisation (ISO) standards. The relevant standards for ICT Asset Management are a combination of the ICT Service Management the ISO 19770 family and the ITIL (Information Technology Infrastructure Library) ICT Asset Management processes.

3. Mission, Values and Strategic Priorities

3.1. Mission

The mission of the Council is working together for a better Orkney.

At the organisational level this translates into activities and objectives as wide and varied as the remit of the organisation.

In the context of information technology, it underlines the importance of integrating technology, and information, both across the internal services and directorates of the Council and also beyond, across the wider Orkney community and geography.

Integration of technology is always easier said than done. Global technology organisations constantly push innovations to leverage competitive advantage – often at the cost of compatibilty.

Therefore alignment of approach is essential. As different technology standards compete for market share, aligning how information technology is delivered plays a key role in facilitating straightforward communication and effective collaboration.

3.2. Values

The values of the Council are resilience, enterprise, equality, fairness, innovation, leadership and sustainability.

IT should support the resilience of the organisation. Previously this would have been an abstract concept, but in the context of the 2020 COVID-19 Pandemic, there has been a clear example of how IT, done well, can support the resilience of the organisation in the delivery of new ways of working, remotely and virtually.

Resilience is also a well understood priority in how IT is organised: Systems can be architected to maximise resilience: computer systems can be built to tolerate equipment failure; communications links can be designed to work via backup routes; risks of single points of failure can be mitigated.

In the specific context of IT asset management in Orkney, it demands that infrastructure is fit to face the demands of salt and time: external equipment should have the required tolerance to face the northern winter; replacement programmes and maintenance regimes should be sufficient to keep the infrastructure tried, tested and up to date.

Enterprise, Innovation and Leadership can be supported by ensuring that: IT is flexible, that solutions to support the organisation can be delivered with agility; that data can be effectively explored, interrogated, and delivered in ways that support decision making to sustain innovation. While standards must be adhered to, they should not act as a barrier or excuse to hinder innovative thinking.

Equality and fairness demand that IT is available everywhere, regardless of geography and regardless of privilege. Within the context of Orkney, this raises the challenge to deliver IT services in hard to reach locations, and to ensure that

performance is "good enough" across all users. It also demands that equipment should be sufficiently up to date for all users, and therefore replacement programmes should extend and reach as far as possible to maintain this.

Digital inclusion delivers sustainability to our island communities. By providing an opportunity to a workforce to work virtually from remote locations, the sustainability of these places is supported. This has been evidenced, not only by the transformations in remote working, but also in the essential move away from paper driven processes which consume physical resources and require physical handling and storage.

Finally, sustainability translates into a call to consider the long-term, and to value strategic benefits and goals over expediency. IT is a field of constant change and improvement, and systems and technology can become obsolete all too quickly. This is an unavoidable consequence but can be mitigated by planning the whole lifecycle of technology – cradle to grave.

It also raises the importance of aggregation, delivering economies of scale where possible into IT, utilising common infrastructure, sharing across services, and delivering corporate solutions. In an economy where individual services have discrete budgets and obligations; it is sometimes difficult to deliver solutions that benefit "the bigger picture" where short term costs are higher so that long term shared benefits can be realised.

Finally, in terms of information, the lifecycle of information is also essential. Information recorded and stored has value is it used effectively. Storage of information should be a means, not an end. Analysis, decision making, and operation are all dependent on good, easy to access, relevant and current information. As information loses currency, its value diminishes. Therefore, how information is maintained is equally relevant to asset management as the issue of how infrastructure is maintained.

3.3. Strategic Priorities

The strategic priorities of the Council are: connected communities, caring communities, thriving communities, enterprising communities and quality of life.

These draw together the mission and values into a set of clearly understood priorities. In the field of IT Asset Management, it can be clear how well-maintained technology infrastructure and well-maintained information underpins the delivery of these. The impact of major failures of IT service can have immediate or far reaching impacts on achieving these priorities and delivering these priorities.

4. IT Asset Management

4.1. Metrics and Key Performance Indicators

Asset Management's essential metrics and key performance indicators therefore cover the entire lifetime of the assets: from initial planning and acquisition (including procurement, implementation, and service transition) through the operational lifetime (including normal operation, performance monitoring, proactive maintenance, and support) ultimately to replacement and disposal. These are:

Value, Condition and Cost	What is the asset valuation at time of supply? What term of depreciation is set (usually 5 years in IT, but some variations occur)? What condition are the assets? What is the operational cost of the asset?
Capacity and Availability	Is the asset sufficient for the requirement through the entire lifetime. Does capacity consider variations in demand. Will the asset survive the expected lifetime within its operational environment?
Operational Performance	Arguably the essential metric: How well does the asset meet its primary purpose?
Maintenance	What regime of monitoring and maintenance is in place to ensure that assets are regularly checked, and any remedial works are done in a timely manner to maximise the lifetime and ensure items are well managed? What arrangements are in place for vendors to provide maintenance and support.
Accessibility and Security	Does the accessibility of information and technology meet the required standard. How well does it allow services to function independent of location and geography? How well does it sustain effective economies of scale? Also – what assurances can be provided that information and technology comply with legislation including the Equalities Act 2010? How well does allow authorised access within and across functions? How well is it secured to prevent unauthorised access?
Environmental Impact	Energy consumption has social, environmental, and economic impacts on the community. What is the energy consumption, and in the context, does it meet the required criteria?
Replacement Plans	What exit processes are in place to manage the transition away from the usage of the asset at the end of its operational service?

ICT Asset Management Plan 2021 - 2026

4.2. Scope

The Information Technology Estate that comprises the scope of the ICT Asset Management Plan, ranges widely from Cloud Systems to Communications Equipment on Masts, from Databases to Devices. It includes computers used in Schools, in Council Offices and (partially because of the pandemic) laptops and tablets used by staff to work for the Council from homes across Orkney and beyond.

Whilst there have been considerable changes to the delivery of many services via the use of cloud services, the majority of the information technology asset base is still delivered "on premise" and therefore maintaining the continuity, capacity, currency and resilience of these remains a priority.

Property and Passive Infrastructure

While this is not directly managed by IT & Facilities, the places, and locations where Information Technology operates, can directly impact the quality and performance of the service. These are:

- **Datacentres and Server Rooms:** The locations in which Information Technology is usually installed and operated from, including the arrangement for supply of protected electrical power, other essential environmental services ("HVAC" – Heating, Ventilation and Air Conditioning), Access Controls and Security Measures.

- **Structured Cabling:** The passive wiring throughout Council Offices and other buildings is an essential element of delivering IT services straight to the desk. Adequate capacity of network sockets allows for flexibility in locating desks, implementing new technology efficiently and maximising the performance of Information Technology.

- **Mast Sites:** With limited provision of fibre across the Orkney Mainland and often none in the Isles, Fixed Wireless links transmitted via Orkney's hilltop masts have been essential in connecting up communities and schools, across both the Mainland and the isles. The Council owns and also leases access to various masts across Orkney. These sites are often on the receiving end of the worst of winter weather, exposed to everything the local climate can throw at them. Windshear, wear and water all impact the stability and operational life of these sites, and also complicate the planning of maintenance and support visits.

- **Fibre Services:** Fibre services do exist through some parts of Orkney and the Council has ownership of some and access to others. These deliver connectivity usually untroubled by weather, and therefore operate 365 days a year. However, regular maintenance to ensure that channels are clean and control of access is important. The main risk to service is third party – such as roadworks or other services in nearby channels.

Network Connectivity and Security Solutions

The network is what securely connects the Council's Information Technology together. Maintaining capacity sufficient for the volumes of traffic being delivered across this network is essential to ensure smooth running. This is analogous to any transport network – good well-maintained routes with sufficient capacity have fewer traffic jams than locations with bottlenecks. In information technology, there are three categories:

- **The Wide Area Network (WAN) Infrastructure** are the communications links which connect Council sites to one another (and in some cases, to the Internet). This includes the network devices and routers connected to the fibre optic networks, or it can be the Fixed-Wireless radio and microwave systems transmitting atop masts.
- **The Local Area Network (LAN)** and **Wireless Network (Wi-Fi)** connect all of the computers, servers, and other devices together within a building. These are normally devices called switches and routers which are programmed to handle all of the network traffic, routing it securely to deliver each file, web page request, print job and e-mail to the correct destination.
- **The Security Gateways** are the firewalls and related security systems that protect the Council's Information Technology and permits secure access to and from the Internet and other organisations.

Information Technology Systems and Servers

While the network provides the required connectivity, at the heart of Information Technology are the line-of-business systems that support the wide range of services (e.g. Health & Care Case Management Systems, Planning & Warrant Databases, Housing Systems, Financial Ledger Systems). These and other "back-office" systems are delivered by servers, databases, and storage infrastructure.

- **Servers** are the specialist computers on which operate the software applications and systems used in the Council. These require a higher level of capability and resilience and should be housed securely in datacentres or server rooms where they can benefit from the protected, resilient power supply and other environmental benefits mentioned earlier.
- **Storage Infrastructure** provides a secure and resilient location in which the data is kept. Locating essential data from multiple systems on a central storage system which offers higher levels of performance and resilience is normal practice. However, this raises the criticality of such equipment, and therefore good maintenance and monitoring is essential.
- **Data Backup Systems and Infrastructure** are used to ensure that all of the organisation's data and configuration is copied onto secure storage so that in the event of a loss, it can be restored to a recovery point that minimises organisational loss.
- **Directory and Network Service Systems** are specialist information systems for managing, administering, and organizing every item and network resources, which can include folders, files, printers, users, computers, and other objects. A directory and network service is a critical component of an IT infrastructure.

- **Database and File Systems** are a specialist software for managing data in a structure and are used to hold all the essential data within an organisation.
- **Line of Business Systems** are the business IT systems specific to operational functions within organisations such as Finance Ledger Systems, Case Management Systems, Engineering Design Systems and Operational Transport Systems.
- **Telephone Systems and Videoconferencing Systems** require little explanation and are critical components of any organisation.

User Devices and Peripherals

Finally, the largest part of the asset base are the end-user devices being used day-to-day by Council staff in their roles. Devices and peripherals are a significant portion of the asset estate by virtue of the quantities in use.

- **Council Devices** -The desktop and laptop PC's used corporately across the Council Offices.
- **Schools' Staff Devices** – The desktop and laptop PC's used by teachers and staff in Orkney's Schools.
- **School's Classroom Devices** – The desktop and laptop PC's used by pupils in Orkney's Schools.

Other Technology

It is important to recognise that there are other items of technology not included in the context of this plan. This includes industrial control systems, health and care equipment, schools' electronic whiteboards, security and CCTV systems, radars and weather stations.

While IT provide support services in connection with these, they sit outside of the scope of IT asset management.

4.3. Governance and Processes

As ICT assets play a critical factor in the delivery of efficient delivery of services by other directorates, and as ICT assets are an expensive asset to operate, the Information Services Programme Board (ISPB) provides co-ordination, direction and operational asset management planning.

The ISPB is made up of the officers who are the Senior Management Team and it is chaired by the Chief Executive. It meets four times a year. The ISPB provides an oversight of the management of corporate assets within the Council and is decision-making gateway to ensure that management decisions are undertaken in a corporate manner.

Strategic issues are decided upon by Members, through the Committee structure. Matters relating to ICT, and specifically the ICT Capital Replacement Programme, are determined by the Asset Management Sub-committee.

IT maintains a service catalogue outlining all IT services provided and has in place robust reporting processes to assist Council to make prompt asset related decisions regarding new or changed use of Assets through the Information Services Programme Board.

Effective management requires a monitoring process to provide systematic and timely reporting of performance to enable prompt asset related decision making.

The following reports and Key Performance Indicators are used to ensure that the assets are well maintained and delivering value for money:

- **Quarterly Availability** – a record of asset down time, the impact of this down time and an estimate of productivity losses (compared with national benchmarks). This is delivered within the quarterly IT Service Availability Report to ISPB, and once considered, referred to the Corporate Management Team.
    - o Ad-Hoc – major incident management reports are produced following any significant outage.

- **Information Security** - trends and analysis are provided weekly via business intelligence dashboards and are reviewed monthly to the Head of IT and Facilities and reviewed with the Information Security Officer and the IT Service Manager. Summaries are provided quarterly within the Information Security Report to ISPB.
    - o Ad-Hoc – major incident management reports are produced following any significant security incident

- **ICT Infrastructure Capacity and Demand** – identifying levels of demand and usage of resources including network bandwidth, internet, email and disk space usage, consumption of software licenses is monitored via dashboards for intervention via operational staff where required. Reports on quarterly usage are provided quarterly within the Information Security Report to ISPB.

- **IT Service Desk Performance** – trends and analysis are monitored daily via business intelligence dashboards and reviewed weekly in by a meeting of IT Support Staff for action and prioritisation. Overall performance and capacity is reported quarterly within the Information Security Report to ISPB.
    - o Ad-Hoc – major service management reports are produced following any significant security incident

- **Changes and Projects** – changes to the configuration or delivery of information technology progress are reviewed via a weekly change approval board which acts as an essential gate control to reduce risk that changes have undesired consequences and impacts.
    - o Larger scale changes are normally managed via the IT Replacement Programme. Capital asset depreciation lifetime of information technology infrastructure of n years so replacement programme funding should normally comprise $1/n^{th}$ of the asset value to ensure timely replacement.

- o Project progress is monitored via a variety of processes with quarterly reports provided regularly to the IT Projects Board or the Information Services Programme Board. Further reporting via the IT Strategy Delivery Plan Update and Digital Strategy Delivery Plan Update is provided to elected members for scrutiny.

- o Ad-Hoc – emergency change requests are submitted for approval from the IT Service Manager or Head of IT and Facilities as and when required.

- **Operating costs** – operating costs per class of assets are assessed as part of normal budget monitoring and reviews annually as part of the budget process.

- **Annual Support Staff ratios** – a record of support resource to end user ratios (compared with national benchmarking) will be established to monitor how well available resources meet the demand for support, maintenance, security patching and other normal helpdesk services.

- **Annual total costs of ownership (TCO) reports on asset classes** – these will be compared with other like organisations to ensure that the council is achieving value for money. ICT assets are disposed of securely

- **Strategic Direction and Investment Requirements** - the Council's ICT strategy is defined in the IT Strategy and Digital Strategy document and this will also outline investment requirements.

- An annual capital report is submitted to Council detailing the forward capital plan needed to maintain the council's assets.

Appendix 1: Asset Condition – High Level Summary

In 2016 the asset management strategy approved by members consider it a number of categories which were then measured to establish a set of metrics. These delivered a working criterion to assess how effective maintenance management and monitoring off physical assets used in the organisation was.

it is of immense value to review these findings as a benchmark of progress and to highlight areas we're further work and focus is required. However, it is also essential to recognise that information technology is such a fast-moving field that it is almost impossible to conduct an "apples for apples" comparison.

The following simple rating model is used to assess groups of assets.

Rank	Description of Condition	Action
1	Very Good Condition	Only normal maintenance required
2	Minor Defect only	Minor maintenance required
3	Maintenance required	Significant maintenance required to bring the asset to an acceptable arrangement
4	Requires Renewal	Significant renewal/upgrade
5	Asset Unserviceable	Over 50% of asset requires replacement

ICT Asset Management Plan 2021 - 2026

Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
Property & Passive Infrastructure	Datacentres and Server Rooms[3]	No facilities exist that would achieve the classification of *datacentre*, Instead there are 3 large server rooms situated in various council buildings which act as the main locations for the council's information technology. The nature and fabric of these building are often a major limiting factor ***Ownership of some aspects sit outside of IT but is included due to critical importance in delivery of IT.***	**3 Maintenance Required** These facilities do not fully meet the criteria of a hosting facility, lacking many of the required capabilities. Numerous shortfalls exist in the fabric, flooring, fire-suppression, power protection, heating ventilation and air conditioning (HVAC), access controls and monitoring. While many of the above capabilities are present to a degree, there are significant weaknesses in how these are delivered. These would barely meet the absolute minimum in a commercial hosting facility. Internal arrangements are however good, with well-managed cabling, and significant progress since 2016 to improve the organisation and installation of equipment.	**4 – Requires Renewal**	3	£2,000,000* This would be a fair estimate of rebuilding a datacentre in line with correct requirements. Value of current assets are substantially lower in the region of £250,000. *Ownership sits outside IT but is included due to critical importance in delivery of IT.*

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[1] Assets comprise a mixture of assets of varying condition, so the assessment is based on the modal position.

[2] Full replacement value, not adjusted for depreciation

[3] Not fully an "IT asset" but essential as this is crucial to IT operations.

Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
Property & Passive Infrastructure	Other Network Rooms	There are 106 other network rooms and cabinets distributed throughout Orkney Islands Council offices, schools and other facilities ***Ownership of some aspects sit outside of IT but is included due to critical importance in delivery of IT.***	**2 – Minor Defects** While none of these facilities would fully meet the expected criteria of a datacentre facility, most have sufficient arrangements which are adequate. Many have benefited from action taken to ensure that internal arrangements are well organised.	**2 – Minor Defects**	106	£212,000
Property & Passive Infrastructure	Structured Cabling[4]	Structured Cabling is normally Cat 5e or Cat 6 quality, but in many sites, there is evidence of insufficient concentrations of network points ***Ownership of some aspects sits outside IT but is included due to critical importance in delivery of IT.***	**2 – Minor Defects**	NA	Approx. 100 sites incl. Main Council Offices	Estimated £2,500.000* (based on 100 sites at £25,000 per site) *Ownership sits outside IT but is included due to critical importance in delivery of IT.*

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[4] Not fully an "IT asset" but essential as this is crucial to IT operations.

Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
Property & Passive Infrastructure	Mast Sites[5]	OIC owns and operates a mast site on the Orkney Mainland and additionally has acquired space on a number of 3rd party masts. ***Ownership of some aspects sits outside IT but is included due to critical importance in delivery of IT.***	**3 Maintenance Required** The mast site has benefited from recent maintenance works to ensure structural integrity and to improve cabling and signage. Also works are in progress to repair the backup diesel generator, but current facilities do not protect equipment from weather conditions which will require significant remedy in the form of a building to house the generator.	NA	1	Estimated £1,000,000* *Ownership sits outside IT but is included due to critical importance in delivery of IT.*
Property & Passive Infrastructure	Fibre Services[6]	OIC has a network of ducts and fibre cabling delivering 4 key routes in Kirkwall and 2 in Stromness town areas. ***Ownership of some aspects sits outside IT but is included due to critical importance in delivery of IT.***	**2 – Minor Defects** The biggest issue with the fibre network in Orkney is the of lack it. Many of the Council premises do not have access to OIC fibre. There was one major incident in 2018 when damage occurred due to fibre cabling being snagged in Kirkwall but all in all there are few concerns here.	NA	4 routes in Kirkwall 2 routes in Stromness	Estimated at £2,000,000 *Ownership sits outside IT but is included due to critical importance in delivery of IT.*

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[5] Not fully an "IT asset" but essential as this is crucial to IT operations.
[6] Not fully an "IT asset" but essential as this is crucial to IT operations.

Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
Network Connectivity & Security Solutions	Wide Area Networks	A large part of the essential connectivity in Orkney depends of Fixed Wireless and Microwave Links. There are 44 "point-to-point" links connecting sites wireless of which 6 comprise the "trunk" links from Stromness & West Mainland to Kirkwall's mast. Additionally, Kirkwall and Stromness have 3 point-to-multipoint sectors serving 29 "subscriber" radios installed on Council Premises (Most North Isles premises are Schools served by 3rd-party Pathfinder SWAN services).	**3 - Maintenance Required** Some fixed Wireless and Microwave links are consistently poor-performers operationally and in some cases are vulnerable to radio interference and channel congestion causing disruption. All are vulnerable to the elements and require renewal every 5-7 years. Due to the location of much of the equipment on hilltop masts, access issues can be problematic, requiring qualified third-party providers to gain access when conditions permit, exposing a risk of delayed responses to service incidents. *Estimated replacement programmes will demand £200,000 per annum to maintain estate.*	**4 - Requires Renewal**	48 Point to Point Devices 3 Sector Point to Multipoint Stations 32 Sector Subscribers	Asset Value: £1,086,000 *(comprising:* *6 x "Trunk" Point to Multipoint Links have a value of £120,000* *42 x Other Point to Point Links have a total value of £840,000* *3x Sector Point to Multipoint Links have a value of £30,000* *32x Subscriber Devices with a value of £96,000)*

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Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
Network Connectivity & Security Solutions	Local Area Networks	The Local Area Network comprises an arrangement of 12 high performance "core" network switches capable of operating at 96 Gbps, linked to 202 network distribution switches across council offices, schools, care facilities and other locations.	**1 - Very Good Condition** The "core" network was implemented in 2018 and has functioned well since commissioning. It is arranged with a high degree of resilience and at 96Gbps capability has sufficient capacity for network traffic. Distribution network switches are in a range of ages and conditions with replacement programmes in place or in progress where required.	**2 - Minor Defects Only**	12 "Core" Network Switches/Routers 202 Distribution Switches/Routers	Asset Value: £796,000 *(Comprising:* *12 x Core Network Switches valued at £190,000* *202 x Distribution Switches valued at £606,000)*
Network Connectivity & Security Solutions	Wi-Fi	Wi-Fi services are provided by 300 Access Points managed by a single controller.	**2 – Minor Defects** Wi-Fi services are in the process of being replaces and a further cycle of replacements is in progress.	**3 - Maintenance required**	1 Controller 300 Access Points	Asset Value: £185,000 *300 x Wi-Fi Access Points valued at £150,000* *1 x Wi-Fi Control System valued at £35,000)*
Network Connectivity & Security Solutions	Security Gateways	Security arrangements in place are not detailed.	**1 - Very Good Condition** Updated perimeter security equipment was implemented in 2019 and has worked well. One device is scheduled for replacement in 2021.	**4 - Requires Renewal**	Security arrangements in place are not detailed	Asset Value £150,000

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Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
IT Systems and Servers	Standalone Servers	There are in total 42 servers. Of which, 20 servers are in operation in Council server rooms 12 are in schools. A further 10 are configured to host 120 "virtual" servers.	**2 – Minor Defects** Since the previous report, servers have been updated and previously reported performance and reliability problems have been addressed. The use of virtualisation software allows a single physical server to operate as multiple servers "virtually". This is highly efficient and reduces the power, cooling, and space requirements, consequently reducing costs and the environmental footprint. 8 of the 10 virtualisation host servers are due for replacement as part of a project in progress concerning disaster recover, and replacement equipment is being shipped to Orkney this summer (2021). Most of the other servers in the Council are in good condition and relatively new, and the remainder of older servers are due for replacement soon. However, some of the servers in schools are in poor condition and will require replacement.	**3 - Maintenance required**	42 Servers (Physical) 120 Virtual Servers	Asset Value £256,000 Comprising: Virtualisation servers valued at £120,000 32 standalone servers valued at £136,000

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Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
IT Systems and Servers	Storage Infrastructure	The Storage Area Network is used by to share data in a resilient arrangement on arrays of disk drive. These are built to tolerate equipment failure and minimise the risk of data loss.	**3 - Maintenance Required** Since the previous report it became clear that the Storage Infrastructure was the root cause of much of the chronic service disruption that impacted IT services. Consequently, much of that infrastructure was withdrawn from service and decommissioned in 2017. Addressing this issue played a major part in delivering improved service availability and uptime across all council services. The remaining storage infrastructure has carried to load of IT service well but is now approaching the end of its operational life and new, faster storage with improved disaster recovery capability has been acquired and is schedule for deployment this summer (2021). Once complete this rating should increase to 1 – Very Good Condition	**3 – Maintenance Required** *(in hindsight this should have been rated 5 – Requires Renewal)*	1 Storage Area Network	£300,000

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Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
IT Systems and Servers	Data Backup Infrastructure	Backups operate daily using a blend of methods to suit the range of systems in place.	**1 - Very Good Condition** Since the previous report, a new approach to backups has been implemented with a pair of dedicated backup arrays deployed in diverse locations with security measures to minimise the risk of cyberattacks on backups. Additional offline copies are occasionally taken to supplement this process. The system is further enhanced with the migration of some systems to cloud services which have excellent levels of file protection.	**5** (sic) **- Requires Renewal**	2 Backup Arrays	£80,000

Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
IT Systems and Servers	Line of Business Systems	The wide range of Services in Orkney Islands Council utilise various line of business systems to support their operations. There are over 30 main line-of-business systems in operation at Orkney Islands Council. These include typical systems common in all organisations (e.g. Financial system, Payroll system) and specialist systems aligned to services (e.g. Health & Care Case Management, Property Management, Housing).	**2 – Minor Defects** There are good governance arrangements in place for the selection of new systems, backup arrangements are in good order, and performance/availability in most cases is good. However, there is still a legacy which reflects varied approaches to how systems have been implemented. This ranges from on-premise implementations managed internally, to some systems hosted on the cloud with fully-managed support services. Most of these systems are implemented individually by services responsible, on individual databases with little interconnectivity. This has limited the opportunity for alignment and interaction and hinders any opportunity to develop a holistic single view of the organisation's status. Furthermore, the wide range of systems places an increased support burden on IT to maintain and update systems.	**3 - Maintenance Required**	Over 30 line-of-business systems.	£1,900,000

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Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
IT Systems and Servers	Directory Services	In line with 95% of organisations, the Council uses Microsoft Active Directory. This provides the foundation for all of the IT devices, users and security controls. The system has been further extended into the adoption of cloud via Microsoft 365 / Azure which has allowed a degree of management of device security to extend into remote working.	**3 - Maintenance Required** The implementation of Active Directory does not fully correlate with the current organisational structure and reflects some legacy teams and groups that precede a Council restructure from over 10 years ago. The main implementation does not extend into Orkney Schools and therefore these networks are effectively standalone with their own IT administration overhead. This is a barrier to collaboration and communication between the Council and Schools.	NA	1200 users	£30,000

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ICT Asset Management Plan 2021 - 2026

Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
IT Systems and Servers	Telephone & Conferencing Systems	Switchboard Services and approx. 700 extensions are served by a BT/Nortel Phone System located in School Place serving numerous sites. Approximately 40 other smaller systems are in operation at other Council Sites, Schools and Residential Care Facilities. A Cisco Telepresence Videoconference System is defunct and has been superseded by Microsoft Teams.	**4 - Requires Renewal** The condition of the current system in place is very poor, but work is in progress to address this. A new phone system has been acquired and it is scheduled for implementation in Summer 2021. Once completed, this rating should upgrade to *1 - Very Good Condition* Other systems are in a range of conditions, with a few requiring renewals. Where possible, the relevant sites will be integrated into the new system.	**4 - Requires Renewal**		£650,000 *Comprising* *Main OIC Phone System has a replacement value of £250,000* *40 Other Systems valued at £400,000*
User Devices & Peripherals	Council Devices	There are nearly 1200 computers in use on the council network.	**2 – Minor Defects** 10% of Council Staff computers (185) are over 5 years old. Given the footprint of nearly 1200 PC's annual replacement of Council devices needs to achieve nearly 240 replacements per year.	**2 - Minor Defects Only**	1185 Computers 60 Tablets	£888,750

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Class	Asset	Overview	Condition[1]	Previous Rating (2016)	Numbers	Asset Value/Replacement Valuation[2]
User Devices & Peripherals	Schools Staff Devices		**3 - Maintenance Required** 43% of School Staff computers (181) are over 5 years old. Current replacement plans do not have sufficient capacity to address this and intervention is recommended to address the scale of this issue. Should these urgent replacements of over 180 devices be done, given the footprint, annual replacement of School Staff devices will need to continue to achieve nearly 85 replacements per year to maintain currency of the estate.	**2 - Minor Defects Only**	425 Computers	£318,750
User Devices & Peripherals	Schools Classroom Devices		**5 – Asset Unserviceable** 57% of Classroom computers (1221) are over 5 years old with 8 devices in Orkney school classrooms dating back to 2009. Current replacement plans do not have sufficient capacity to address this and significant intervention is recommended to address the scale of this issue. Should these urgent replacements of over 1200 devices be done, given the footprint, annual replacement of classroom devices will need to continue to achieve nearly 430 replacements per year to maintain currency of the estate.	**2 - Minor Defects Only**	2140 Computers 160 Tablets	£1,391,000

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