



# Orkney Islands Council

## Annual Performance Report 2016/2017

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## Introduction

This is our fourteenth Annual Performance Report, and in it we provide a range of information on how we performed in 2016/2017.

The report is in two parts, the first part showing our current progress towards meeting the targets set out within the Council Delivery Plan 2015–2018, which was a refreshed and updated version of the Council Plan 2013–2018. This sets out our revised actions and targets for the remainder of the life of the Council Plan 2013–18. The second part of the report shows how well we performed against the national Local Government Benchmark Framework Indicators in 2016/2017.

We hope that you find the report interesting. If you would like more detailed performance information, please visit the Performance Section of the Council's website, which can be found at:

<http://www.orkney.gov.uk/Service-Directory/Performance/performance.htm>

For more detailed performance information on the Local Government Benchmark Framework Indicators, please visit the Improvement Service's website, which can be found at:

<http://scotland.mylowalcouncil.info/test/Data.aspx?id=S12000023&lang=en-GB>

If you would like to make a comment on the report, please contact HR and Performance by writing to Orkney Islands Council, School Place, Kirkwall, Orkney, KW15 1NY; by calling 01856 873535; or by emailing [hrsupport@orkney.gov.uk](mailto:hrsupport@orkney.gov.uk)

If you would like this publication in another language or in any other formats please contact us by using the details above.

## Where the money comes from

In 2016/2017 our budget was £79.163M, which was less than our 2015/2016 budget of £81.749M.

For every £1 that we received to spend on Council services in 2016/2017, around 10p came from your annual council tax charge, with 86p coming from the Scottish Government, and 4p from our reserve funds.

## And how the money's spent

For every £1 that we spent on Council services in 2016/2017, around 38p was spent on education, 5p on leisure and cultural services, 21p on social work and social care services, 16p on roads and transport, 4p on environmental services, 3p on planning and economic development, and 13p on other services.

## Progress towards meeting the targets set out within the Council Delivery Plan 2015–2018

### Target 1.1 – Improved care facilities in Orkney

#### Provide additional residential care capacity for older people in Stromness.

The contract to build the new St Peter's House, which will be a modern and purpose-built care home for older people, was awarded to Orkney Builders (Contractors) Ltd in September 2017, and works began on site in October 2017. The site excavations are now complete, and the foundations partially laid. The initial building work is on track to begin in Summer 2018, with completion due in August 2019.

#### Provide additional residential care capacity for older people in Kirkwall.

The design work for the new St Rognvald's House in Kirkwall, which like St Peter's in Stromness, will provide care home facilities for older people, is in progress. Mechanical and electrical consultants and structural engineers have been appointed, and the ninety-day pre-planning consultation period is in progress, with a public event held in January 2018. It is anticipated that the new St Rognvald's House will be completed by the end of 2021.

### Target 1.2 – Supporting our children

#### We will work with partners to deliver the Children's Services Plan to improve the life chances of children and young people in Orkney.

The Children's Services Plan was reviewed and updated in 2017, and three key priorities over the next three years have been adopted:

- Wellbeing – working together to ensure that children and young people have the opportunity to experience activities that will help them to be safe, healthy, achieving, nurtured, active, respected, responsible and included.

- Relationships – working together to ensure that there is a consistent approach to recognising that children are rich in potential, strong, powerful, and competent; realising that the best outcomes are achieved when we pay attention to relationships and ‘how’ we work together.
- Poverty and Rural Disadvantage – working together to ensure that Orkney’s potential (through connecting people, community, activity and services) is maximised to limit negative outcomes and ensure equality of opportunity for children and young people.

## **Target 1.3 – The impact of Welfare Reform on members of our community**

**We will provide advice services to help people that are affected by Welfare Reform.**

The Scottish Government has committed funding to ensure that all tenants affected by the Spare Room Subsidy, which is often referred to as the “Bedroom–Tax”, are entitled to Discretionary Housing Payments to make up the shortfall in their Housing Benefit Payments. We are aiming for 100% take up of these additional payments to ensure that none of our tenants are affected financially by the impact of this Welfare Reform.

## **Target 2.1 – Digital communications equality**

**We will make every effort to ensure government commitments and the Broadband Delivery UK (BDUK) project deliver on their promises for high speed broadband which is resilient and pervasive for all our communities including access to 4G services.**

The Scottish Government has promised 100% access to superfast broadband by 2020. Highlands and Islands Enterprise has announced that Openreach have completed their original state aid supported Phase One roll–out of faster “fibre broadband” services in Orkney. This covers 75% of homes and businesses, or 8,500 premises, via 54 new street cabinets. The Scottish Government is currently developing the next project, the R100, which aims to bring access to superfast to all by 2021. A number of mobile operators is planning to cover Orkney with 4G, and 4G is available in a number of areas including Kirkwall and Stromness.

**We will support communities and hard to reach areas to achieve resilient broadband access and help them to access funding where it is possible.**

The Better Broadband Subsidy Scheme has been developed by the UK Government. It sets out to provide access to a subsidised broadband installation for homes and businesses that are unable to access a broadband service with a download speed of at least 2 Mb per second and will not benefit from the Superfast Broadband roll out. Both satellite and wireless technologies have been installed in a number of properties in Orkney, particularly in our outer isles. We will continue to signpost individuals and businesses to this scheme.

## **Target 2.2 – Communities and schools**

**We will establish the criteria and conditions for the viability of schools in rural and island communities.**

With support from our Change Programme, the Education Service has been looking at the viability of our schools. Recommendations in relation to the survival and sustainability of learning in our communities were agreed in November 2017, and these will now be taken forward as part of the on-going work in relation to the project which is called 'Orkney's Learning Landscape'.

**We will prioritise actions (in line with the National Improvement framework and Attainment Challenge) to ensure improvement in both attainment and achievement for Orkney's children and young people.**

In response to the Scottish Government's National Improvement Framework a five-year Improvement Plan highlighting how the collective service will raise attainment was ratified by the Council, and the implementation of this Improvement Plan is now in progress.

Working with our partners, we will introduce the 'Orkney Offer' for learners in the Senior Phase in order to maintain and improve on the number of young people who continue to engage with learning, training & employment opportunities.

We are continuing our work with the development of the Orkney Offer. In the current session senior phase students have been offered two foundation apprenticeship courses, with four students currently undertaking these. Also, 145 senior phase pupils from across the five secondary departments are now studying Scottish Credit and Qualifications Framework level courses at Orkney College.

## **Target 2.3 – Regenerating Kirkwall Town Centre**

**We will undertake public realm improvements in Broad Street to create a safe, high quality public realm for pedestrians, cyclists and road users.**

Through our Kirkwall Townscape Heritage Initiative Places and Spaces programme we have been undertaking engagement with businesses, the Kirkwall Business Improvement District (BID), and Kirkwall and St Ola Community Council, and a number of areas have been identified to be the focus of public realm improvement projects. Funding has now been secured to take forward improvements at the head of Victoria Street and Castle Street, and the path from the War Memorial to St Magnus Cathedral. The works will be undertaken during 2018 and early 2019.

**We will continue to provide support to the Kirkwall BID [Business Improvement District] including the refresh of their business plan.**

With the end of the first term of the Kirkwall BID approaching, we are assisting with a 'renewal ballot' of BID members, which is due to take place in March 2018. In addition, and subject to a successful BID ballot, we have established a Discretionary BID Fund to enable Kirkwall BID to develop projects over the next five years.

## **Target 2.4 – Mitigating risk from flood and coastal erosion**

**We will continue to review our flood risk management plans, working in partnership to deliver sustainable flood risk measures and put in additional funding bids for new opportunities as they arise.**

We adopted our Flood Risk Management Plan in Spring 2016, which was subsequently endorsed by the Scottish Environment Protection Agency (SEPA) as the basis for action and associated funding applications. The first major project is the Kirkwall Harbour Flood Defence programme and following an allocation of funding from SEPA and a tender process, the contract was awarded in January 2017 with the works being substantially completed by the end of 2017. Attention is now turning to other flood and coastal erosion risk priorities with St Margaret's Hope being high on the list. Progress will be dependent on grant funding.

## **Target 2.5 – Local community participation**

**Through the empowering communities project, we will identify a range of opportunities to test a new business plan supporting the delivery of some council services more locally through Community Councils for example, burial grounds improvement.**

To date the Empowering Communities project has provided a part time island link officer on the two pilot islands, Papa Westray and Stronsay, in order to assist island residents to access Council services, improve communication, and develop community projects. The Empowering Communities project continues to deliver the islands' action plans and identify further opportunities for new ways of working. The project has been extended to a further two islands, Hoy and Sanday, with the recent recruitment of two new link officers who will assist with the development of action plans for exploring opportunities in their respective islands.

**As an extension to the scope of the Council's Office Accommodation Review, establish the criteria for determining if a service or role can be delivered efficiently in an alternative location including costs, changes to policy and infrastructure.**

We are at quite an advanced stage with the Accommodation Review, and once we have some detailed costs for the different options for School Place in Kirkwall, we will be able to start looking at the possibility of bringing more services together. However, if following review, a decision is made to proceed, then we'll need a new piece of work to plan and then implement any physical changes to the building.

**Continue to work with a range of partners such as the Third Sector, Development Trusts and Community Councils to support and empower communities and support local business growth including providing project start up advice and support to facilitate community led projects and initiatives.**

We are taking this work forward through the Business Gateway and our Economic Development Service with support and advice being provided in response to enquiries from the community. Core funding was provided during 2016 to support the North Ronaldsay and the Papa Westray Development Trusts. Community



Development Fund grant applications for a number of community projects have also been considered and approved.

**We will work with partners to take steps to facilitate community benefit to help ensure tangible benefits are realised across Orkney and as part of this work will develop a new Community Benefit Policy to include the use of Renewables.**

The slower than anticipated delivery of a transmission grid to Orkney has resulted in no new grid connections for renewable generation in Orkney. Further work has been undertaken by Scottish and Southern Electricity Networks (SSEN) over the past year to finalise a cable design in anticipation of the inclusion by the UK Government of Remote Island Wind as a distinct technology. There have been delays in undertaking public consultation of the final draft Community Benefit Policy which will now be consulted on in January 2018.

## **Target 2.6 – Orkney’s cultural heritage**

**We will produce a strategy that seeks to balance the protection of Orkney’s cultural heritage with their increased promotion to make the most of the available economic advantage.**

Our strategy is reviewed annually, and we are making good progress, with some actions having been completed and others making good progress. However, some actions cannot yet be progressed due to other priorities, for example, the work on the delivery of the Scapa Flow Visitor Centre, as well as staff capacity issues.

**We will work with the North Isles communities to develop through the Landscape Partnership Scheme a programme of projects aimed at regenerating the islands through heritage projects.**

We submitted a funding application to the Heritage Lottery Fund at the end of October 2017, for a £4.5 million project for the North Isles. A decision on the application is expected in early March 2018, and, if successful, the Scheme will run between 2018 and 2023.

**We will ensure that Orkney’s war time and cultural heritage is promoted as part of the delivery of the National Commemoration of WWI.**

We are continuing to raise and maintain awareness of the part that Orkney is playing in the WW1 National Commemorations, following the success of the Battle of Jutland Commemorations, and with Orkney’s Museums remaining popular attractions. The Scapa Flow Visitor Centre and Museum is currently closed for refurbishment and development and is scheduled to reopen in 2019 to coincide with commemorations to mark the scuttling of the German High Seas Fleet in Scapa Flow. Work with schools and many other partner groups remains a vital part of this.

**We will assume a leading role in reviewing the mechanisms to achieve increased economic benefit from the World Heritage Site and other sites, for example, through inward investment opportunities.**



Following Historic Environment Scotland's decision to set up a temporary site closure at Tormiston Mill/Maeshowe, we agreed to lease the former West Mainland Day Centre as a short-term operational base and visitor centre to enable the visitor sites to be re-opened. We have also started work on a strategic masterplan for our World Heritage Site, looking in particular at infrastructure and visitor management. We are also, in partnership with Historic Environment Scotland and Highlands and Islands Enterprise, funding a feasibility study to explore physical, digital and other options to enhance the visitor experience at the World Heritage Site, and to address existing infrastructure constraints.

## **Target 2.7 – Planning for the management of growth in future years**

**We will explore the potential to develop a replacement for the Chinglebraes facility to provide a waste management solution for all aspects of council business. We will look to consolidate other services and accommodation requirements through a shared office/depot facility, releasing development sites.**

A detailed study of the composition of the waste collected in Orkney was completed in December 2017. This will now inform a technical assessment which will help us to understand suitable options for processing waste in Orkney, with proposals to be considered later in 2018. We are continuing to look at energy schemes and projects with the potential to provide innovative approaches to fuel and financial poverty issues through some form of district heating or energy generation for export. Our additional waste officers are enabling us to have greater contact with the public and local business to focus on waste minimisation and increased recycling, as well as correct disposal of commercial waste. We have also completed interim improvements at our ageing waste transfer station at Chinglebraes to improve access and processing, prior to future decisions being made on the management of waste in years to come, which may include the possibility of a new facility at some point, subject to funding.

**The implementation of the five-year improvement programme for burial grounds to provide additional capacity to meet demand in future years and undertake major general improvement issues.**

The five-year programme of improvements is going well, with progress being made towards the completion of the cemetery extension at Ophir, and works have started in Sanday. However, there have been significant delays due to land issues, and the focus since 2015 has been on completing the negotiations with land owners, proceeding with the required surveys, and submission of planning applications.

## **Target 3.1 – Social housing**

**We will support the construction of 35 affordable new homes per year to meet the needs of local communities (including low cost home ownership options).**

Our build programmes, along with our partners Orkney Housing Association Ltd (OHAL), are currently slowing, and this is impacting upon our house completions. In the year to 31 March 2017 we had 24 completions, and OHAL had 37. Orkney

Builders have completed the development of a further 24 properties to be sold under Help to Buy, and the vast majority of these properties have been sold. We are due to be on site with the Carness Road development of 32 properties by 31 March 2018, and OHAL are forecasting 34 completions by 31 March 2018, and 32 completions by 31 March 2019.

## **Target 3.2 – Affordable private housing**

**We will work with the private sector to maximise available funding opportunities to support the building of new homes to meet current and future demand.**

We are working with private sector developers and the Scottish Government to try and ensure that local developers can access as much low-cost home ownership development funding as possible. LINK Housing Association have recently taken on the contract to manage Open Market Shared Equity (OMSE) across Scotland and we are in discussions with LINK about how the use of OMSE in Orkney can be maximised, including properties being built especially for OMSE. We are also working with seven development trusts to help them to access Islands Housing Fund funding for new build housing projects in the isles.

## **Target 3.3 – Improving housing stock**

**We will undertake a Local Housing Condition Survey in 2015 to continue to identify disrepair in private sector housing stock and to inform projects linked to fuel poverty.**

We carried out the Local House Condition Survey as planned, and the initial overview from the survey was considered by Councillors in November 2016. A briefing report covering the findings was issued in March 2017.

**We will identify potential funding and support for homeowners in housing need for example grants or loans.**

Since April 2016, five new housing loans have been completed.

**We will investigate potential funding and support for providing student accommodation (where relevant).**

We provide six bed spaces within Council managed accommodation, all of which are currently occupied.

**We will work to improve the standard of housing across both the social and private sectors and seek to eradicate fuel poverty by improving domestic heating and insulation.**

There is currently a requirement for social housing to meet the Scottish Housing Quality Standard. By 2020, the Energy Efficiency Standard for Social Housing will need to be met, and good progress is being made on this. Under the Home Energy Efficiency Programme for Scotland: Area Based Schemes (HEEPS: ABS), a total of 298 households had measures installed from 1 April 2015 to 31 March 2017, and good progress is being made with the allocation of 2017/2018 funding. We have also

recently been successful with our bid for £1.343m in funding from the National Grid, for around 200 heating installations in private sector properties, and this funding will be used alongside HEEPS: ABS.

## **Target 4.1 – A low carbon Orkney – a green approach**

**We will develop a revised Carbon Management Plan to ensure we continue to make the best use of energy resources and opportunities.**

We approved our Carbon Management Programme 2016–2026 in April 2016 and have therefore met our target. We are now in the implementation phase, supporting initiatives to reduce carbon emissions. A highlight has been the operation of the sea-source heat pump in the new Warehouse Building in Stromness, which has not only reduced carbon emissions in the operation of the building but has also reduced heating costs. We continue to undertake energy efficiency measures across the Council estate. We are also undertaking feasibility studies of significant strategic energy projects with the potential to impact on the Carbon Management Programme including: scale wind opportunities; a private wire electricity arrangement for Council non-domestic properties in Kirkwall; future integrated waste facilities for municipal and trade waste; and a potential Energy Supply Company for Orkney.

**We will continue to explore the various options for the implementation of low carbon technologies – including wind, solar, wave etc and other energy sources such as Hydrogen and LNG in line with the aims set out in the new Carbon Management Plan and Orkney's new Energy Strategy.**

Significant progress has been made with hydrogen-based projects, for example, the Hydrogen Refuelling Station at Hatston and replacement of boilers in Shapinsay, which are due to come into operation in 2018. The Surf 'n'Turf programme is progressing well with the ferry and harbour-based elements all underway, including the shore-based hydrogen storage and electricity generation facility which was fully installed on Kirkwall Pier by Autumn 2017. Membership of the HYSEAS III hydrogen ferry consortium is also proving successful, with a significant package of EU funding now allocated. We have also been active in establishing membership of the Caledonia Liquid Natural Gas (LNG) Consortium which has a vision to provide LNG supply sea-based hub facilities in Orkney. Our Hydrogen Strategy is in the process of being refreshed, and as part of this work, further consultation work is planned in 2018.

## **Target 4.2 – Attracting investment, investors and companies**

**We will develop an Orkney Energy Strategy to guide future investment in infrastructure and the development of assets to provide for future business needs, improving the overall competitiveness of Orkney.**

We have developed Orkney's Sustainable Energy Strategy with our local partners, which takes into account the Scottish Government's Scottish Energy Strategy. The finalised Strategy was launched by the Scottish Government Energy Minister during a visit to Orkney in September 2017, and work on developing an Action Plan to accompany the Strategy commenced in Winter 2017.

**In support of renewable energy generation, we will continue to work with the Joint Ministerial Working Group to unlock transmission links to the Scottish Islands.**

UK Government Ministers have recently confirmed that the Government intends to proceed with Remote Island Wind as a separate technology in future renewable energy auction rounds. Further consultations are due to take place in early 2018.

### **Target 4.3 – Managing development**

**In support of the sustainable management of the area's seas, we will take forward the Marine Spatial Plan for the Pentland Firth and Orkney Waters in partnership with Marine Scotland, and the Highland Council.**

The award-winning pilot Pentland Firth and Orkney Waters Marine Spatial Plan received ministerial approval in March 2016 and has been adopted as planning guidance by the Council. Locally, we are currently working towards the establishment of a Marine Planning Partnership to deliver future statutory regional marine planning in Orkney.

**We will complete the review of the Orkney Local Development Plan.**

Following public consultation over May and June 2016, our proposed Orkney Local Development Plan was submitted to the Scottish Government for examination in September 2016 and was formally adopted on 18 April 2017.

**We will establish a policy position in relation to the establishment of Strategic Areas for wind energy development.**

The Orkney Local Development Plan includes a policy indicating Council support for the identification of potential Strategic Wind Energy Development Areas within which the principle of wind farm developments will be supported, subject to appropriate assessment and full public consultation.

### **Target 4.4 – Benefiting from our renewable resources**

**We will continue to engage with the Crown Estate Commission and developers and use our findings to inform policy in this area.**

A public consultation to prepare for primary legislation on the long-term management of the Crown Estate in Scotland took place in early 2017, and the Scottish Crown Estate Bill was introduced in the Scottish Parliament in January 2018. On 1 April 2017 the Crown Estate's management duties in Scotland were transferred to the Scottish Government and a new interim public body, Crown Estate Scotland, was established to manage the assets in Scotland. Along with the two other Islands Councils we are committed to gaining local control over the management functions and net income of the Crown Estate assets, and in response to representations made by the three islands Councils, Crown Estate Scotland has committed to launch a new scheme that will enable local authorities and other bodies to apply to manage assets in their local area. We are currently awaiting further details.

## **Target 4.5 – Ensuring we can compete**

### **We will work with the Scottish Government and other agencies to facilitate energy export.**

We take every opportunity to continue our dialogue on this matter with the Scottish Government, from which there is general support. However, such a connection is a matter for the UK Government, which has launched a further consultation on the treatment of onshore wind. This will delay the delivery of a transmission connection to Orkney, and we will continue to work with the Scottish Government to unlock investment in the transmission network to Orkney.

### **We will work with the Scottish Government and other agencies such as Ofgem, to facilitate a reduction in island transmission charges.**

Rather than altering the current transmission charging methodology, the UK Government is now considering Remote Island Wind being established as a separate technology which will be eligible to take part in future auctions for a renewables subsidy. We continue to work with the UK Government to deliver on their commitment to upgrading Orkney's electricity grid network to permit further generation of renewable energy that will directly benefit the community here in Orkney.

### **We will continue to explore the potential to facilitate the establishment of an Orkney energy company or agency.**

In July 2016 we agreed that the feasibility of an Orkney Energy Supply Company should be explored, which is aligned with our new Carbon Management Programme 2016–2026, a possibility that we will be considering further over 2018. This process will be informed by any emerging national arrangements from the Government, in order to help us to understand whether there would be benefits from establishing an Orkney Energy Company.

### **We will support measures that will provide short term solutions to the current electricity export constraints on Orkney's grid.**

Many of the short-term solutions have been undertaken by communities who have invested in energy projects as a way of supporting and developing their communities. The Hydrogen Projects in Eday and Shapinsay are two of the initiatives in which the Council is a partner. In July 2016 we agreed to provide resources to investigate the feasibility of scale onshore wind in three locations in Orkney, a private wire micro-grid for Council properties in Kirkwall and an Energy Supply Company. Work has been undertaken and the outline business cases will be submitted in 2018 as part of the Council's Capital Project Appraisal process.

## **Target 4.6 – Renewables, training, research and facilities**

### **We will work to develop proposals to establish a joint venture arrangement with HIE (Highlands and Islands Enterprise) to develop the Orkney Research Campus.**

In November 2016 we agreed to provide funding for this project from the Council's Strategic Reserve Fund. Highlands and Islands Enterprise (HIE) are also providing funding, and the Scottish Government Regeneration Capital Grant Fund was awarded in March 2017. The Limited Liability Partnership which will own and manage the Campus is in the process of being established with Council representation having been agreed. Design works have been developed by Threesixty Architecture and planning and building warrant applications have been submitted and approved. Tender documents for the construction works were published in September 2017 with the contract expected to be awarded by the end of March 2018.

## **Target 5.1 – A skilled workforce**

**As a socially responsible employer, we will lead by example and each year provide a number of workplace opportunities for Orkney's young people and long-term unemployed.**

We continue to offer work experience, graduate trainee places, and modern apprenticeship places for young people. In 2016/2017 this consisted of 10 work experience, seven graduate trainees, and 13 modern apprenticeships. And, as a priority, the Developing the Young Workforce Board are developing an enhanced work experience programme for our schools which will be certificated by the Scottish Qualifications Authority. Our newly appointed Developing the Young Workforce Project Manager is now working with schools, Orkney College and employers to manage and develop enhanced workplace opportunities. The target for full implementation of the enhanced standard of work experience is 2019–20.

**By working with local employers and Skills Development Scotland (SDS), we will develop Foundation apprenticeships in schools.**

Foundation apprenticeship courses are now formal options within the Orkney Offer for pupils studying within the Senior Phase. A review of the impact of the initial limited uptake by pupils in 2017–18 indicated that there is a need to continue to market the courses with young people, parents and the business community. The review also recognised that the introduction of Foundation Apprenticeships in our schools' curriculum choices has further increased the emphasis on providing individual pathways for young people who wish to take the apprenticeship route to further study and employment. Two foundation apprenticeship options were offered in session 2017–18 with seven options planned for 2018–19 with 23 places on offer.

## **Target 5.2 – Infrastructure to support business growth**

**We will deliver bespoke marketing material, positioning Orkney as a place to invest.**

We are currently developing infrastructure assets as part of an emerging new inward investment approach during 2018, as well as a website for our strategic projects (including hydrogen projects) and a brochure. The significant investment opportunities relating to the harbour and seas areas have been highlighted in the revamped Marine Services website and a suite of marketing brochures, as well as the development of access to television coverage and digital clips for social media to



show Orkney as a place to do business or to visit. Also, in partnership with Highlands and Islands Enterprise and the joint Orkney Marketing programme, the revised www.orkney.com will be launched in Spring 2018 with provision for inward investment information.

**We will work with partners and other stakeholders to establish an appropriate level of resource, infrastructure and coordination to manage and maximise the opportunities arising from high volume tourism such as that presented from the cruise sector, whilst ensuring developments are managed sustainably to protect Orkney's assets.**

We commissioned a report into Volume Tourism Management which was completed in August 2017. We will now work in partnership with Destination Orkney, a new local Tourism Strategic Partnership body being established that will include other key stakeholders, to implement the recommendations of the report including the preparation of an Orkney Destination Management Plan.

**We will continue in response to the Orkney Prospectus work to develop infrastructure, including harbours, to support inward investment and business growth, whilst managing development in a sustainable way.**

We are continuing to progress Strategic Projects, including preparation of targeted marketing material for Orkney, with a view to establishing a refreshed inward investment approach during 2018.

**We will ensure that we promote innovative opportunities to utilise our curtailed electricity resources through collaborating in innovative transport and building projects.**

We continue to work with our partners to seek innovative projects that will use our curtailed electricity resources, and this is closely aligned to our collaborative hydrogen projects, Strategic Wind, and Private Wire project activities. Involvement in the HYSEAS III hydrogen ferry project and the shore power/cold ironing proposals for the MV Hamnavoe will, if implemented, also have a significant draw on surplus energy.

## **Target 6.1 – Integrated transport networks**

**We will work with Transport Scotland, HITRANS and others to develop internal air and ferry services in line with the outcome of the Strategic Business Case produced as part of the STAG process.**

We are working on the development of a range of outline business cases for ferry and air service levels and the associated assets and infrastructure for each of the isles routes, likely to be a rolling programme of investment beginning in early 2018. By early 2018 we intend to have established a work package for the outline business cases. The draft scoping study relating to the next stage is complete and is being circulated prior to initiating the contract tender process for the outline business cases.



**We will work with Transport Scotland to develop a funding and responsibility arrangement with the Scottish Government for internal air and ferry services which is equitable with arrangements in the Western Isles.**

We have worked hard to seek funding from the Scottish Government to support the delivery of proper levels of internal isles transport, in time for financial year 2018 to 2019, and work with Transport Scotland and with our other partners continues. Although an interim funding package for 2017/2018 was not included within the Scottish Government budget, dialogue up to and including ministerial level remains active, and a successful outcome in the 2018/2019 budget has been achieved.

**We will work with Transport Scotland and others to develop service levels and fare levels for transport between Orkney and the Scottish Mainland which are equitable with those on Scotland's west coast.**

The Scottish Government has announced that Road Equivalent Tariff (RET) is to be applied to Orkney's external sea routes i.e. on the Aberdeen and Scrabster routes, and detailed implementation is being developed by Transport Scotland. It is expected that the RET detail will be announced by Transport Scotland in time for the 2018 tourist season. Work on freight fares continues within the Scottish Government, and the indications are that a system combining a flat rate plus mileage-based rate will be implemented at some stage.

**We will improve the local transport network in Kirkwall by providing dedicated access to new Hospital facilities through development of the Scapa Link Road.**

We have now opened the link road and it is in use.

## **Target 6.2 – Orkney's internal ferry and air services**

**We will use the recommendations from the first stage of the air and ferry study to inform STAG 2 (Scottish Transport Appraisal Guidance).**

STAG 2 was completed in the autumn of 2016, the results of which were reported to the Council and made available to Transport Scotland, who accepted the work as a valid basis for the development of an Outline Business Case for future internal transport provision. Although this particular action is now complete, work is underway to develop and deliver the conclusions from the initial STAG 2 work, and to create Outline Business Cases for the initial service improvements and ferry construction.

**We will keep under constant review the infrastructure and resource requirements necessary to ensure that Airfield Operations are operated in line with the Airfield Strategy and Investment Plan priorities and the principle of reducing risk to ALARP (As Low As Reasonably Practicable) for all related activity.**

We are applying resources and making investments in accordance with the Airfields Strategy, in order to safely operate the service at the ALARP level for risk. All of our processes have been updated and audits and inspections are in place to provide assurance of safe operations. New airfield terminals and garages are under

construction, with North Ronaldsay, Sanday, Westray and Stronsay now complete. New fire tenders are in location, and runway resurfacing is underway with four airfields now complete. Maintenance of the 100% safety record, and compliance with the annual CAA Audit processes, are now routine. We have therefore met our target.

**We will use the outcomes from the STAG refresh to inform our work with the Scottish Government on how ferries will continue to be funded and operated, linked to the Scottish Ferries Plan.**

This target relates to the level of activity with the Scottish Government and others to establish adequate and fair financial arrangements for inter-islands travel. Our discussions with the Scottish Government have progressed well, and recommendations have been made to Scottish Ministers by Transport Scotland regarding closing the funding gap for 2018/2019. For the longer term, the STAG2 report has been completed, presented to Council and accepted by Transport Scotland as a suitable basis for moving to the next stage which is the Outline Business Case for the future internal air and ferry transport services. Funding responsibility for this will be part of the next phase of discussions with Transport Scotland. This particular action is therefore complete.

## **Target 7.1 – Preparing ourselves for new legislation**

**To prepare for the implementation of the Community Empowerment (S) Act following publication of statutory guidance.**

The various parts of the 2015 Act are scheduled to take effect at different times, and several more came into force during 2016 and 2017. In June 2017 we approved a new Participation Requests Policy and associated local guidance. This part of the Act is designed to empower community bodies to become involved in improving public services in which they have an interest. In September 2017 we approved a new policy and guidance on Community Asset Transfer, which empowers community bodies to request the transfer of public sector property to their ownership. The Orkney Partnership Board published a revised Local Outcomes Improvement Plan in October 2017 and is preparing to publish its first Locality Plan, covering the non-linked isles. Following a successful pilot of Participatory Budgeting in the isles, we will consider other options for the devolution of local funding decisions to the communities concerned.

## **Target 7.2 – European Union financial support**

**We will strengthen the capacity of the EU team to maximise funding for Orkney projects.**

The result of the European Union Referendum has created uncertainty regarding the UK's place in, and relationship with, the rest of Europe. We are therefore maintaining a watching brief on the consequences arising from the UK's exit from the European Union which are still to be determined, in order to ensure that any impact on Orkney in respect of European Union funding streams is minimised.

**We will consider how we prioritise projects to maximise EU Funding.**

In the last 18 months we received European Union funding for the Business Gateway Local Growth Accelerator Programme; Orkney Employability Pipeline Projects; Orkney Employability Pipeline Management; Orkney Research and Innovation Campus; Orkney Fisheries Local Action Group; European Marine Fisheries Fund for Pierowall Harbour, Westray; European Social Fund for developing life skills for vulnerable persons; and Poverty and Financial Inclusion. We are continuing to maximise European Union funded opportunities wherever possible.

### **We will continue to lobby the UK and Scottish Governments on Orkney's interests in relation to EU Funding.**

The result of the European Union Referendum has created uncertainty regarding the UK's place in, and relationship with, the rest of Europe. We continue to lobby whenever opportunities present themselves, a process that continues to be of vital importance, in order to ensure EU funding and the UK Government's future funding substitute will be maximised.

## **Target 7.3 – Innovation**

### **We will develop new solutions to new challenges. We will take advantage of more efficient and state-of-the-art technologies and approaches to deliver services.**

Through our Change Programme, we are taking every opportunity to develop new more efficient technologies and approaches. For example, we are exploring the feasibility of a new waste transfer facility to manage our waste products, and we are looking to introduce a new customer relations management system which will enhance the efficiency and accessibility of Council services.

## **How well did we \*perform against the national Local Government Benchmark Framework Indicators**

\*Please note that some of the monitoring periods in the section differ, for example, most are for 2016/2017, but some may be for 2014/17, or for 2013/17. This is because all of the figures in this section are national figures and are generated by different organisations for different purposes. The important point for this Annual Performance Report, however, is that we use only the most up-to-date figures.

## **Children's services**

### **Preschool education**

In 2016/2017, the cost per pre-school registration in Orkney was £3,904.28, which is not as good as the 2015/2016 figure of £3,512.95, but is better than the 2016/2017 Scottish average of £4,206.85.

In 2016/2017, Orkney's funded early years provision which was graded good or better was 94.7%, which is better than the 2015/2016 figure of 78.9%, and better than the 2016/2017 Scottish average of 91.7%.

## **Primary education**

In 2016/2017, the cost per primary school pupil in Orkney was £8,265.65, which is better than the 2015/2016 figure of £8,276.15, but not as good as the 2016/2017 Scottish average of £4,803.97. The cost per primary school place in the three island authorities is higher than in other areas of the country. This is because providing education in our most remote and rural settings requires additional staff, resulting in increased costs.

## **Secondary education**

In 2016/2017, the cost per secondary school pupil in Orkney was £11,968.72, which is not as good as the 2015/2016 figure of £11,555.06, and not as good as the 2016/2017 Scottish average of £6,816.54. The cost per secondary school place in the three island authorities is higher than in other areas of the country. This is because providing education in our most remote and rural settings requires additional staff, resulting in increased costs.

In 2016/2017, 65% of secondary pupils in Orkney gained 5+ awards at level 5, which is better than the 2015/2016 figure of 64%, and better than the 2016/2017 Scottish average of 60%.

In 2016/2017, 39% of secondary pupils in Orkney gained 5+ awards at level 6, which is better than the 2015/2016 figure of 28%, and better than the 2016/2017 Scottish average of 34%.

## **Attendance rates in Orkney's schools**

In 2016/2017, school attendance in Orkney's schools was 94.6%, which is better than the 2015/2016 figure of 94.2%, and better than the 2016/2017 Scottish average of 93.3%.

## **Participation rates amongst 16 to 19 year olds**

In 2016/2017, participation in learning, training or work amongst Orkney's 16 to 19-year olds were 93.8%, which is not as good as the 2015/2016 figure of 94.1%, but is better than the 2016/2017 Scottish average of 91%.

## **Satisfaction with Orkney's schools**

In 2014/17, 94.67% of adults were satisfied with Orkney's schools, which is the same as the 2013/16 figure of 94.67%, and better than the 2014/17 Scottish average of 75.33%.

## **Adult social care**

### **Self-directed support**

Self-directed support provides people with more choice in how their support needs are met. In 2016/2017, 5.15% of Orkney's total social work spend went on self-directed support for adults aged 18 years and over, which is better than the 2015/2016 figure of 4.43%, but not as good as the 2016/2017 Scottish average of 6.48%. However, if we were to think about the number of people who opt to direct

their own support, rather than the percentage of social work spend, Orkney would be the highest. In other areas, support packages, particularly complex, large support packages, can be purchased from third sector or private providers. In Orkney there are few such organisations and most people opt to employ personal assistants to provide their support. Larger and complex packages continue to be provided by the Council. For this reason, the monetary value of our self-directed support spend is less than the Scottish average.

## **Home care**

In 2016/2017, 25.77% of people aged 65 and over with intensive care needs in Orkney were receiving care at home, which is better than the 2015/2016 figure of 23.61%, but not as good as the 2016/2017 Scottish average of 35.27%. There are a number of factors that affect our reported performance in this area. In Orkney many self-directed support payments are used for home care support for people with intensive care needs, and these are not reflected in the currently reported figures. We plan to review how we are approaching reporting in this area to ensure we give a clear picture. In addition, there are some logistical challenges in providing intensive home care support to the more remote islands which may also have an impact.

In 2016/2017, the hourly cost of providing home care in Orkney was £35.42, which is better than the 2015/2016 figure of £40.07, but not as good as the 2016/2017 Scottish average of £22.54. Here in Orkney, we provide home care services within the Council rather than through contracting out to private providers, as may be the case with some other Scottish councils. Although there would likely be savings by contracting out home care to the private sector, this is not possible in Orkney due to the lack of private sector providers who could take on the delivery of this service.

## **Residential care for older people**

In 2016/2017, the weekly cost per care home resident in Orkney was £730.24, which is better than the 2015/2016 figure of £746.15, but not as good as the 2016/2017 Scottish average of £375.06. The higher cost of providing residential care in Orkney is due to a number of factors, for example, our care homes meet the needs of older people with very high levels of dependency, and we rarely have to make use of placements out of Orkney, all of which we manage to achieve by having a sufficient number of appropriately trained and supported care home staff which clearly has a cost implication. Other examples include being unable to make cost savings by taking advantage of some of the economies of scale that some larger councils can achieve, and the fact that all of our care homes are provided directly by the Council, which is not always the case in other areas. We continue, however, to work hard to make the service as efficient as possible although rising utility costs have had an impact on the cost of care home provision this year.

## **Culture and Leisure**

### **Sports facilities**

In 2016/2017, the cost per sports facility attendance in Orkney was £1.17, which is better than the 2015/2016 figure of £1.41, and better than the 2016/2017 Scottish average of £2.90.

## **Libraries**

In 2016/2017, the cost per library visit in Orkney was £2.50, which is better than the 2015/2016 figure of £2.76, but not as good as the 2016/2017 Scottish average of £1.98. Our higher costs are due in part to our combined library and archive service, rather than just a library service, and in part to Orkney's lower population and hence lower number of library visits.

In 2014/17, 94% of adults were satisfied with Orkney's libraries, which is not as good as the 2013/16 figure of 95.67%, but is better than the 2014/17 Scottish average of 74.67%.

## **Museums**

In 2016/2017, the cost per museum visit in Orkney was £4.73, which is better than the 2015/2016 figure of £5.51, but not as good as the 2016/2017 Scottish average of £3.19. Our higher costs are due in part to Orkney's museums, with our small resident population, providing similar levels of service to some larger Scottish Mainland sites. Orkney's museums have, however, benefitted from volume-tourism which has seen visitor numbers at key sites increasing significantly, thereby contributing towards reducing the cost per museum visit.

In 2014/17, 93.33% of adults were satisfied with Orkney's museums and galleries, which is not as good as the 2013/16 figure of 94%, but is better than the 2014/17 Scottish average of 72%.

## **Parks and open spaces**

In 2016/2017, the cost of parks and open spaces, per 1,000 of Orkney's population, was £16,522, which is not as good as the 2015/2016 figure of £15,690, but is better than the 2016/2017 Scottish average of £21,581.

In 2014/17, 90.33% of adults were satisfied with Orkney's parks and open spaces, which is not as good as the 2013/16 figure of 91.33%, but is better than the 2014/17 Scottish average of 86%.

## **Satisfaction with leisure facilities in Orkney**

In 2014/17, 93.33% of adults were satisfied with Orkney's leisure facilities, which is not as good as the 2013/16 figure of 94%, but is better than the 2014/17 Scottish average of 74%.

## **Economic development**

### **The percentage of unemployed people assisted into work from Council operated/funded Employability Programmes**

In 2016/2017, 2% of Orkney's unemployed people were assisted into work from Council operated/funded Employability Programmes, which is not as good as the 2015/2016 figure of 6%, and is not as good as the 2016/2017 Scottish average of 14%. This is due in part to Orkney's low unemployment rates and the availability of national employability scheme places allocated to Orkney.

## **Cost per planning application**

In 2016/2017, the cost of a planning application was £3,277.20, which is better than the 2015/2016 figure of £3,354.02, and better than the 2016/2017 Scottish average of £5,294.49.

## **Average Time (Weeks) Per Commercial Planning Application**

In 2016/2017, commercial planning applications took an average of 7.97 weeks in Orkney, which is better than the 2015/2016 figure of 8.98 weeks, and better than 2016/2017 Scottish average of 9.31 weeks.

## **The percentage of procurement spent on local small/medium enterprises**

In 2016/2017, the amount of the Council's procurement spend on small and medium size enterprises was 38.88%, which is not as good as the 2015/2016 figure of 44.25%, but is better than the 2016/2017 Scottish average of 20.25%.

## **Business gateway start-ups**

In 2016/2017, the number of business gateway start-ups, per 10,000 of Orkney's population, was 22.43, which is better than 2015/2016 figure of 19.84, and better than the 2016/2017 Scottish average of 16.62.

## **Environmental services**

### **Refuse collection**

In 2016/2017 the net cost of collecting refuse per premise in Orkney was £45.18, which is better than the 2015/2016 figure of £46.27, and is better than the 2016/2017 Scottish average of £64.46.

In 2014/17, 76.67% of adults were satisfied with refuse collection in Orkney, which is better than the 2013/16 figure of 71%, but not as good as the 2014/17 Scottish average of 81.67%. We believe that the Alternate Weekly Collection, which was being progressively rolled out during this period, was not positively received by all service users and that this affected levels of satisfaction. The final element of the Alternate Weekly Collection roll-out to the outer islands, which is predominately bin storage and additional facilities for recycling, is scheduled for completion by the end of March 2018. And, with our additional waste officers targeting the poorer performing areas, responding to enquiries from residents, and assisting local businesses in better use of local facilities, we believe that this increased support will assist in improving overall satisfaction levels as well as overall performance.

### **Refuse disposal**

In 2016/2017 the net cost of disposing of refuse per premise in Orkney was £128.82, which is better than the 2015/2016 figure of £130.64, but not as good as the 2016/2017 Scottish average of £98.84. Here in Orkney we do not landfill our waste, which is shipped for incineration to Shetland. Despite the processing costs for Shetland having increased significantly above inflation, our 2016/2017 costs have shown some improvement. However, the recent planned changes to Shetland's



recycling processes may have an adverse impact on Orkney's costs in years to come. In order to keep our costs to the minimum possible, we are looking at a number of options, for example, the possible development of an Integrated Waste Management Facility; alternative shipping options; changes to what is collected as waste/recycling; or even local disposal on Orkney. All of the possible options will be subject to detailed Government engagement as well as funding constraints.

## **Waste recycling**

In 2016/2017, 19.39% of Orkney's waste was recycled, which is better than the 2015/2016 figure of 19.22%, but not as good as the 2016/2017 Scottish average of 45.2%. As we have been progressively rolling out the Alternate Weekly Collection from May 2012, there has been a progressive improvement in recycling rates overall. However, our performance dropped significantly in 2014/15, due to "green waste recycling" no longer counting as recycling, with an improvement in 2015/2016. "Green waste recycling" no longer counts in Orkney due to what is known as the Publicly Available Specification 100 Standard, which the Council no longer meets. This is because to achieve this standard our composting facilities and processes would need significant additional investment, which is set to be considered in the near future. However, our targeting of poorer performing areas, and our targeted campaigning with residents and businesses, will result in marked improvements.

## **Street cleaning**

In 2016/2017, the cost of street cleaning, per 1,000 of Orkney's population, was £16,659.04, which is not as good as the 2015/2016 figure of £13,244.12, and not as good as the 2016/2017 Scottish average of £14,726.45. Our street cleaning costs result from our flexible approach to available staff capacity, since our drivers cover Roads, Waste and Cleansing operations. So, there are times when Roads and Waste collection requirements are the priority, and cleansing operations are as a result delayed, meaning that the plant/vehicles are not running as efficiently per kilometre of swept road length, leading to higher average costs.

In 2014/17, 80.33% of adults were satisfied with the cleanliness of Orkney's streets, which is better than the 2013/16 figure of 79%, and is better than the 2014/17 Scottish average of 72.33%.

## **Environmental cleanliness**

A council area's cleanliness score is a measure of the quality of the street cleansing services provided by councils. In 2016/2017, Orkney's cleanliness score was 99.38%, which is better than the 2015/2016 figure of 98.7%, and is better than the 2016/2017 Scottish average of 93.9%.

## **Environmental health**

In 2016/2017, the cost of environmental health, per 1,000 of Orkney's population, was £22,700.23, which is better than the 2015/2016 figure of £24,319.34, but not as good as the 2016/2017 Scottish average of £16,117.25. In all Scottish councils there is a minimum level of core service required to provide the environmental health service. Despite Orkney's low population base, we still provide a good level of environmental health services to Orkney's consumers, to our diverse business types,

and across our dispersed geography. This has an adverse impact on our costs as there are no economies of scale.

## **Trading standards**

In 2016/2017, the cost of trading standards, per 1,000 of Orkney's population, was £7,368.42, which better than the 2015/2016 figure of £7,568.07, but not as good as the 2016/2017 Scottish average of £5,438.54. In all Scottish councils there is a minimum level of core service required to provide the trading standards service. This has an adverse impact on our costs as there are no economies of scale. Despite Orkney's low population base, we still provide a good level of trading standards services to Orkney's consumers, to our diverse business types, and across our dispersed geography.

## **Orkney's Roads**

In 2016/2017, the cost per kilometre of maintaining Orkney's roads was £6,109.64, which is not as good as the 2015/2016 figure of £4,532.85, but is better than the 2016/2017 Scottish average of £10,456.21.

In 2015/17, 22.07% of Orkney's A class roads needed to be considered for maintenance treatment, which is not as good as the 2014/16 figure of 20.35%, but is better than the 2015/17 Scottish average of 29.54%.

In 2015/17, 17.96% of Orkney's B class roads needed to be considered for maintenance treatment, which is better than the 2014/16 figure of 18.4%, and better than the 2015/17 Scottish average of 34.76%.

In 2015/17, 15.49% of Orkney's C class roads needed to be considered for maintenance treatment, which is not as good as the 2014/16 figure of 14.97%, but is better than the 2015/17 Scottish average of 34.57%.

In 2013/17, 24.34% of Orkney's unclassified roads needed to be considered for maintenance treatment, which is slightly better than the 2012/16 figure of 24.99%, and is better than the 2013/17 Scottish average of 39.5%.

## **Council management**

### **Central support services**

In 2016/2017, 5.41% of the Council's total gross expenditure was spent on its central support services, which is better than the 2015/2016 figure of 6.38%, but not as good as the 2016/2017 Scottish average of 4.92%. As the value of front-line service budgets reduces year on year, so the proportion of fixed and essential central support costs against these budgets has increased very slightly, despite decreases in central support service budgets.

### **Council staff**

In 2016/2017, an average of 9.49 work days per Council employee was lost due to sickness absence, which is not as good as the 2015/2016 figure of 9.27 work days, but is better than the 2016/2017 Scottish average of 10.92 work days.

In 2016/2017, an average of 6.2 work days per teacher in Orkney was lost due to sickness absence, which is better than the 2015/2016 figure of 8.11 work days, but not as good as the 2016/2017 Scottish average of 6.06 work days. Although we are slightly behind the Scottish average, we have put considerable effort into better monitoring and management of sickness absence within Orkney's schools, and this is reflected in the improving performance relative to previous years.

In 2016/2017, of the Council's highest paid 5% of employees, 37.17% of these were women, which is better than the 2015/2016 figure of 28.42%, but not as good as the 2016/2017 Scottish average of 52%. As a Harbour Authority, Orkney Islands Council provides Marine Services, which with its largely male workforce adversely impacts on the gender balance within the highest paid 5% of staff in comparison to councils that do not provide such a service.

In 2016/2017, the Council's gender pay gap was 10.76%, which is not as good as the 2015/2016 figure of 8.95%, and not as good as the 2015/2016 Scottish average of 4.14%. The gender pay gap indicator is a measurement of average female pay versus average male pay within the organisation and the figures show that the Council has more male staff at higher rates of pay proportionately than female. This is partly due to the fact Orkney Islands Council does not contract out many areas of frontline service such as care, cleaning and catering, which traditionally have largely female workforces, when compared to other Councils which do contract out these areas of work.

## **Council Tax**

In 2016/2017, 97.95% of income due from the Council Tax in Orkney was successfully collected, which is about the same as the 2015/2016 figure of 97.97%, and is better than the 2016/2017 Scottish average of 95.8%.

In 2016/2017, the cost of collecting the Council Tax in Orkney was £15.74 per dwelling, which is better than the 2015/2016 figure of £18.90, but not as good as the 2016/2017 Scottish average of £8.98. Orkney's Council Tax collection costs continue to decrease year-on-year since 2013/14.

## **Invoice payments**

In 2016/2017, 79.99% of invoices to the Council were paid within 30 days, which is better than the 2015/2016 figure of 79.21%, but not as good as the 2016/2017 Scottish average of 93.06%. Invoice payment within 30 days will be improved by the introduction of electronic purchase ordering which would speed up the whole process. This will be implemented as part of the Council's Change Programme.

## **Council housing**

### **Rent loss**

In 2016/2017, the level of Council house tenant rent arrears in Orkney was 7.99%, which is not as good as the 2015/2016 figure of 6.74%, and not as good as the 2016/2017 Scottish average of 6.49%. The Council continues to adopt a prudent approach to writing-off Council house tenant arrears, writing-off 10.6% compared to

the Scottish average of 30.7%, demonstrating the Council's commitment to collecting the debt rather than writing-off the debt.

In 2016/2017, 2.06% of Council house rent due in Orkney was lost due to properties being unoccupied, which is not as good as the 2015/2016 figure of 1.55%, and not as good as the 2016/2017 Scottish average of 0.93%. Orkney's geography has an impact on our ability to let Council houses in some areas. The number of properties which are vacant in areas of low demand including some island areas, varies from year to year, where re-letting the properties may be challenging. In order to reduce the level of rent loss due to properties being unoccupied, we are currently introducing new procedures.

## **Housing quality**

In 2016/2017, 89.51% of Council housing in Orkney met the Scottish Housing Quality Standard, which is better than the 2015/2016 figure of 85.82%, but not as good as the 2016/2017 Scottish average of 93.63%. In 2016/2017, 91.98% of Council housing in Orkney was energy efficient, this being one aspect of the Scottish Housing Quality Standard, which is better than the 2015/2016 figure of 89.05%, but not as good as the 2016/2017 Scottish average of 96.62%. Generally, we have continued to make progress towards meeting the Scottish Housing Quality Standard, which we were required to achieve by 2015 and to maintain this standard thereafter. In Orkney the main challenges are meeting the requirements for insulating traditional properties and installing appropriately efficient heating systems, since mains gas is not available. We have therefore focussed on a range of modern technologies to deliver the required standards. We are now underway with planning to meet the Energy Efficiency Standard for Social Housing by 2020.

## **Repair times**

In 2016/2017, it took an average of 11.67 working days to complete non-emergency repairs to Council housing in Orkney, which is not as good as the 2015/2016 figure of 11.24 working days, and not as good as the 2016/2017 Scottish average of 8.72 working days. We continue to work closely with our maintenance contractors and have highlighted to them the need for improved performance. In addition we continue to implement new systems to monitor and report on performance and have implemented a new asset management system linked to our main Measured Term Contractor to provide a more efficient system. While this will take a period to become fully established, in the longer term will provide a better service for our tenants.

## **Council buildings**

### **Council building suitability**

In 2016/2017, 84.57% of Council buildings were found to be suitable for their current use, which is about the same as the 2015/2016 figure of 84.48%, and better than the 2016/2017 Scottish average of 79.8%.

## **Council building condition**

In 2016/2017, 96.04% of the internal floor area of the Council's operational buildings was found to be in satisfactory condition, which is about the same as the 2015/2016 figure of 96.1%, and better than the 2016/2017 Scottish average of 84.48%.