Item: 5

Education, Leisure and Housing Committee: 5 June 2024.

Performance Monitoring – Education, Leisure and Housing.

Report by Corporate Director for Education, Leisure and Housing.

1. Overview

1.1. The Council Plan 2023-28, approved in March 2023, reflects national priorities set by both the Scottish and UK Governments and the core services which the Council provides day to day, as well as taking account of new duties arising from recent legislation.

1.2. The Delivery Plan to support the Council Plan contains a number of priority actions listed to indicate the work which will be undertaken to achieve the identified outcomes.

1.3. The Council Plan 2023-28 noted that each directorate will have a delivery plan describing the priorities that they will deliver.

1.4. The Directorate Delivery Plan for Education, Leisure and Housing, will be presented to Committee at the September cycle but important to note that the Education, Leisure and Housing services have several, detailed, statutory plans and reports that must be submitted to external bodies for scrutiny and sign off on an annual basis.

1.5. In terms of the Council's Strategic Planning and Performance Framework, performance in respect of the Directorate Delivery Plan, performance indicators and complaints and compliments are reported to the relevant committee on a six-monthly basis, in June and November.

1.6. Annex 1 provides the six monthly updates in respect of the Education, Leisure and Housing performance indicators.

1.7. The Council's Risk Management Policy and Strategy requires that all directorates maintain a register of risks that are inherent in its activities and the services it provides.

1.8. The risk register in respect of Education, Leisure and Housing is attached to this report as Annex 2.

2. Recommendations

2.1. It is recommended that members of the Committee:

i. Scrutinise the performance of Education, Leisure and Housing for the reporting period 1 October 2023 to 31 March 2024, in respect of performance indicators, as detailed in Annex 1 to this report.
ii. Scrutinise the complaints and compliments made to Education, Leisure and Housing in the 6-month period 1 October 2023 to 31 March 2024, and for the two preceding six-month periods, as detailed in section 5 of this report.
iii. Approve the Education, Leisure and Housing Risk Register, attached as Annex 2 to this report.

3. Directorate Performance Indicators

3.1. Directorate performance indicators provide the mechanism through which the performance of aspects of the services provided year on year are monitored. The monitoring report for Education, Leisure and Housing is attached as Annex 1.

4. Directorate Complaints and Compliments

4.1. Table 1 below sets out the complaints and compliments made to Education, Leisure and Housing in the 6-month period 1 October 2023 to 31 March 2024, and for the two preceding six-month periods.

Table 1.	Six months ending 31 March 2023.	Six months ending 30 September 2023.	Six months ending 31 March 2024.	Totals.
Complaints.	41.	36.	40.	117.
Compliments.	1.	23.	41.	65.

4.2. When considering the raw data within Table 1 above, it should be noted that the Council has adopted a policy of encouraging staff to record all complaints against the Council through the Complaints Handling Procedure. This includes complaints that are quickly and satisfactorily resolved by the frontline service, thereby enabling the Council to identify any trends that would help to improve the service. As a result, the number of complaints captured by the procedure may increase and that does not necessarily reflect an increase in the number of people contacting the service to express dissatisfaction with the Council.

5. Directorate Risk Register

5.1. Managers within Education, Leisure and Housing have recently carried out the annual review and update of the directorate Risk Register, along with the list of actions to mitigate these risks. The updated Risk Register is attached as Annex 2 to this report.

For Further Information please contact:
James Wylie, Corporate Director for Education, Leisure and Housing, extension 2431, Email james.wylie@orkney.gov.uk.

Implications of Report

1. **Financial:** none arising directly from this report.
2. **Legal:** none arising directly from this report.
3. **Corporate Governance:** not applicable.
4. **Human Resources:** not applicable.
5. **Equalities:** not applicable.
6. **Island Communities Impact:** not applicable.
7. **Links to Council Plan:** the proposals in this report support and contribute to improved outcomes for communities as outlined in the following Council Plan strategic priorities:
   ☐Growing our economy.
   ☐Strengthening our Communities.
   ☐Developing our Infrastructure.
   ☐Transforming our Council.
8. **Links to Local Outcomes Improvement Plan:** the proposals in this report support and contribute to improved outcomes for communities as outlined in the following Local Outcomes Improvement Plan priorities:
   ☐Cost of Living.
   ☐Sustainable Development.
   ☐Local Equality.
9. **Environmental and Climate Risk:** not applicable.
10. **Risk:** service risks are outlined in the attached Risk Register.
11. **Procurement:** not applicable.
12. **Health and Safety:** not applicable.
13. **Property and Assets:** not applicable.
14. **Information Technology:** not applicable.
15. **Cost of Living :** not applicable.

List of Background Papers

Council Plan 2023-28.
Council Delivery Plan 2023-28.
Risk Management Policy and Strategy.

Annexes

Annex 1 – Performance Indictors.

Annex 2 – Risk Register.

Education, Leisure and Housing – Service Performance Indicators for Six Months Ending 31 March 2024

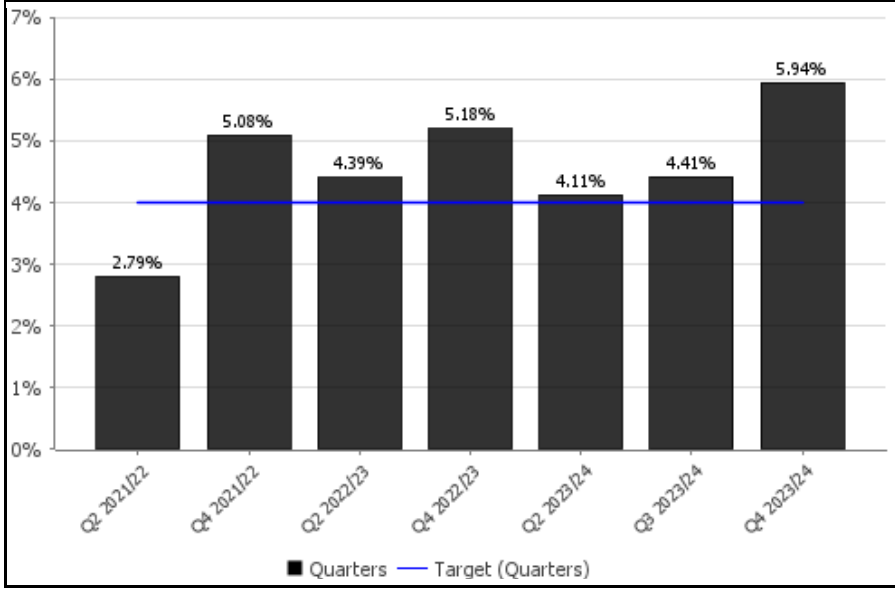
Performance Indicator				
CCG 01 – Sickness absence – The average number of working days per employee lost through sickness absence, expressed as a percentage of the number of working days available.				
Target	**Actual**	**Intervention**	**RAG**	
4%	5.94%	6.1%	AMBER	

Comment

BRAG status at 30 September 2023: AMBER.

This indicator has seen a rise from 4.11% to 5.94% in the past six months. Our records indicate that the general sickness is short term absences due to minor illnesses/conditions. Service Managers have identified specific areas of concern and are working with managers directly.

Trend Chart



Performance Indicator				
CCG 02 – Sickness absence – Of the staff who had frequent and/or long-term sickness absence (they activated the sickness absence triggers), the proportion of these where there was management intervention.				
Target	**Actual**	**Intervention**	**RAG**	
90%	57.02%	79%	RED	

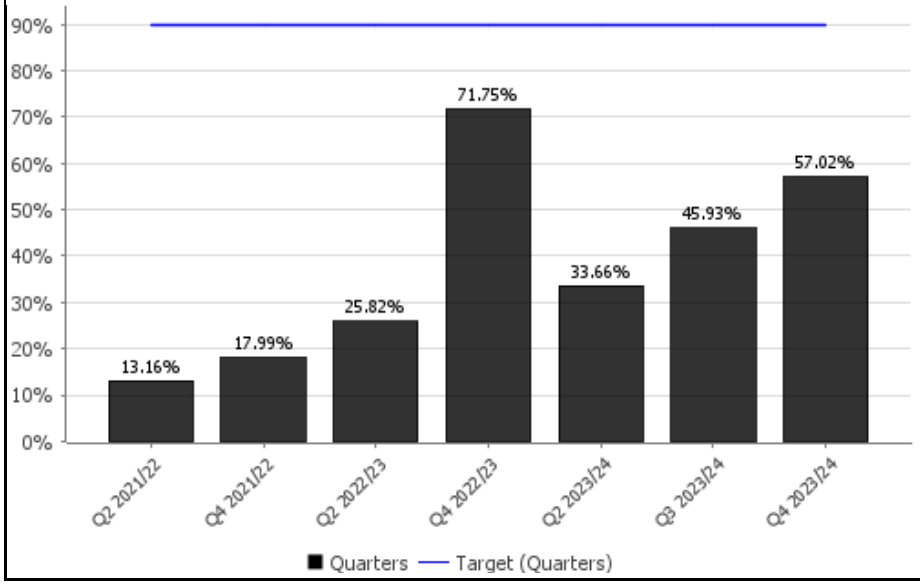
Comment

BRAG status at 30 September 2023: RED.

Out of the 235 absences, 134 are recorded as having management interventions. Directorate staff are monitoring this regularly and working with Human Resources. Service Managers then follow up with relevant line managers to ensure that interventions are being carried out and recorded as per policy.

Although we have seen improvement in this area since the last reporting period, there are still a concerning number of staff members who have not received management intervention. Service Managers will continue to work with their reports to see improvements.

Trend Chart



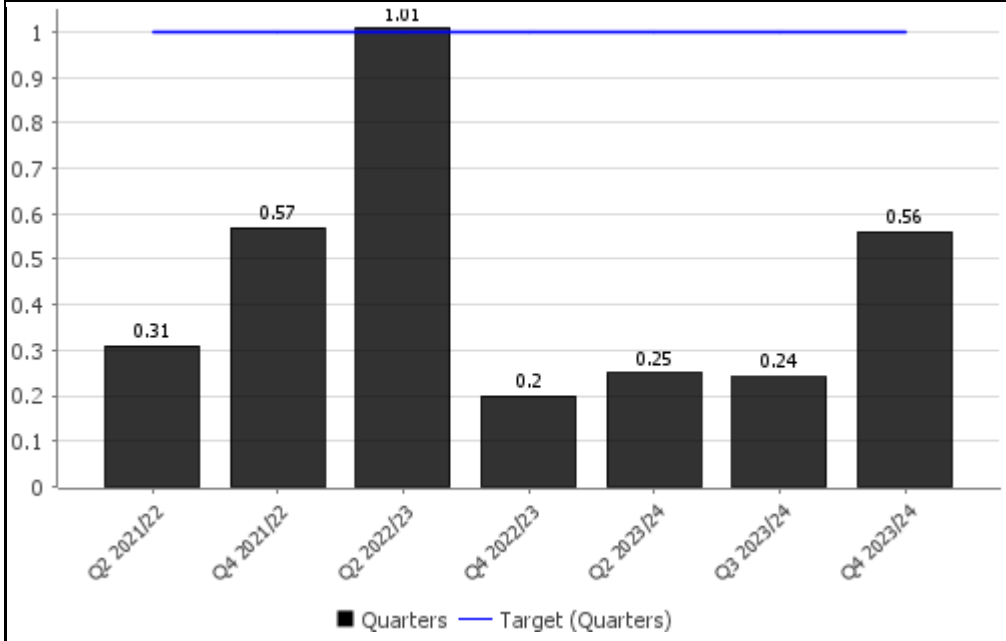
Performance Indicator				
CCG 03 – Staff accidents – The number of staff accidents within the service, per 30 staff per year.				
Target	**Actual**	**Intervention**	**RAG**	
1	0.56	2.1	GREEN	

Comment

BRAG status at 30 September 2023: GREEN.

There were 5 accidents reported during this quarter. One involving slips, trip or fall on same level, one strike against fixed object, one against a moving object and two acts of violence. The acts of violence were an Early Learning Practitioner struck in the throat and the other was a Support for Learning Assistant struck in the lower legs.

Trend Chart



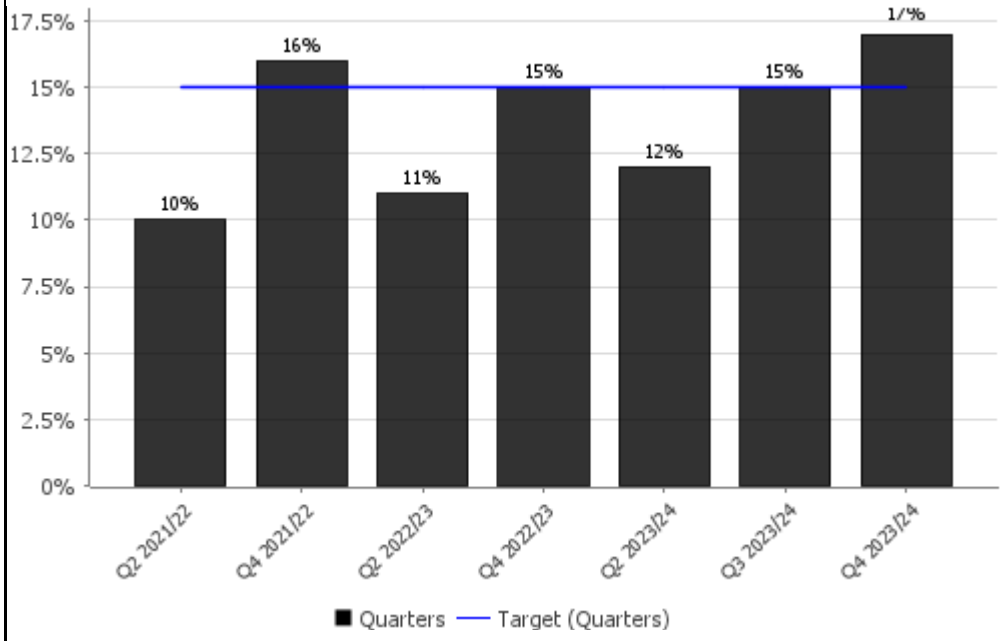
Performance Indicator				
CCG 04 – Budget control – The number of significant variances (priority actions) generated at subjective group level, as a proportion of cost centres held.				
Target	**Actual**	**Intervention**	**RAG**	
15%	17%	31%	AMBER	

Comment

BRAG status at 30 September 2023: GREEN.
We have seen a rise in the number of variances since the last reporting period. Although slightly above the target, it is still well below the intervention percentage.

We have experienced unfortunate staffing illness within our finance support which will have impacted on this percentage.

Trend Chart



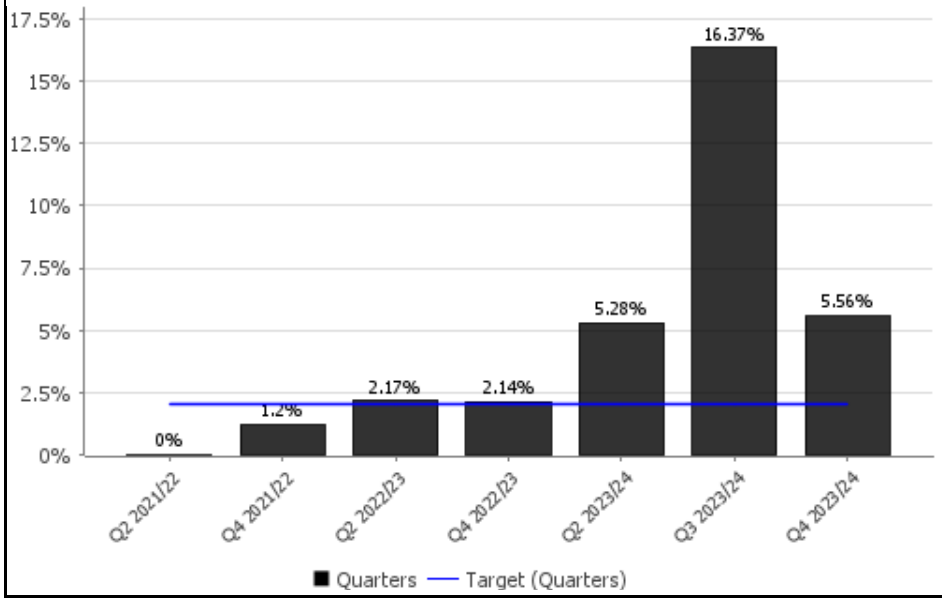
Performance Indicator				
CCG 05 – Recruitment and retention – The number of advertised service staff vacancies still vacant after six months from the time of advert, as a proportion of total staff vacancies.				
Target	**Actual**	**Intervention**	**RAG**	
2%	5.56%	4.1%	RED	

Comment

BRAG status at 30 September 2023: RED

Current comment: From a total of 198 vacancies, 11 were still vacant after 6 months. These were Head Teacher at Papa Westray Primary (1 FTE), Head Teacher at Stromness Primary (1 FTE), Principal Teacher at Stromness Academy (1 FTE), Team Manager (Housing Strategy Development and Data) (1 FTE), Director of Agronomy, Orkney College (1 FTE), Janitor at Rousay Primary School (0.54 FTE), Support for Learning Assistant at Stromness Primary School (0.79 FTE), Senior Youth Workers in Shapinsay and Deerness (0.06 FTE each), General Youth Workers in Shapinsay and Deerness (0.06 FTE).

Trend Chart



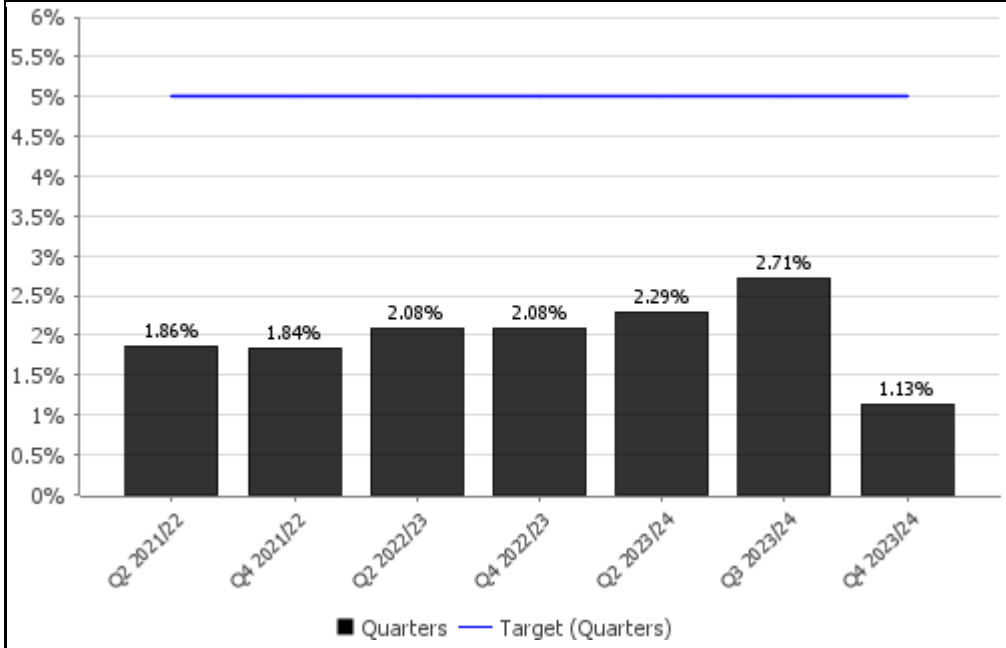
Performance Indicator				
CCG 06 – Recruitment and retention – The number of permanent service staff who leave the employment of Orkney Islands Council – but not through retirement or redundancy – as a proportion of all permanent service staff.				
Target	**Actual**	**Intervention**	**RAG**	
5%	1.13%	10.1%	GREEN	

Comment

BRAG status at 30 September 2023: GREEN.

Of 885 permanent staff employed by the Service, 10 have left employment with Orkney Islands Council during this reporting period. We are comfortable with the retention of staff within the directorate.

Trend Chart



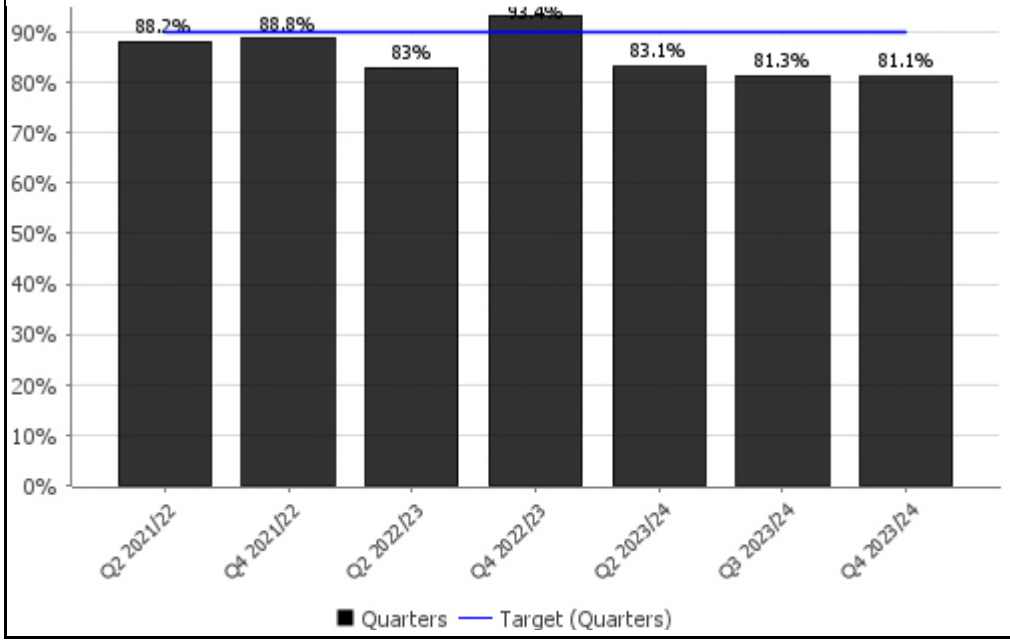
Performance Indicator			
CCG 07 – ERD – The number of staff who receive (at least) an annual face-to-face performance review and development meeting, as a proportion of the total number of staff within the service.			
Target	**Actual**	**Intervention**	**RAG**
90%	81.1%	79%	AMBER

Comment

BRAG status at 30 September 2023: AMBER.

Of the 810 staff due an ERD (now known as Good Conversations) during this period, 657 people received one. The remaining 153, Service Managers are working with line managers to have them completed. The majority of these outstanding ERDs are as a result of line manager work pressures, but also a change in the term that some Head Teachers have planned to carry out the reviews, many of them from term 3 to term 4.

Trend Chart



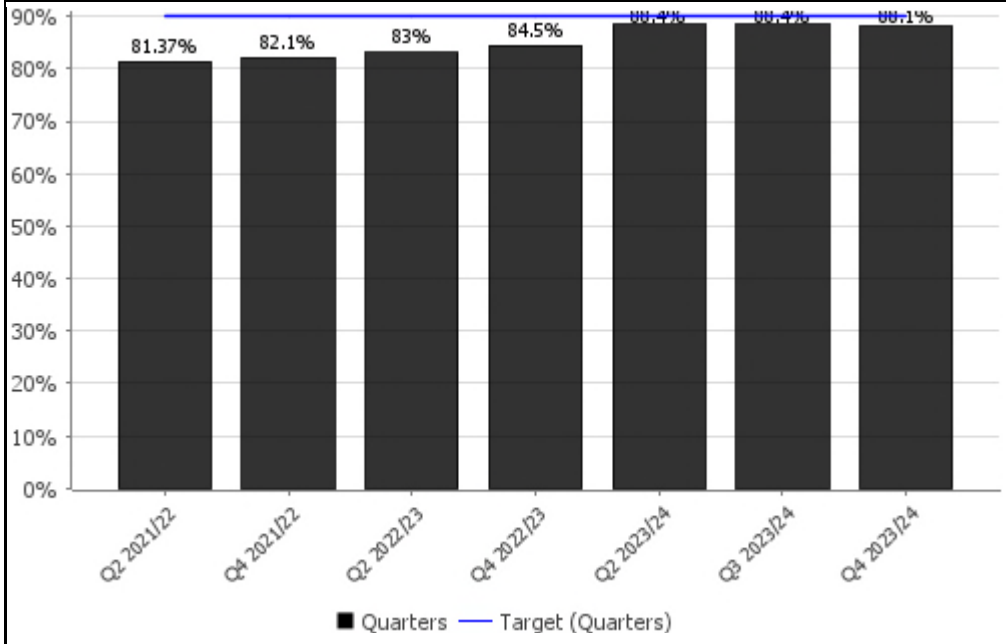
Performance Indicator				
CCG 08 – Invoice payment – The number of invoices that were submitted accurately, and paid within 30 days of invoice date, as a proportion of the total number of invoices paid.				
Target	**Actual**	**Intervention**	**RAG**	
90%	88.1%	79%	AMBER	

Comment

BRAG status at 30 September 2023: AMBER.

We are disappointed that our continuous trend of improvement has stopped in this reporting period. We will continue to monitor this on a monthly basis.

Trend Chart

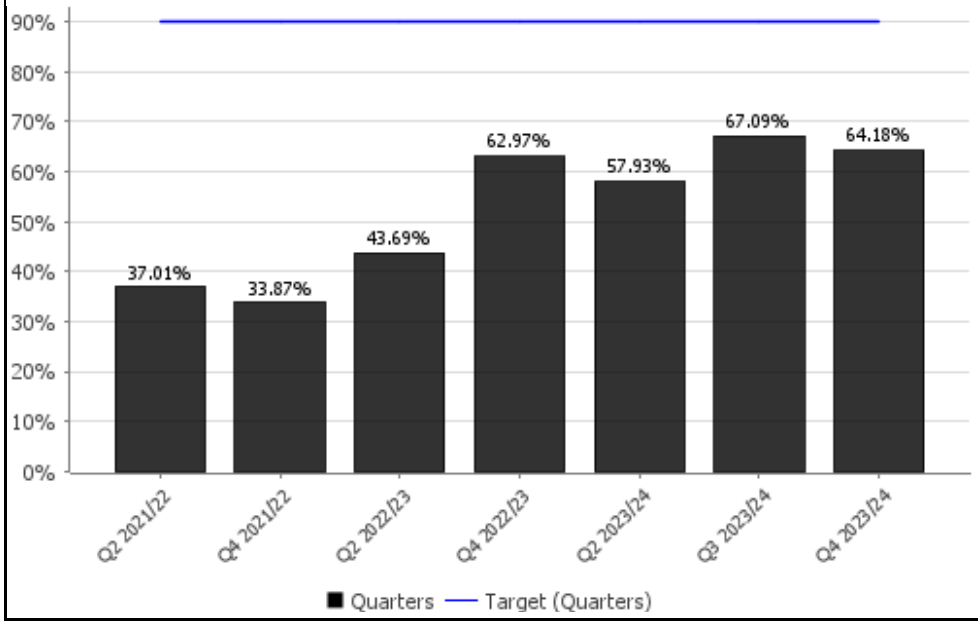


Performance Indicator				
CCG 09 – Mandatory training – The number of staff who have completed all mandatory training courses, as a percentage of the total number of staff in the service.				
Target	**Actual**	**Intervention**	**RAG**	
90%	64.18%	79%	RED	

Comment

BRAG status at 30 September 2023: RED.
Of 1354 total staff in the service, 869 are completely up to date with their mandatory training. Of the 485 staff who have not completed all of their mandatory training, 217 of them are relief or supply staff. Financing the supply staff i-Learn courses is a significant challenge for the ELH budget. Of the remaining 268 staff members, Service Managers are aware of who they are and are in discussion with their line managers.

Trend Chart



Personnel key
Corporate Director for Education, Leisure and Housing – James Wylie
Head of Education – Peter Diamond
Head of Community Learning, Leisure and Housing – Frances Troup
Service Manager (Resources) – David Brown

BRAG key

Red - the performance indicator is experiencing significant underperformance, with a medium to high risk of failure to meet its target.
Amber - the performance indicator is experiencing minor underperformance, with a low risk of failure to meet its target.
Green - the performance indicator is likely to meet or exceed its target.
Blue – the agreed action has been progressed to completion.

Education, Leisure and Housing Risk Register 2024/25

Annex 2

Strategic Risks

Cluster.	Risk Number.	Owner.
Financial.	1.	Corporate Director for Education, Leisure and Housing.
Staffing.	2.	Corporate Director for Education, Leisure and Housing.

Operational Risks

Cluster.	Risk Number.	Owner.
Financial.	1, 3, 4, 5, 6, 7, 8, 9, 10, 11	Corporate Director for Education, Leisure and Housing.
Staffing.	2, 3, 7.	Corporate Director for Education, Leisure and Housing.

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 Title: 01 – Financial Pressures.

Likelihood.	5	**Impact.**	4.	**RAG.**	Amber.	**Current Risk Score.**	20	**Target Risk Score.**	6.

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
It is predicted that ongoing savings will be required each year. The next three years require significant savings for E, L & H (£3.5m). Level of funding for the service is insufficient to maintain the existing standard and range of provision. Lateness of award and lack of certainty around some Scottish Government funding leads to additional pressure on services. Inflation and pay settlements, combined with a standstill budget and/or budget reduction further reduces the capacity to maintain a safe standard of provision.	Reduced resource base	Decrease in the quality and resilience of the services provided by ELH (as assessed by inspectors and regulators). Reduction in service offer. Disinvestment in professional learning offer for staff teams. Possible reduction to progress, achievement and attainment of learners. Spiral of decline as increasing time and resource spent on accounting for service failures and complaints, and on making cases for discrete resource allocations in-year. Additional strain placed on staff many of whom already work significant additional hours. Insufficient houses and higher levels of disrepair.	Ensure ‘fair’ distribution of available funding to mitigate differential impacts across the service. Increase budget management and scrutiny to identify both significant and marginal efficiencies. Manage ad-hoc grants to minimise unplanned commitments ‘in kind’. Manage vacancies where possible to optimise in-year savings. Explore and exploit opportunities for sharing costs and/or community funding. Oversee budget management. Continue work to identify additional efficient/different ways of working/ service redesign to release budget savings and increase income generation. HRA Business Plan developed – close monitoring to continue.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Impact of Council's strategic financial plan exacerbates the vulnerability. Some aspects of service provision are reliant on income through income generation, donation or sales which cannot be entirely guaranteed. The funding regime for housing development in Scotland leads to difficulties in making development achievable, given the range of pressures on a small Housing Revenue Account. This, in turn, is impacting on affordable housing provision. The further rollout of Universal credit and existing impact of original roll out (from September 2018) plus COVID-19 legacy has resulted in increased rent arrears. Reduction or loss of key services.		Reputational impact; Community impact; Impact on staff morale; Increase in difficulty with recruitment and retention; Potential staff losses either through ill health or choosing to leave the Council; Economic impact if people leave the islands; potential limitations on housing development (unless additional provider(s) can be sourced); Increased homelessness; Additional housing pressure; Sustainability threatened in fragile communities; Increased rents; Failure to meet EESSH2; Reduced staff wellbeing and increased staff illness; Potential impact on vulnerable groups within society. Increased requests for additional funding from third sector agencies who receive funding and who deliver vitally important services for us at a cost below that of internal delivery. Reduction in income due to cost of living crisis.	Working with alternative housing providers who may be prepared to build in Orkney. Reduction of service provision in some areas / loss of services to maintain core activities. Work with Scottish Government to ensure more efficient and effective ways of working through multi-year funding. Request island impact assessment to ensure island circumstances are considered in funding allocations.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Difficulty with covering costs of casual / relief staff. Difficulty with backfilling maternity leave etc.			

Risk Title: 02 – Recruitment / Retention Challenges.

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

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Some posts remain very difficult to fill. For example, Housing staff, Tenant Participation Staff, Sheltered Housing staff, Papdale Halls, School Catering Staff (particularly cooks), Admin staff, ELC practitioner, some teaching posts, Staff on insecure contracts eg employability staff and Management staff. Recruitment and retention failures result in un-filled posts. Some posts are subject to annual or specific funding from Scottish Government which are subject to a lack of certainty which limits post security and may potentially limit ability to be flexible with use of staffing resource (Employability, Cultural Services, Housing Support for Refugees etc).	Key posts still remain unfilled following another recruitment drive, casual and relief staff unavailable and often unaffordable.	Reduction in service offer, including not offering undersubscribed courses. Inability to meet the Safe Staffing Standard and / or operational standards. Capacity to deliver specific curriculum subjects compromised. Service failure with respect to progress, achievement, and attainment of learners. Lower quality of service as assessed by inspectors and regulators. Increase in workload and pressure on existing teams. Capacity to deliver specialist housing services is compromised. Capacity to deliver full school meals offering across all schools is compromised. Reduction in performance standards across all Services; Reputational impact; Community impact; Concern about closures;	Support access routes (initial training, career change programmes). Provide support to unqualified staff to gain relevant qualifications. Support for ‘grow your own’ staff / mentoring. This may include incentives to encourage staff retention. Alternatives including use of agency supply to be explored inside financial limitations. Use recruitment processes to ensure applicants are aware of opportunities and (if unsuccessful) are open to continue to seek employment with the Council. Continue to use appropriate alternatives including the use of agency staff (where affordable). Seek to challenge position with insecure Scottish Government funding.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
Vacancies remain unfilled for an extended period. Limited access to appropriately qualified workforce, hampers recruitment, including the availability of casual and relief staff. Age profile of staffing in some areas leads to increasing risk of loss through retirement, sickness absence etc. Vulnerability due to certain health conditions including mental health. Difficulty with backfilling maternity and ensuring staffing levels required for services registered with Care Inspectorate / Safe Staffing / Operational Standards. Turnover rate rises to unsupportable levels.		Impact on staff morale; Economic impact if people leave the islands. Negative impact upon staff wellbeing and sickness rates. Increased challenge in recruiting quality candidates.	Essential workers housing strategy to assist with recruitment / retention of essential workers.

Risk Title: 03 – Unmet Additional Support Needs.

Likelihood.	5	**Impact.**	4.	**RAG.**	Amber.	**Current Risk Score.**	20.	**Target Risk Score.**	16.

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Demand across service areas is outwith capacity to deliver. Impact of available additional support is limited as it is shared across too many needs.	Increased demand for additional support combined with an increase in the indicators of unmet need.	Appropriate additional support (approaches to learning and teaching, support from personnel, and provision of resources) to meet the needs of learners / residents is not available. Service fails to meet statutory duties. Facilities with or without support insufficient to meet needs and demands. Level of dissatisfaction increases. Number of complaints increases. Resources diverted to manage complaints and if necessary, legal challenge, which exacerbates the vulnerability. Increase in difficulty with recruitment and retention.	Improve and increase efficient and effective use of available resources. Improve and increase staff confidence and capability. Explore and exploit opportunities for collaborative work within and across service and agencies to deliver preventative and early intervention service models. Explore and exploit budget and funding options to increase sufficiency and capacity. Explore staffing needs on a regular basis.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
		Reduction in staff morale. Increase in staff sickness absence levels.	

Risk Title: 04 – IT Systems Capability.

Likelihood.	4.	**Impact.**	4.	**RAG.**	Amber.	**Current Risk Score.**	16.	**Target Risk Score.**	12.

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
IT systems insufficiently developed to meet contemporary needs within Service Insufficient wifi within Council buildings limits the flexible and efficient use of staff and buildings Access to modern apps, services etc limited can't access and communicate with service users in expected ways, future provision of AI (or risks of, not planned for) Manual systems required to be developed or maintained, resulting in unnecessary/inappropriate use of resources. Lack of dedicated resource (both staffing and financial)	The Council fails to develop information management systems that support the current and future needs of the Service appropriately. Education, Leisure and Housing management information systems fail to support the Service appropriately.	Inability to achieve an acceptable level of efficiency (as might be achievable in organisations with more appropriate IT systems). Needs of service users, children/young people/residents, parents/ carers, staff, other stakeholders are not efficiently met. Service ability to provide external bodies with the information they require is impaired. Manual/alternative approaches are costly (diverting resources and time away for core activity) and potentially less 'safe'. Long lead in times for implementing new IT packages means that efficiencies are not realised or become redundant. Inability to communicate with service users to meet expectations of modern service users.	Establish a systems review and forward plan. With colleagues across the Council, explore the possibility of taking a project development approach to improvement. Continue to review effectiveness of SEEMIS and Northgate undertake upgrades as a planned process (includes implementation of direct debit). Concerto continues to be expanded to include all asset management. Ensure provision for homelessness and advice monitoring is developed.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
for systems administration and development		Limit ability for income generation eg through online shop provision etc (staffing is also a limitation). Inability to work with partner agencies in a modern manner eg online housing application / common housing register.	

Risk Title: 05 – Expansion of Childcare Provision/Provision of Non-statutory Provision.

Likelihood.	4	**Impact.**	3	**RAG.**	Amber	**Current Risk Score.**	12	**Target Risk Score.**	10

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Leadership capacity.	Failure to recruit high quality candidates.	Lack of leadership in settings.	Refocus the Leadership pathway to develop leadership capacity within the 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. Failure to meet National Standard.	Support practitioners to gain BA in Childhood Practice and establish requirement within job description. Implementation of head teacher training to support development of pedagogical leadership capacity. Work with the Orkney College UHI and the Scottish Government ELC Improvement team to plan alternative pathways. Work with Orkney College UHI to review the availability and quality of courses on offer.
Insufficient budget to meet emerging demands of Scottish Government.	New legislation/policy insufficiently funded for the local context (e.g. 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 and the Corporate Leadership Team are well briefed prior to national meetings.
Financial model for 0-3 service becomes unviable.	Inability to appoint adequate numbers of practitioners to ensure maximum ratio and maximum income.	Greater than acceptable losses. Service failure in workplaces due to lack of childcare available.	Review and revise parental service contract with consideration for advance payments.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
			Carefully monitor occupancy, staff ratios and fee payment to ensure the setting is running as efficiently as possible.

Risk Title: 06 – Cost of living crisis.

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

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Cost of living crisis is likely to exacerbate inability to pay housing costs. Impact of welfare reform continues to impact on ability to pay rent and this has been exacerbated by the initial rollout of Universal Credit (2018/19), Tax Credit transition to Universal Credit (rollout to all remaining groups) during 2024 and the impact of COVID-19.	Reduced income for HRA, increased provision for bad debt, increased homelessness.	More rent arrears; Increased impact on HRA; Increased homelessness; Loss of staff; Failure to meet EESSH2; Damage to reputation re arrears figures (previously were very good); Negative impact on rural/isles area. Reduced Income levels from OIC (rents) and the general public. Rise in children living in poverty.	HRA Business Plan to continue to be monitored. Issues of affordability are considered in respect of potential impact of annual rental increase. Monitor situation and continue to pursue rent arrears and also to try and prevent other households from falling into arrears by encouraging payment in advance and seeking to identify vulnerable households at as early a stage as possible. Continue to work with the Cost of Living Taskforce and Strategic Childrens Services Planning Group.
Negative impact on those we work to support across E, L & H.	Increased demand for service and inability to meet need.	Inability to meet the required needs of communities leading to increasing vulnerability and exacerbating future demand for services.	Issues of affordability are considered in respect of potential projects and costs.
Meal provision not chosen by particular groups such as Primary 6 and 7 and including S3 due to cost.	Meal of lower nutritional value chosen instead.	Poor learning and poor school experience and need for additional services in future.	Continue to increase awareness of free school meal criteria and awareness of anonymity. New ordering system will ensure complete anonymity between those who pay and those who don't. Information re system being disseminated to all users through user

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
			groups etc. Includes provision of nutritional advice, recipes etc.

Risk Title: 07 – Tertiary Sector (UHI Orkney) Funding and Business Plan.

Likelihood.	4	**Impact.**	4	**RAG.**	Amber	**Current Risk Score.**	16	**Target Risk Score.**	9

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
UHI Orkney fails to achieve zero budget. UHI Orkney requires financial support from OIC to continue to operate in a sustainable manner Curriculum and/or staffing cuts are required to balance budget	Flat/capped funding from Scottish Funding Council in Further Education (FE) sector Challenges in recruiting sufficient Higher Education (HE) students and subsequent shortfall in activity-based funding Demand for student support services significantly above budgeted provision and rising. Signing up to the National Recognition and Procedure Agreement for Scotland's Colleges. Staff costs at 70% of budget; Distant Islands Allowance not funded by Scottish Funding Council; insufficient funds budgeted for pending pay increases. Rising costs (see Risk 2 which is particularly significant). Expenditure beyond budget on staff costs with limited	UHI Orkney cannot manage within its resources. Falling student satisfaction Student Support expenditure above budget and/or needs go unmet meaning vulnerable students are placed at risk, increased risk in course delivery and practice, additional pressure and strain on teaching staff or refusal/inability to accommodate some students. Reputational damage, increased complaints against the College and legal challenge. Staff exposed to unnecessary risk or harm. Increase in staff absence or sickness. Reduction in staff morale. Lack of skills, experience and capacity (see Risk 4 which is particularly significant). Growth potential lost. Reduced curriculum leads to skill shortages in the local economy	Improve and reinforce budget monitoring. Work with budget holders collaboratively to understand the budget as a whole and take collective responsibility for balancing income and expenditure across the college Ensure appropriate budget profiling and timely invoicing to support budget monitoring. Participation of budget holders in budget setting Ensure all grant and teaching income is claimed. Implement common course viability assessments ensuring all teaching staff resource is directed to income-generating activity, or less viable but locally significant delivery is offset by income elsewhere. Business planning undertaken with commercial/research areas of college. Restructure admissions staff team to ensure timely processing of applications to support student numbers. Appoint new Inclusion and Wellbeing Manager to focus on providing student support within budget. Increase corporate training via UHI Orkney for OIC staff training.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
	scope to offset from other budget lines. Commercial income below budget, particularly in Orkney Research Centre for Archaeology (ORCA). Historical rolling forward of budgets without reference to actual costs/likely income Insufficient funding to sustain aging property assets, which are self-financed by UHI Orkney.	and restricts economic growth for Orkney.	Explore provision of student support via schools for Senior Phase. Work with College Employers Scotland to support new funding model for college partnerships with Senior Phase. Appoint Director of Agronomy Institute with a remit to expand research and commercial income. Work with Island Colleagues to request unions to push for Distant Islands Allowance to be incorporated into national pay bargaining for academic staff. Capitalise on the rebranding of the College and strongly promote the strengths of UHI Orkney.

Risk Title: 08 – Significant demand for emergency accommodation and general needs housing.

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

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Inability to meet demand for emergency accommodation (double the number of households are in temporary accommodation than was the case pre-COVID). Increased housing pressure locally impacting on provision of housing irrespective of tenure.	Current lack of capacity and increased demands due to national policy of rapid rehousing, pressure for housing for essential workers etc. Housing pressures generally mean fewer people can meet their own housing need through private sector tenancies etc.	Significant level of homelessness; Increased risk of OIC being unable to meet its statutory requirements in respect of homelessness; Breaches of unsuitable accommodation order; Out of Orkney placement; Substantial unbudgeted increased financial pressure on OIC; Additional demands placed on smaller staffing base (sourcing accommodation and supporting households in transition); Bad publicity; Recruitment issues exacerbated by housing position.	Keep demand under review. Further review of Temporary Accommodation provision through the Rapid Rehousing Transition Plan. Likely to require additional temporary accommodation to be sourced which is contrary to the national policy position. Development and delivery of local housing strategy (including homelessness and essential workers) etc.

Risk Title: 09 – Failure to meet Energy Efficiency Standard for Social Housing 2/ Net Zero.

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

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Substantially reliant on external funding. Risk that funding is not available.	Some houses will be below the Energy Efficiency Standard for Social Housing 2.	Government criticism for failing the standard. Failure of Scottish Housing Quality Standard and failure to meet requirements of Scottish Housing Regulator. May have sanctions imposed; Negative impact on inspection results; Adverse effect on tenants; Potential for properties to be damaged as a result of damp, mould, inability to heat etc, Bad publicity leading to increased complaints. Increase in fuel poverty.	Review progress on a regular basis. Develop detailed plan to ensure properties meet the Energy Efficiency Standard for Social Housing 2 / Net Zero within the designated timescale. Monitor through Annual Return against the Charter in line with requirements of Scottish Housing Regulator

Risk Title: 10 –Buildings and Facilities.

Likelihood.	4.	**Impact.**	4.	**RAG.**	Amber.	**Current Risk Score.**	16.	**Target Risk Score.**	9.

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Council's financial position leads to reduction of spend on repairs and improvements and gradual decline in quality of buildings	Quality of buildings may decline. Quality of internal structures become unsuitable for current use eg food preparation.	Reduced spend on repairs and maintenance leading to poorer quality buildings; safety of buildings declines; historic buildings will be lost without investment; lack of investment in catering equipment will lead to failure to deliver / breach of legislative requirements; no maintenance provision will lead to loss of availability of play areas; impact on staffing requirements due to change to national practice by key agencies including Scottish Fire and Rescue Service.	Review progress on an annual basis. Work with partners in NSI to make best use of limited resources. Investigate options for additional income / funding to assist with preservation of some buildings / ensure risk assessments are regularly updated / PPE provided / training provided.
Buildings will not meet future accessibility / equality requirements.	Buildings lack flexibility to meet future needs around accessibility and equality requirements.	Failure to meet legislative requirements / service user needs.	Consider suitability of existing buildings and ability to source additional funding.
Lack of office accommodation and service user space.	Insufficient desk and office space for employees and no space to undertake the statutory work of CLD.	Poor working environment which debilitates the prospects and outcomes of staff. Not meeting the occupational standards and health and safety requirements for office space.	Identify additional office space within OIC building. Secure an external functional space for staff and service users to utilise, especially with the loss of The Learning Link building in 2025 due to financial reductions.

Vulnerability.	Trigger.	Consequences.	Mitigating Actions.
		No space for working with user groups and vulnerable people keen to benefit from our services support.	

Risk Title: 11 – Island Games.

Likelihood.	4.	**Impact.**	4.	**RAG.**	Amber.	**Current Risk Score.**	16.	**Target Risk Score.**	9.

Vulnerability.	**Trigger.**	**Consequences.**	**Mitigating Actions.**
Significant additional challenges of delivering International Island Games during July 2025.	Risks of insufficient accommodation being available; risks of financial calculations being insufficient leading to significant budgetary impact; risk of insufficient suitably trained staffing to deliver requirements; difficulties in ensuring sufficient resources to feed a substantially increased population; difficulties in ensuring sufficient facilities (toilets, showers, temporary furnishings); challenges with staffing provision (also of day to day service provision on top of island games).	Reputational damage; Significant financial impact on existing budgets intended for general service delivery; Inability to provide for basic needs of incoming population; Potentially increased costs; Hygiene etc challenges; Bad publicity leading to increased complaints.	Continue to plan, in partnership with the lead officer for delivering the International Island Games, to progress and review actions, attend meetings of operational group to deliver and seek to deliver responsibilities for this service in accordance with wider Council responsibilities and 2025 Organising Company.