

Item: 5

Development and Infrastructure Committee: 4 June 2024.

Performance Monitoring – Enterprise and Sustainable Regeneration.

Report by Corporate Director for Enterprise and Sustainable Regeneration.

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 Enterprise and Sustainable Regeneration was approved in March 2024.
- 1.5. 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.
- 1.6. The risk register in respect of Enterprise and Sustainable Regeneration was approved in March 2024.
- 1.7. In terms of the Council’s Strategic Planning and Performance Management 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.
- 1.8. Annexes 1 and 2 provide the six-monthly updates in respect of the Enterprise and Sustainable Regeneration directorate delivery plan, together with relevant performance indicators.

2. Recommendations

- 2.1. It is recommended that members of the Committee:
- i. Scrutinise the performance of Enterprise and Sustainable Regeneration for the reporting period 1 October 2023 to 31 March 2024, in respect of directorate priorities and performance indicators, as set out in Annexes 1 and 2 respectively to this report.
 - ii. Scrutinise the complaints and compliments made to Enterprise and Sustainable Regeneration in the 6-month period 1 October 2023 to 31 March 2024, and for the two preceding six-month periods, as set out in section 5 of this report.

3. Directorate Delivery Plan Performance Monitoring

- 3.1. The Directorate Delivery Plan progress report, attached as Annex 1 to this report, provides the detail of the agreed directorate priorities, as expressed in the Enterprise and Sustainable Regeneration directorate delivery plan 2023 – 2028.

4. Directorate Performance Indicators

- 4.1. 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 Enterprise and Sustainable Regeneration is attached as Annex 2.
- 4.2. In February 2024, the Corporate Leadership Team agreed to start monitoring the Cross Council Generic Performance Indicators on a quarterly basis but to remain reporting to committee on a six-monthly basis, this is why the indicator charts show statistics for 6 monthly periods, moving to quarterly periods.

5. Directorate Complaints and Compliments

- 5.1. Table 1 below sets out the complaints and compliments made to Enterprise and Sustainable Regeneration 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.	2	4	0	6
Compliments.	2	5	2	9

- 5.2. 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.
- 5.3. When complaints are received, they are often very complex and take time to respond to. However, the Scottish Public Services Ombudsman makes clear that it is more important to respond fully and fairly to a complaint than it is to respond within the deadline.
- 5.4. It is also important to note that the number of complaints received by the Council does not capture the number of first-time service requests that front-line teams handle and manage each day. A great deal of effort goes towards dealing with these service requests to find an immediate resolution for customers which helps to prevent a situation escalating to a complaint.
- 5.5. In the reporting period October 2022 to March 2024, the number for complaints generally is broken down as follows:
- 3 complaints were not upheld.
 - 2 complaints were upheld.
 - 1 complaint was partially upheld.

For Further Information please contact:

Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration, extension 2521, Email gareth.waterson@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 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 Plan Delivery Plan 2023-28.](#)

[Enterprise and Sustainable Regeneration – Directorate Delivery Plan 2023-28.](#)

[Risk Management Policy and Strategy.](#)


Annexes


Annex 1 – Directorate Delivery Plan Actions.

Annex 2 – Performance Indicators.

Enterprise and Sustainable Regeneration (ESR) Directorate Delivery Plan 2023-2028


Progress against ESR Directorate Delivery Plan Priorities at 31 March 2024

Title	Description	Intended Outcome	BRAG		Start Date	Target Date
ESR 01. Council Financial Sustainability.	Continue to pursue projects which can generate income for the Council, in particular Orkney's Community Wind Farm Project and income related to Tourism.	New income streams are secured to support Council service provision and infrastructure development. Balanced budget which includes a sustainable draw on our reserves.	GREEN		30 April 2024	01 April 2029
Lead	Comment					
Erik Knight	Progress continues to be made on developing the Orkney Community Wind Farm projects. Officers are participating in a working group that is considering the implications and implementation of the Government's Visitor Levy Bill.					

Title	Description	Intended Outcome	BRAG		Start Date	Target Date
ESR 02. Local economy.	Review of support mechanisms, action plans	Actively support and participate in development of key infrastructure, for	GREEN		30 April 2024	2027/2028

Annex 1

	and marketing programme to ensure resources as best targeted.	example the transmission connection for Orkney. Support for business start-ups. Creation of new jobs in the private sector.			
Lead	Comment				
Sweyn Johnston	The Enterprise and Economic Growth Service has commenced a review of the current schemes of assistance. A strategic review of the Marketing Programme has also been commenced with work is progressing on options development and strategy production.				

Title	Description	Intended Outcome	BRAG	Start Date	Target Date
ESR 03. International engagement.	Deliver on existing commitments contained within Orkney's friendship agreement with Vestland and the Minute of Understanding with the Nordic Atlantic Cooperation.	Number and description of engagements, events and activities held between Vestland, NORA and OIC/ wider community.	GREEN 	30 April 2024	March 2025
	Develop a plan, aligned to the Council's priorities, that sets out key performance measures, targets, and resource commitments.	Completion of plan within timescale.		30 April 2024	November 2024.
	Increase awareness and opportunities for the wider	Number and description of other engagements, events, activities held.		30 April 2024	March 2025

Annex 1

	<p>Orkney community to engage with communities within the Arctic and North Atlantic.</p> <p>Participate in the Arctic Circle Assembly in October 2024.</p>	<p>Report on outcomes.</p>		<p>30 April 2024</p>	<p>November 2024.</p>
Lead	Comment				
Sweyn Johnston	<p>We have strong international relations that advance the interests of Orkney and its communities. There are plans to participate in Twinning activities later in the year with Norwegian Constitution Day on 17 May 2024.</p>				

Personnel key

Corporate Director for Enterprise and Sustainable Regeneration – Gareth Waterson

Head of Finance – Erik Knight

Head of Enterprise and Economic Growth – Sweyn Johnston

Head of Marine Services and Transportation – Jim Buck

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.

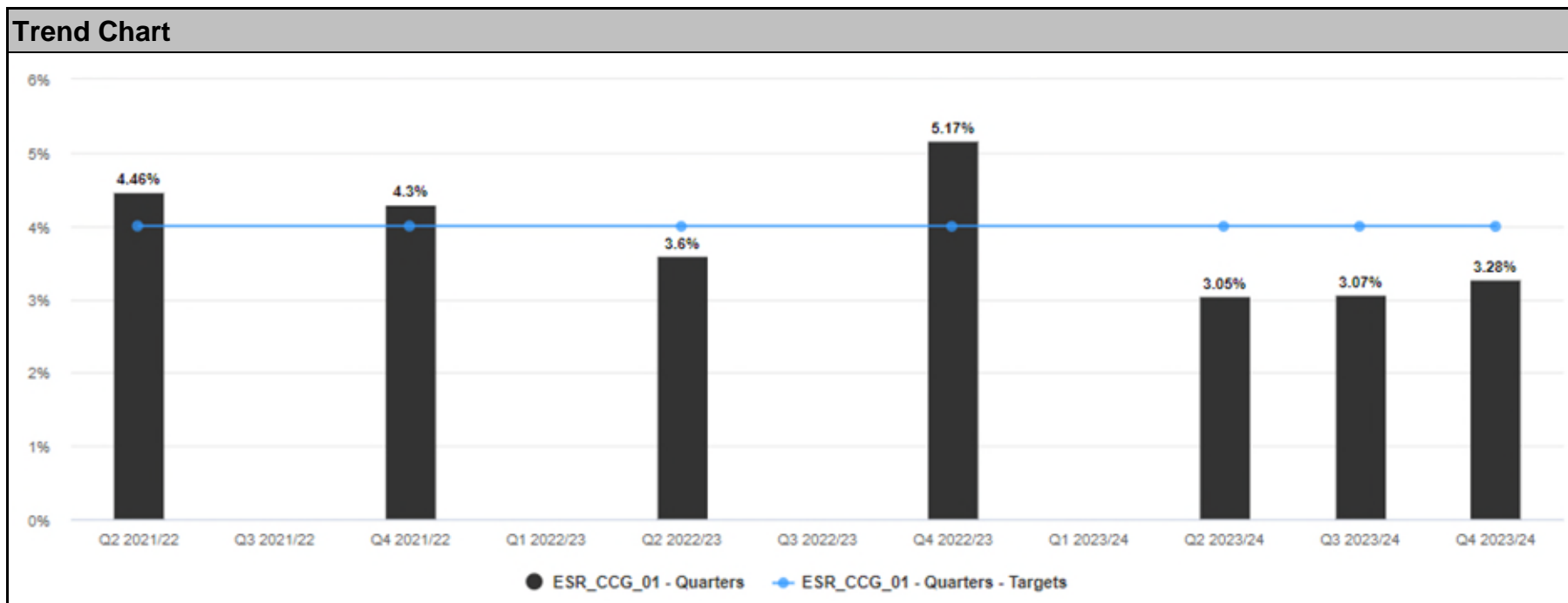
Blue – the agreed action has been progressed to.


Enterprise and Sustainable Regeneration (ESR) Performance Indicator Report - 6 Monthly

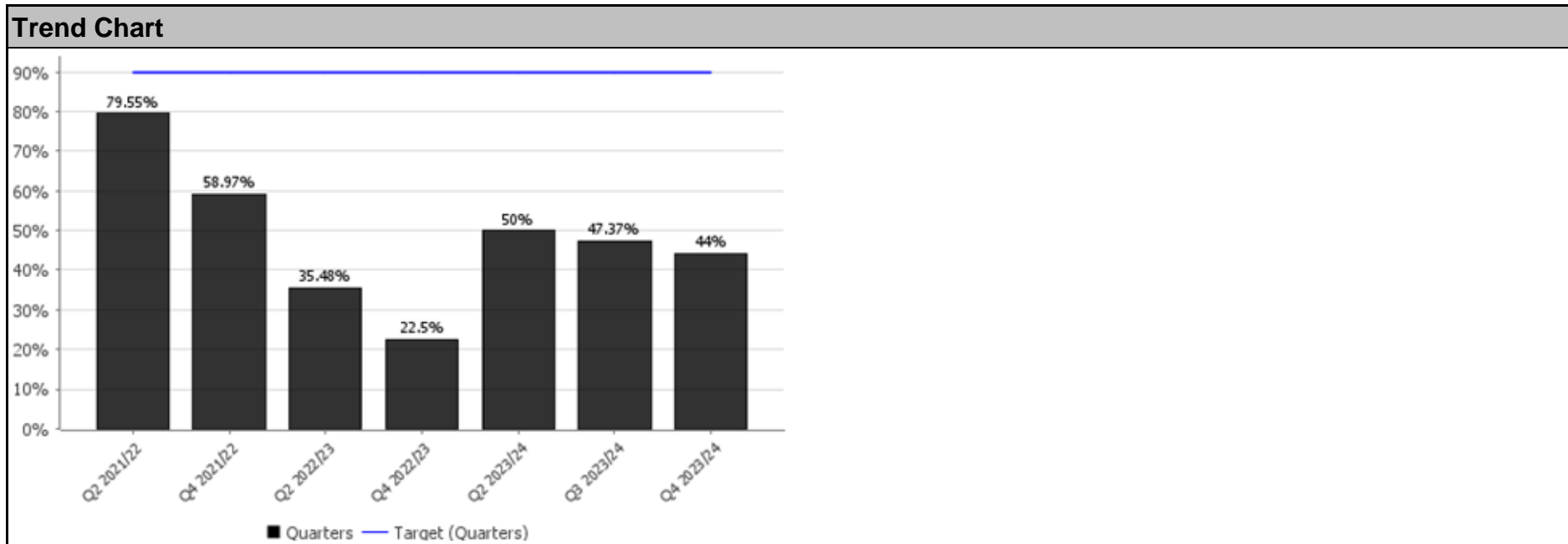
Cross Council Generic Indicators as at 31 March 2024




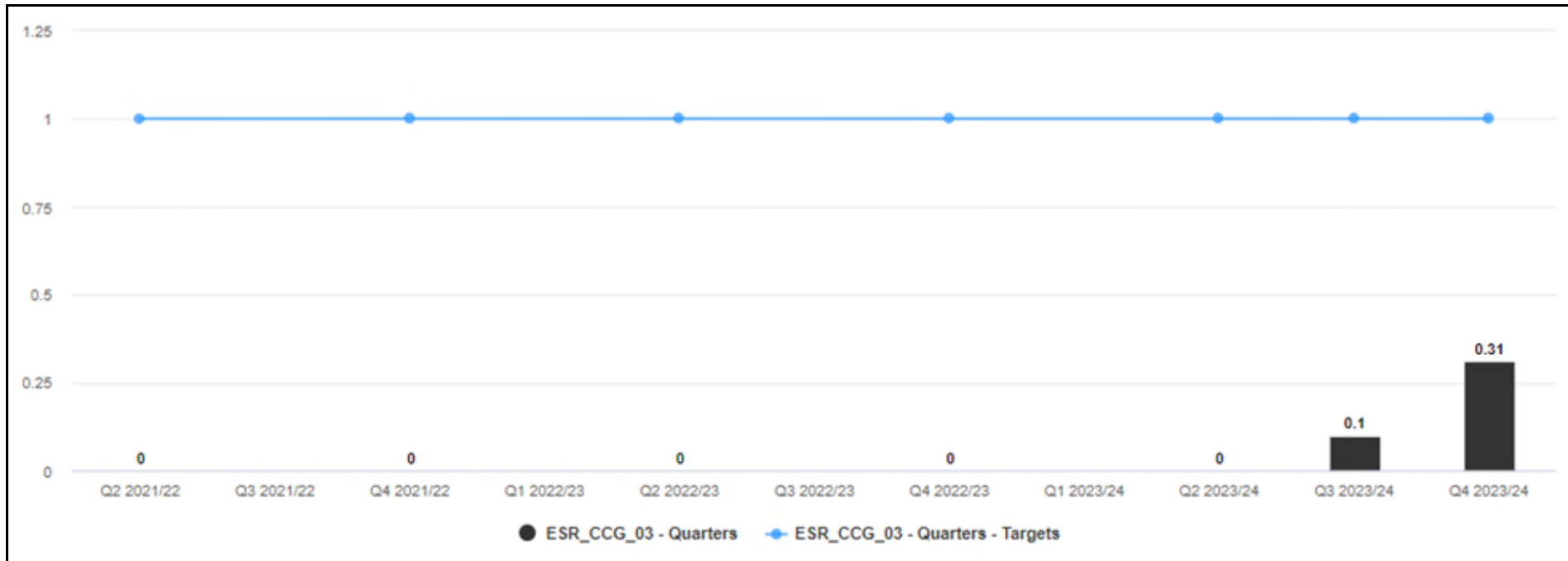
Performance Indicator				
CCG 01 – Sickness absence – The average number of working days per employee lost through sickness absence, expressed as a percentage of the number of working days available.				
Target	Actual	Intervention	RAG	
4%	3.28%	6%	RED	▶
Comment				
<p>The Service continues to work closely with the Human Resources Team to ensure that short term and long-term sickness absence is addressed as a matter of priority. However, these matters are individually unique and it is difficult to forecast or prevent occasional fluctuations in the performance percentage over reporting periods.</p> <p>The Enterprise and Sustainable Regeneration Senior Management Team are aware of the areas within the service where sickness levels are higher and continue to work with relevant managers to address these. There has been a much higher number of long term sickness absences in the reporting period than would usually be expected.</p>				



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%	44%	79%	RED	
Comment				
<p>There has been a deterioration in this indicator since the last reporting period. The Enterprise and Sustainable Regeneration Senior Management Team continues to work with Human Resources and managers within their own teams to ensure that active intervention takes place. The Senior Management Team is aware of the areas within the service where intervention has not taken place and discuss this with the relevant managers and will provide any support required.</p> <p>There is confidence that managers in most areas are holding conversations with staff on their return to work but that the conversations are not being recorded. Staff vacancies and absences in a number of management areas has not helped. There is an expectation that the performance for this indicator will gradually improve over future reporting periods. A reminder will be issued to all staff with line management responsibilities and further training will be arranged as required.</p>				




Performance Indicator				
CCG 03 – Staff accidents – The number of staff accidents within the service, per 30 staff per year.				
Target	Actual	Intervention	RAG	
1	0.31	2.1	GREEN	
Comment				
<p>Trend Analysis: ES&R is demonstrating an increasing trend of accident reporting for the 12-month period report in this quarter. The current trend being observed can be attributed to Marine Services proactively providing their data and information on accidents and incidents to Safety and Resilience (S&R) for inclusion in the OIC Accident book. This step which has not previously occurred is significant and positive because it supports OIC in meeting its legal and policy responsibilities. It should be noted whilst the reports have increased, the actual number of accidents reported during this 12-month period are extremely low for a Service of this size which includes a high-risk operational service, Marine Services.</p> <p>RIDDOR: During this reported 12-month period there has been 0 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable accidents for E&SR.</p>				
Trend Chart				

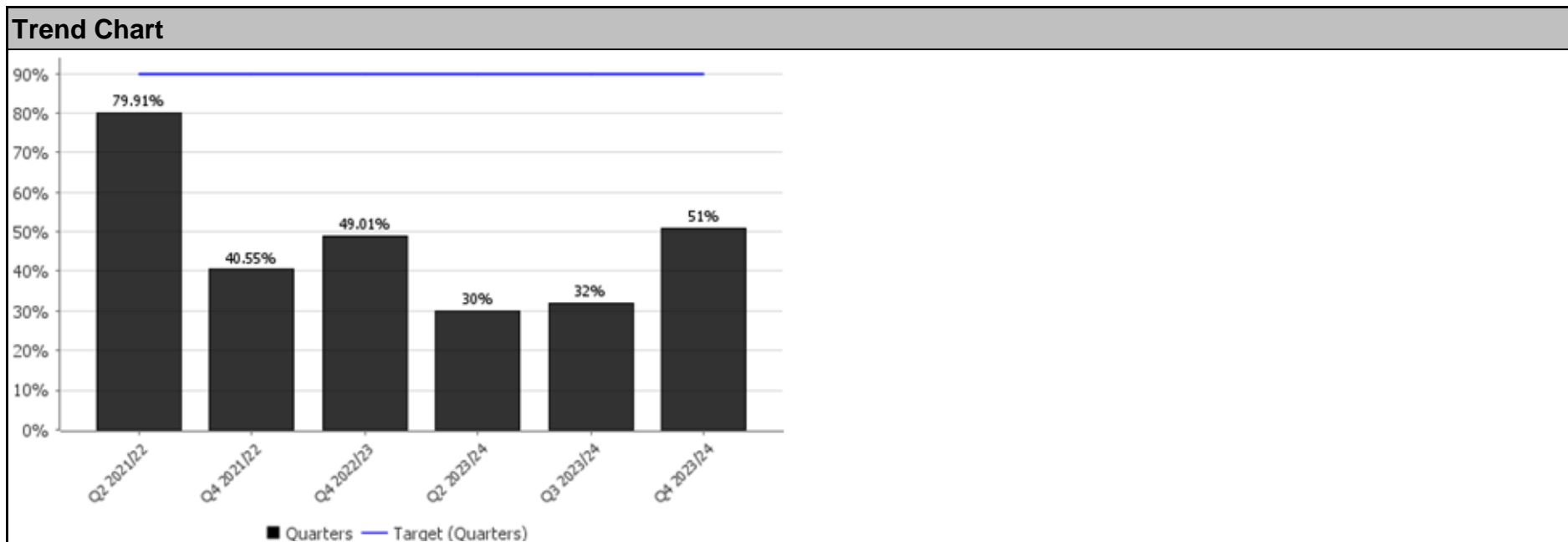


Performance Indicator																												
CCG 04 – Budget control – The number of significant variances (priority actions) generated at subjective group level, as a proportion of cost centres held.																												
Target	Actual	Intervention	RAG																									
15%	40%	31%	RED	●																								
Comment																												
The Enterprise and Sustainable Regeneration Senior Management Team continues to contribute to the Revenue Expenditure Monitoring Report (REMR) process and flag up areas of concerns and difficulties. The profiling of operational budgets is challenging, given the reactive nature of the work. Therefore, whilst attempts are made to appropriately profile cost centres at the start of the year, there will be inevitable variances throughout the financial reporting period which do not, in general, represent significant budget challenges.																												
Trend Chart																												
<table border="1"> <caption>Trend Chart Data</caption> <thead> <tr> <th>Quarter</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Q2 2021/22</td> <td>0%</td> <td>15%</td> </tr> <tr> <td>Q4 2021/22</td> <td>0%</td> <td>15%</td> </tr> <tr> <td>Q2 2022/23</td> <td>37%</td> <td>15%</td> </tr> <tr> <td>Q4 2022/23</td> <td>41%</td> <td>15%</td> </tr> <tr> <td>Q2 2023/24</td> <td>40%</td> <td>15%</td> </tr> <tr> <td>Q3 2023/24</td> <td>41%</td> <td>15%</td> </tr> <tr> <td>Q4 2023/24</td> <td>43%</td> <td>15%</td> </tr> </tbody> </table>					Quarter	Actual (%)	Target (%)	Q2 2021/22	0%	15%	Q4 2021/22	0%	15%	Q2 2022/23	37%	15%	Q4 2022/23	41%	15%	Q2 2023/24	40%	15%	Q3 2023/24	41%	15%	Q4 2023/24	43%	15%
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Q2 2023/24	40%	15%																										
Q3 2023/24	41%	15%																										
Q4 2023/24	43%	15%																										

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%	3.03%	4.1%	RED	●																								
Comment																												
There are still some challenges in recruiting to posts in the Council particularly in Marine Services, although some notable successes have been achieved recently. A very high level of employment locally means that there is stiff competition for employers looking to recruit with often a limited number of suitable applicants.																												
Trend Chart																												
<p>The trend chart displays the percentage of advertised service staff vacancies still vacant after six months from the time of advert, as a proportion of total staff vacancies, across seven quarters. The y-axis represents the percentage, ranging from 0% to 6% in 0.5% increments. The x-axis lists the quarters from Q2 2021/22 to Q4 2023/24. A horizontal blue line indicates the target at 2%. The actual values for each quarter are: Q2 2021/22 (0%), Q4 2021/22 (0%), Q2 2022/23 (5.56%), Q4 2022/23 (0%), Q2 2023/24 (1.3%), Q3 2023/24 (0%), and Q4 2023/24 (3.03%).</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Q2 2021/22</td> <td>0%</td> <td>2%</td> </tr> <tr> <td>Q4 2021/22</td> <td>0%</td> <td>2%</td> </tr> <tr> <td>Q2 2022/23</td> <td>5.56%</td> <td>2%</td> </tr> <tr> <td>Q4 2022/23</td> <td>0%</td> <td>2%</td> </tr> <tr> <td>Q2 2023/24</td> <td>1.3%</td> <td>2%</td> </tr> <tr> <td>Q3 2023/24</td> <td>0%</td> <td>2%</td> </tr> <tr> <td>Q4 2023/24</td> <td>3.03%</td> <td>2%</td> </tr> </tbody> </table>					Quarter	Actual (%)	Target (%)	Q2 2021/22	0%	2%	Q4 2021/22	0%	2%	Q2 2022/23	5.56%	2%	Q4 2022/23	0%	2%	Q2 2023/24	1.3%	2%	Q3 2023/24	0%	2%	Q4 2023/24	3.03%	2%
Quarter	Actual (%)	Target (%)																										
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Q4 2022/23	0%	2%																										
Q2 2023/24	1.3%	2%																										
Q3 2023/24	0%	2%																										
Q4 2023/24	3.03%	2%																										

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%	1.46%	10.1%	GREEN	▶																								
Comment																												
There are 340 established permanent positions with five having left, but not through retirement or redundancy during the period.																												
Trend Chart																												
<p>The trend chart displays quarterly performance data for CCG 06. The vertical axis shows percentages from 0% to 7% in 1% increments. A horizontal blue line at the 5% mark represents the target. Seven bars represent the actual performance for each quarter. The values are: 1.66% (Q2 2021/22), 0.82% (Q4 2021/22), 1.55% (Q2 2022/23), 2.53% (Q4 2022/23), 6.43% (Q2 2023/24), 5.88% (Q3 2023/24), and 1.46% (Q4 2023/24). The legend indicates that black bars represent 'Quarters' and the blue line represents 'Target (Quarters)'.</p> <table border="1"> <caption>Quarterly Performance Data</caption> <thead> <tr> <th>Quarter</th> <th>Actual Performance (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>Q2 2021/22</td> <td>1.66%</td> <td>5%</td> </tr> <tr> <td>Q4 2021/22</td> <td>0.82%</td> <td>5%</td> </tr> <tr> <td>Q2 2022/23</td> <td>1.55%</td> <td>5%</td> </tr> <tr> <td>Q4 2022/23</td> <td>2.53%</td> <td>5%</td> </tr> <tr> <td>Q2 2023/24</td> <td>6.43%</td> <td>5%</td> </tr> <tr> <td>Q3 2023/24</td> <td>5.88%</td> <td>5%</td> </tr> <tr> <td>Q4 2023/24</td> <td>1.46%</td> <td>5%</td> </tr> </tbody> </table>					Quarter	Actual Performance (%)	Target (%)	Q2 2021/22	1.66%	5%	Q4 2021/22	0.82%	5%	Q2 2022/23	1.55%	5%	Q4 2022/23	2.53%	5%	Q2 2023/24	6.43%	5%	Q3 2023/24	5.88%	5%	Q4 2023/24	1.46%	5%
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Q2 2023/24	6.43%	5%																										
Q3 2023/24	5.88%	5%																										
Q4 2023/24	1.46%	5%																										

Performance Indicator				
CCG 07 – Good Conversations (formerly 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%	51%	79%	RED	
Comment				
<p>There is improvement in the performance of this indicator (from a low base) although some of that has been due to the efforts of a member of staff in Marine Services who left the Council during the period. We will however continue to endeavour to improve the performance for this indicator.</p> <p>The Enterprise and Sustainable Regeneration Senior Management Team continue to meet on a regular basis with Human Resources to discuss all HR matters to identify areas requiring support and training, including the Good Conversation process.</p> <p>Heads of Service continue to work very closely with managers to provide support and to ensure that meetings are carried out on an annual basis. The recording sheet of the status of these meetings is held centrally and is accessible to the Corporate Director and all Heads of Service so they can check at any point in time on progress. Managers continue to provide regular support to operational staff as required.</p>				



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%	91.7%	79%	GREEN	▶																		
Comment																						
The Service performance for this indicator is reasonably good and benefits from the majority of invoices being received either electronically or into one of three fairly central locations.																						
Trend Chart																						
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Q3 2023/24	91.6%	90%																				
Q4 2023/24	91.7%	90%																				

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%	50.68%	79%	RED	●																								
Comment																												
Mandatory training course completion is at 100% in a number of areas of the Service and above the actual reported performance figure of 50.68% in all but two Service areas – Harbour Operations and Air Operations where staff members are required to undertake other mandatory training in addition to the training recorded under this indicator.																												
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Personnel key

Corporate Director for Enterprise and Sustainable Regeneration – Gareth Waterson

Head of Finance – Erik Knight

Head of Enterprise and Economic Growth – Sweyn Johnson

Head of Marine Services and Transportation – Jim Buck

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.