



Annual Performance Report 2014

This is our eleventh Annual Performance Report, providing a range of information on how we performed in 2014



Introduction

The report is in two parts, the first part showing our current progress towards meeting the targets set out within the Council Plan 2013-2018. The second part of the report shows how well we performed against the national Local Government Benchmark Framework Indicators.

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: 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 Services’ website, which can be found at: scotland.mylocalcouncil.info

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

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Our budget

Where the money comes from

For every £1 that we received to spend on Council services in 2013/14...

85p came from the Scottish Government

around **10p** came from your annual council tax charge

and **5p** from use of our reserve funds.



...and how the money's spent

For every £1 that we spent on Council services in 2013/14...

around **34p** was spent on education

5p on leisure and cultural services

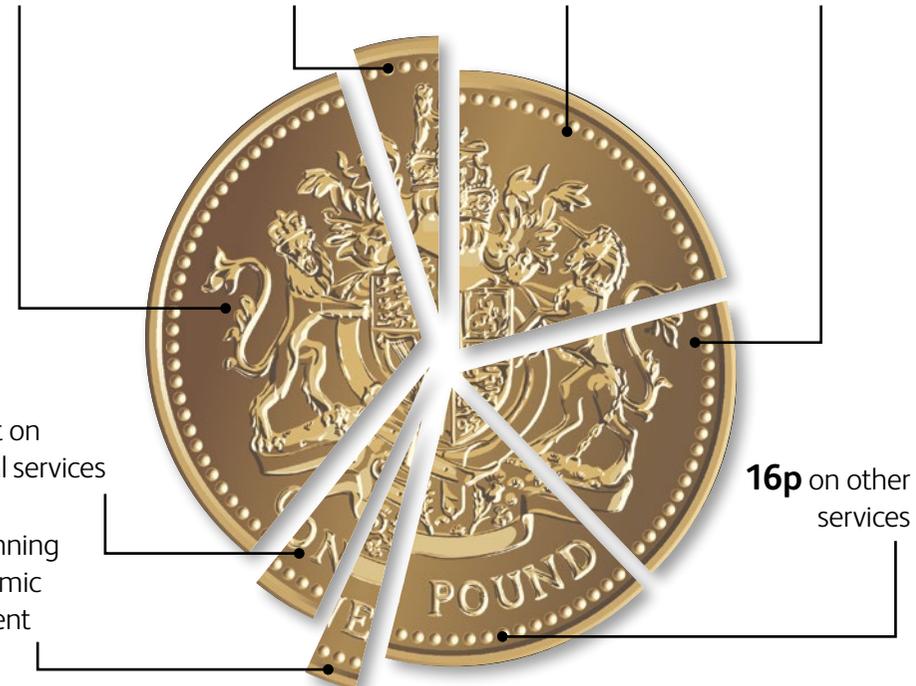
21p on social work and social care services

17p on roads and transport

4p was spent on environmental services

3p on planning and economic development

16p on other services



In 2013/14 our budget was **£80.157M**, which was **less** than our 2012/13 budget of **£83.155M**. This decrease was due largely to the removal of funding for Police and Fire Services from April 2013, which was paid directly to the new single Police and Fire bodies rather than to the Council.

**Progress towards meeting the targets
set out within the Council Plan 2013-2018**

Target 1.1

Improved care facilities in Orkney

We will provide new modern care facilities in Orkney

Along with our partners NHS Orkney, we're continuing to develop integrated health and social care services by providing appropriate residential, rehabilitation and community health and social care services. A project is progressing to provide additional residential care places at St Rognvald's House. Also, an approved site has been found for a replacement for St Peter's House in Stromness, and we are currently preparing information on the costs of this major project. During the year we saw the completion of the new All Age Learning Disability Lifestyle Service building, which is attached to the Pickaquoy Centre and will provide day opportunities for people with learning disabilities. The service aims to begin operating from the new site in early 2015.



Target 1.2

Appropriate care and support

We will ensure people are able to live as long as possible in their own homes and to encourage self care through a reablement model

Along with our partners NHS Orkney, we're continuing to look into advanced technologies to help support people to remain in their own homes. An effective telecare service is now in place, and further telehealth developments are being piloted, for example, consultations by Video Conference. We're also providing education and support to enable people to be supported in their own communities, through the range of community based support services that are available, including the re-ablement service. The Self-directed Support legislation has been implemented and training is being provided to support this initiative locally.

We will aim to provide services that meet assessed needs

We're continuing to meet national time scales for carrying out assessments, apart from exceptional circumstances. Waiting lists are being monitored in most service areas, and although this information is not yet centrally collated to help with planning services, it is planned to address this as soon as possible. Over the summer period of 2014 we experienced some workforce challenges in the Home Care Service, which meant that we had to bring in

some external agency support. Research has been carried out to help us to understand the key issues that affect the recruitment and retention of care staff, and an action plan has been developed that will help to promote recruitment and support retention.

Target 1.3

Supporting our children

We will ensure Orkney's partner organisations are working together to implement the Scottish Government's Early Years Framework so that our children have the best start in life

Working with our community planning partners, we have developed the Integrated Children's Services plan 2014/16 which focusses on the continuous improvement of the life chances of Orkney's children and young people, and we continue to evaluate our approach to make sure it works as intended.



Target 1.4

A new Children’s House

We will build a new Children’s House for our looked after children in residential care

Construction of the new Children’s House is now well underway, and is expected to be handed over in spring 2015.



Target 1.5

The impact of Welfare Reform on members of our community

We will set up easy to access services and advice for those affected by Welfare Reform

We have put into effect the administration of the Scottish Welfare Fund, which deals with Crisis Grants and Community Care Grants. Advice services to help people affected by Welfare Reform are being provided, for example, for people with housing issues or problems resulting from Welfare Reform. In addition, gaps in support services pending the roll out of Universal Credit are being looked into, and the Citizen’s Advice Bureau continues to receive funding from the Council.

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

By working with our partners, including Highlands and Islands Enterprise, and by lobbying the Scottish and UK Governments, we aim to ensure the best possible broadband solution in Orkney from the BDUK project, ensuring coverage for all our communities. The first street cabinets are being installed in Kirkwall, and more widely, and it is anticipated that 75% of premises in Orkney will be covered following roll out of Highland and Islands Enterprise’s programme.

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

Highlands and Islands Enterprise and Community Broadband Scotland continue to support rural communities to investigate or establish community broadband solutions, with support from the Council.

We will work with partners to lobby the UK and Scottish Governments to support improved mobile phone connection in Orkney, including access to 4G services



The Scottish Government intends to hold a mobile workshop with the three islands councils, Ofcom, Highlands and Islands Enterprise and mobile operators, in order to update on a mobile infrastructure project. We are also due to meet with Arqiva on plans for Government funded mast infrastructure for “Not Spot” areas in Orkney, and it is understood that four new mast structures will be supported through this programme.

Target 2.2

Communities with small schools

We will establish the criteria and conditions for the viability of schools in rural and island communities. This will include the wider use of buildings by the community, and housing policy to support families

New national capacity guidance has been developed, which is both useful and relevant. It will assist our project team to determine the conditions that are required to make a rural or island school viable.

Target 2.3

Regenerating Kirkwall Town Centre

We will develop and implement a Regeneration Strategy to co-ordinate development

The Kirkwall Townscape Heritage Initiative has successfully engaged key groups with an interest in the regeneration of Kirkwall Town Centre. The project team is now in place and a project manager appointed. Funding has been confirmed from Historic Scotland, the Heritage Lottery Fund and the Council, towards establishing a Conservation Area Regeneration Scheme / Townscape Heritage Initiative in Kirkwall. Extra funding has been awarded from Sustainable Transport for additional “place-making”, which means ensuring high quality safe environments for pedestrians, cyclists and motorists, as part of the overall initiative.

We will develop a Place-making Strategy to ensure high quality safe environments for pedestrians, cyclists and cars. This will be linked to revisions to the Roads Development Guide

We are planning to develop “place-making” projects, and we are currently considering commissioning detailed design work for improvements to Broad Street, Kirkwall.

Support the Business Improvement District (BID)

We have offered to assist, where able, the Kirkwall BID Ltd as it considers its future, ensuring coordination with Council projects where appropriate.

Target 2.4

Mitigating risk from flood and coastal erosion

We will work with the Scottish Environment Protection Agency (SEPA) and Scottish Water in relation to the governance of Flood Management

Our regular dialogue with SEPA covers a range of flood related matters, including work on the Flood Local Plan. The level of staff and resources available to respond to flooding is fixed, and although we have been able to respond to incidents adequately so far, it is not possible to know for certain whether this limited resource would be adequate for all eventualities. However, effective processes are in place for responding to incidents, and there has been an effort to increase communications on winter readiness, including highlighting the availability of information on Churchill Barrier closures.

We will work in partnership with SEPA to deliver sustainable flood risk measures and put in additional funding bids for new opportunities as they arise

Following advice from SEPA, funding is now in place for a substantial flood protection scheme for Kirkwall. A final decision on the exact scope of the Kirkwall scheme has yet to be confirmed but in advance of this the early stages of the planning process have commenced. Funding has not yet been allocated for a flood protection scheme for St Margaret’s Hope, due to the proposed scheme not being large enough

to attract Scottish Government funding, which is for schemes of £2 million and above. However, a fresh application will be submitted at the next round of Scottish Government funding. We continue to assess potential flood risks to communities and are looking to develop solutions where possible.

We will finalise technical studies and develop solutions for the Churchill Barrier No. 2 overtopping, having considered energy capture

A report and covering solutions covering tidal and non-tidal tidal energy solutions has been considered by the Council. Following this, further work is now underway to investigate developer interest and funding for tidal energy capture solutions. Further work has also been started on lower cost solutions which are not, generally, compatible with tidal energy and these will be considered alongside the recommended refacing option of the east side of the barrier. At least one of the lower cost solutions will be reported to the Council for early consideration of the costs involved in early 2015. A number of lower cost solutions will be given some consideration over the course of 2105. One of these will be the placement of a small Caisson on the east side of the Barrier 2 and it is expected that a report will be made to the Council in early 2015 on the costs associated this proposal.



Target 2.5

Local Community Participation

We will continue to work with and support our Voluntary Sector

We continue to explore ways of sustaining a strong Third Sector in Orkney, and have agreed an additional 1% for financial year 2014/15, which will help to provide Third Sector stability. We are also looking at ways to help us to make good decisions on, for example, purchasing or contracting for the delivery of some activities and services on our behalf.

We will help VAO and associated voluntary organisations to find the right premises to help them deliver voluntary services

Following recent consideration of the Council's Capital Programme, the Council has agreed to commit £1.8 million to build accommodation for Voluntary Action Orkney and other voluntary sector organisations to create a Third Sector hub.

We will devolve some Council Services to local communities to help them thrive. This will be done primarily through Community Councils

We have completed a feasibility study and business plan of the opportunities for individual Community Councils to play a greater role in delivering some Council Services in their own areas. We now intend to test the business plan through a pilot project of a range of initiatives within the pilot areas. Recruitment



has commenced for an Empowering Communities Liaison Officer and Island Link Officers for Papa Westray and Stronsay. If the pilot project is successful, a programme of works will be developed for the rollout of Community Council managed services.

Decentralisation (moving work away from a central location): where there is no significant cost impact, we will look at the options for some Council services and operational activities to be delivered within local communities

The development of the Council's Estates Asset Management Plan will help us to determine whether or not any of our Council services could be delivered efficiently and cost effectively in an alternative location.

Target 2.6

Orkney's Cultural Heritage

We will produce a strategy for further protecting Orkney's cultural heritage including, for example, consideration of Scapa Flow Visitor Centre and Museum and our museums

We have established a short-term working group with elected members and Council officers to develop a draft strategy. This working group has now agreed the scope of the strategy, the key issues to be included, and has begun the task of developing the draft strategy.

We will make every effort to ensure Orkney has a high profile in the National Commemoration of World War I

We have established a project team to lead the work to promote Orkney's World War I commemorations, as well as our archaeological heritage. Work with stakeholders to develop a commemoration programme is in progress, the Lyness Panel unveiling event and Outbreak of WW1 Commemoration events have been delivered, and arrangements to commemorate the Battle of Jutland are under consideration with partners and stakeholders.

We will develop new economic development and heritage tourism opportunities linked to Orkney's wide ranging heritage assets – for example possible archaeological centre and link to World Heritage Site Gateway Centre

We continue to support archaeology by funding archaeological investigations and participation in steering and delivery groups, and with Historic Scotland's current and future projects. With our partners Highlands and Islands Enterprise, we are funding the development of Orkney's tourism industry with Orkney's heritage being promoted as a high priority. Also with our partners Highlands and Islands Enterprise, we have awarded funds towards an Institute of Archaeology for Orkney which is progressing as planned.

Target 2.7

Planning for the growth of our communities

We will create and implement a Delivery Plan for the Local Development Plan and Supplementary Guidance

We have approved the Local Development Plan, following which a new Development Plan Scheme was approved and published. With regard to establishing more opportunities for affordable housing in the countryside, the revised Housing In The Countryside Supplementary Guidance provides greater flexibility for housing in countryside, including more affordable housing.

Target 3.1

Rented Social Housing

We will support the construction of housing to meet local need

With our partners, we continue to utilise Scottish Government funding and invest in the delivery of affordable social housing, and we have a target of completing at least 35 homes each year. Since we started building houses again in 2010, between us and Orkney Housing Association Ltd, we have around 470 properties throughout Orkney that are currently in development or completed and tenanted. Council and Orkney Housing Association Ltd build programmes will continue into 2015/16.

Target 3.2

Affordable Private Housing

We will encourage the supply of sufficient houses to meet current and future demand

We continue to work with Orkney Housing Association Ltd and private sector housing providers to make best use of funding opportunities for the development of new build low cost home ownership projects. The Help to Buy Scheme is being progressed locally in line with Scottish Government requirements and is proving popular.

Target 3.3

Improving Housing Stock

We will seek to ensure improvement in the whole housing stock, private and public sector, and the eradication of unfit housing and housing below the Tolerable Standard

We are currently making arrangements to carry out a local house condition survey, which will help us to understand the condition of the whole of Orkney's housing stock.

We will continue to support the provision of student accommodation

Student housing is currently being offered through Orkney Islands Property Developments Ltd, and work is ongoing through the Student Housing Working Group.



We will support action to deal with fuel poverty in Orkney

We are continuing to look at ways to improve domestic heating and insulation in the housing stock, and to provide support for home owners. With regard to Council housing, we have made significant progress with our aim to achieve the Scottish Housing Quality Standard by 2015, and plans are being progressed regarding the Energy Efficiency Standard for Social Housing. With regard to installations of energy efficiency measures in private sector housing a tendering process is underway in respect of funding from Home Energy Efficiency Programmes Scotland: Area Based Schemes. This funding will allow measures to be installed in a significant number of homes over the next few years.

We will look at ways to assist the provision of private student housing. We will seek to provide student accommodation as part of the Marine Renewables Campus and Orkney College and UHI

Discussions with Orkney Research Campus' primary stakeholders are ongoing to ensure that the requirement for appropriate residential student accommodation is considered during the process and that all options are explored. The University of the Highlands and Islands is also looking at the potential for new student residences in both Stromness and Kirkwall.

Target 3.4

Support for independent living

We will strengthen the Young Persons' Supported Accommodation Project and extend it to include move-on accommodation and support

The project to build six supported move-on accommodation units as the next step towards independent living for homeless young people is in progress, and is estimated to be complete in 2015.

We will develop housing and related services to meet the needs of older people to enable them to live independently

Housing is built to the Housing for Varying Needs Standard, which ensures accessibility to a certain level, regardless of age. The Older Persons' Housing Strategy sets out joint services to assist people to remain in their own homes with appropriate support. We offer assistance to those who require adaptations to their homes as a result of disability.



Target 4.1

A Low Carbon Orkney – a green approach

We will develop and implement a Sustainable Energy Strategy for Orkney

Our Carbon Management Plan and programme are currently under review by a working group made up of elected members and Council officers, and a draft report will be prepared for consideration by the Council in the New Year. And, with our partners from industry, the community and the public sector, we are developing a refreshed Orkney Energy Strategy with an accompanying Framework Action Plan to be monitored annually.

We will develop the Council's response to the Green Deal Initiative

Following consideration of the options available, our response to the Green Deal is to provide a 'signpost' service.

Working in partnership we will develop practical project ideas for energy storage / alternative energy, for example looking at district heating schemes, identifying alternative fuel supplies and addressing fuel poverty issues

A feasibility study into building refurbishment options has been completed, and further investigations into district heating and alternative fuels are being developed. We are also working with our partners on Phase 1 of the Local Energy



Challenge Fund 'Surf and Turf' project, which aims to consider the feasibility of the use of Hydrogen produced on Eday by the European Marine Energy Centre in partnership with Eday Renewable Energy.

Target 4.2

Attracting investment, investors and companies

We will put appropriate resources and strategies in place to work with investors and agencies involved in renewables

We now have regular management contacts with Highlands and Islands Enterprise on these issues, and work is underway to develop an Orkney Energy Strategy which will act as the foundation to progress this work as we move forward.

We will capitalise on the Marine Energy Park designation for the Pentland Firth and Orkney Waters

We continue to participate in and champion the Pentland Firth and Orkney Waters Leadership Forum, and have ongoing discussions with the European Marine Energy Centre, Orkney Renewable Energy Forum, Highlands and Islands Enterprise, and wave and tidal device developers.

We have established links with leaseholders in the Pentland Firth and Orkney Waters, however, as the next commitment for the Orkney transmission cable becomes due, there is a considerable risk that the current leaseholders may withdraw from their projects.

We continue to meet regularly with Highlands and Islands Enterprise on renewables development, who have obtained conditional planning consent for speculative build projects at Hatston and Lyness Enterprise Areas, and who are currently inviting quotes and seeking project funding.

We continue with our efforts to lobby the UK and Scottish Governments on the powers for the Marine Energy Park, however, to date this has not been successful.

Orkney Marketing Programme supported the local marine energy supply chain to attend All Energy 2014 and will continue to develop promotional material and activity in line with energy sector and investment opportunities.

We will ensure the best use of the local supply chain to support renewable energy generation

We continue to lobby for increased grid connection, with affordable charges, in order to increase the potential export of energy from Orkney as soon as possible. We participate in the UK and Scottish Governments' Delivery Forum, to work with developers, grid operators and regulators, in order to seek a transmission link to Orkney.

In addition to one-to-one advice from our business advisers, the Business Gateway offers advisory workshops to new companies on development and expansion on a regular basis, and supported maritime skills training is being delivered via Orkney College. Business Gateway handled a total of 470 enquiries, delivered 24 new business start-up grants, and hosted 33 workshops with 308 attendees.

We continue to invest in infrastructure where appropriate and affordable, and the developing Orkney Energy Strategy will form the basis for considering future investment requirements. Our investment in harbour infrastructure has helped to ensure that assets are available to provide for future business needs, and improve Orkney's overall competitiveness.

Target 4.3

Making use of resources to capture energy

Fixed links (a built physical link between islands): we will review historic studies on fixed links and undertake an appraisal of opportunities to do this

We have approved a programme of consultation and, depending on what comes out of the consultation, we can then investigate ideas and proposals on fixed links, all of which will need to be linked to transport strategies, ferry replacement options and any realistic possibilities for energy capture from fixed links.



We will develop a policy and capital programme for fixed links, if appropriate.

Depending on what comes out of the consultation programme, we may carry out further economic benefits analysis and more detailed engineering investigations.

Target 4.4

Managing development

We will produce a policy for how we deal with renewables development. We will also look at funding for renewables development

We have reviewed, updated and adopted the Local Development Plan, and have also reviewed the Wind Energy Guidance, which is set to be finalised following consideration of the Landscape Capacity Study. Policies for the Marine Spatial Plan for Pentland Firth and Orkney Waters are currently being prepared, and it is expected that the Council elements of the Marine Spatial Plan will be completed by March 2015.

Target 4.5

Benefiting from our renewable resources

We will establish a policy for Community Benefit from renewables

We continue to engage with commercial renewables leaseholders, and with the Crown Estate Commission, and we will use our findings to develop policy. We're also looking into the potential to assist with setting up an Orkney energy company or agency, although work on this cannot begin until we know the outcome of the Wind Farm Feasibility Study and the Landscape Capacity Study.

We will establish a policy for the use of Renewables Community Benefit funds to benefit all of our communities

Since no commercial renewables activity is expected before 2020, the renewables industry is likely to remain at the non-commercial demonstration stage until 2020 at the earliest.

Target 4.6

Ensuring we can compete

We will maintain an effective lobbying programme with the Scottish Government and other agencies to ensure further cable to facilitate energy export, deal with

transmission charging issues and seek short term solutions to the export limits on our electricity grid

We continue to respond to all relevant consultations from regulators, grid operators and Government, in order to maintain pressure for the timely delivery of grid connections. We continue to lobby and to maintain pressure to reduce island transmission charges, however, Ofgem has published its decision on Project Transmit, with the result being not to provide any benefit to transmission charging in the islands. We also continue to seek a higher strike price for renewable energy generated on the islands.

We are now working with Community Energy Scotland to consider ways of increasing electricity consumption in Orkney, as a way of providing a short term solution to the current problems with exporting electricity generated in Orkney, and funding applications for feasibility studies are being prepared.

Target 4.7

Renewables training, research and facilities

We will develop a business case which outlines the proposal for a Marine Renewables Campus in Stromness

Funding and partnership options for the development of a Research Campus are being discussed with Highlands and Islands Enterprise and other stakeholders, and an economic case is being assembled.



We will support links to education – exploring ways to ensure renewables training links with schools, colleges and investors based in Orkney

Orkney College Maritime Studies continue to develop and deliver maritime skills training, and Energy North Skills Group is looking into other training needs.

Target 5.1

A skilled workforce

As a socially responsible employer, we will lead by example and provide work experience, modern apprenticeships and graduate placements for Orkney's youth and long term unemployed

In 2014 we provided 36 work experience placements, five modern apprenticeships, four graduate traineeships, and appropriate places are being identified on an ongoing basis. In addition six placements have been progressed using Youth Employment Scotland funding.

Target 5.2

The skills our businesses need – making the connections between employer and educator

In consultation with employers and partners we will develop a strategy to ensure resources and training increase employability and meet skills demands

Skills Development Scotland continues to work with Orkney's schools and delivers sessions on the use of My World at Work, in order to help school and other agency staff to support young people into career planning. We have contributed to the improved coordination of services, and through the Employability Strategic Group, have developed a Youth Employment Action Plan.

We will better match training to the needs of employers

Through the ongoing work of the Employability Strategic Group, we are working with employers and training partners to access and develop more training courses which prepare people for the local jobs market.



Target 5.3

Helping our businesses to adapt and grow

We will develop industry specific action plans, for example for tourism, agriculture and fishing, to promote Orkney in these sectors at a national level

We have established a tourism marketing partnership programme, and continue to engage with agricultural and fisheries groups. However, the detail of European Union policy and legislative change affecting the primary industries has not yet fully emerged. We continue to offer support and services through the Business Gateway to new and existing businesses, and with our partners Highlands and Islands Enterprise, we continue to encourage and support Small and Medium Enterprise (SME) growth. However, as State Aid legislation has now reduced the maximum permitted levels of direct grant support payable to SMEs, we will explore other support mechanisms in order to encourage continued economic growth. With our partners across the Highlands and Islands, we lobbied the UK Government, Scottish Government and Europe throughout the Common Agricultural Policy Reform process to achieve a revised direct payments structure that is now projected to be much less damaging for Orkney agriculture than would have been the case had the initial recommendations been implemented. Similar lobbying has ensured that the Highlands and Islands will be allocated an appropriate and ring-fenced share of future EU Strategic Intervention funds so that Orkney can continue to benefit from these.

Target 5.4

Infrastructure to support business growth

We will develop and progress opportunities as they arise and make strategic land purchases to support future business growth where appropriate

We continue to pursue opportunities for all types of infrastructure for Orkney, for example, the Hatston initiative which is under construction.

We will develop and deliver a Harbour Infrastructure Plan, subject to available funding

We continue to develop Orkney's harbour infrastructure to support business growth by, for example, completing Copland's Dock, enabling infrastructure for the Hatston Enterprise area, and by putting in place the necessary arrangements to promote the opportunities made possible by the 3 Ports Strategy. We continue to market what is currently available in Orkney, for example, the 3 port construction which is now complete, cruise ship activity which remains strong, and the benefits from our plans to provide a water and fuel bunkering capacity.

We will support the delivery of locally based services

Working with Development Trusts and Community Councils, we continue to make progress to develop local opportunities, for example, the Stronsay

Fish Market. We have also revised the policy and schemes of assistance to support the service sector where permitted.

We will make the connections between development and transport strategy

Discussions are ongoing with our Transportation Service and Orkney Health and Care, to ensure best use of available transport, and both of these service areas have been involved in the review of Dial-a-Bus funding, with a view to reducing duplication of administration.

Teleworking: we will ensure flexible working is a possibility by pressing for increased digital access

We continue to lobby Government agencies to ensure equal coverage from digital communications technology, and we continue to engage with and support Highlands and Islands Enterprise with regard to the roll out of superfast broadband in Orkney.

Target 6.1

Integrated transport networks

We will develop and deliver an integrated transport strategy including demand responsive transport

We have revived the Transport Forum in order to enable effective consultation regarding integrated public transport, internally and externally, and although this forum is overdue for a meeting, other

consultative meetings have taken place. The bus contract for the five years from January 2015 is now in place, the Air and Ferry Mix Study is in progress, and the Routes and Services analysis for ferries is complete and awaiting Transport Scotland outcomes.

Target 6.2

Orkney's internal ferry and air services

We will refresh and implement the Scottish Transport Appraisal Guidance (STAG) priorities

We have progressed the air and ferries study and this is now associated with the Routes and Services Methodology work for Transport Scotland. Highlands and Islands Transport Partnership support in place. The Strategic Transport Appraisal Guidance work will not be scheduled until Transport Scotland outcomes become clearer. Refreshing the Scottish Transport Appraisal Guidance and commissioning a study for the ferry design option are awaiting the outcome of the Routes and Services methodology work and further progress with Transport Scotland discussions.

We will work with the Scottish Government Ferries Plan process

We have made good progress with the Scottish Government on how ferries will be funded and operated in the future, including the Scottish Ferries Plan. We are now working with Transport Scotland on their response to the Our Islands Our Future initiatives on transport.



We will undertake a detailed appraisal of air services in Orkney to enable us to evaluate whether enhanced services could be a value for money benefit to integrated transport

We have now assigned a dedicated staff resource, along with additional consultancy via HITRANS, to these issues. Appropriate lobbying of the Scottish Government is in place and these issues are fully covered in Our Islands Our Future. We continue to safeguard essential transport when we plan and design new developments, and transport is fully considered in future developments including the new Hospital. Transport is also at the heart of the low carbon agenda including alternative fuels and surplus energy usage.

We will undertake a study to find out what the opportunities and constraints are for providing island-based ferry services. This will include looking at the economic impact of doing this

The study on economic impacts of basing ferry services in the isles will follow on from consideration of future ferry service needs under the Routes and Services Methodology studies.

Target 7.1

Questions we will be asking: What do you make of that?

Referendum Bill – Programme for Government 2012-13

We concluded our preparations for any potential changes or impacts resulting from the Referendum Bill – Programme for Government 2012-13.

Post-16 Educational Reform Bill – Programme for Government 2012-13

We continue to make preparations for the potential changes and impacts resulting from the Post-16 Educational Reform Bill – Programme for Government 2012-13.

Procurement Reform Bill – Programme for Government 2012-13

Aspects of our approach to procurement are already consistent with the measures set out in the Procurement Reform Act (Procurement Reform Bill – Programme for Government 2012-13), and we will continue to monitor the development of Regulations, which are expected to be in place towards the end of 2015.

Public Bodies (Joint Working) (Scotland) Act 2014

With our partners NHS Orkney, we have agreed the Body Corporate model for the integration of health

and social care. We have also jointly developed the consultation draft of our Integration Scheme which sets out the details of how the partnership will work and the services that it will include. While there is a significant amount of work to be done, we anticipate meeting the national timescale for submission of our Integration Scheme, which is 31 March 2015, with a view to putting in place our Integration Joint Board before the end of the coming year.

Children and Young People Bill – Programme for Government 2012-13

The Children and Young People (Scotland) Act 2014 impacts across a range of services. Implementation plans around the extension of early learning and childcare are in progress, as is planning for the practice review in relation to Getting it Right for Every Child. National guidance to support all aspects of change has not yet been published.

Social Care Bill (Self Directed Support) (Scotland) Bill (Programme for Government 2011-12)

Following enactment of the Social Care (Self Directed Support) (Scotland) Act on 1 April 2014, we have developed local policies, procedures and



protocols, developed new assessment frameworks and delivered training on all of these to relevant staff. We have also developed a framework for the allocation of personal budgets, as required in the Act. We will continue to refine our local practice and processes as we learn more from our own experience, and from the experience of other areas, in these early stages of national implementation of this piece of legislation.

Welfare Reform Act 2012 – UK Government

We have worked with the Scottish Government and Department for Work and Pensions to administer the Scottish Welfare Fund in Orkney. We have also made representations to the UK Government regarding the delays experienced by people in Orkney in being assessed for Personal Independence Payments. The UK Government has indicated that Universal Credit will be rolled out to Orkney from 2015 and arrangements are being made to help people in Orkney with this change.

Workplace Pension Reform (The Pensions Act 2008: UK Government)

We are continuing to automatically enrol existing and new Council staff onto the Council's Pension Scheme when they meet the appropriate criteria.

Community Empowerment (Scotland) Bill

The Community Empowerment (Scotland) Bill will establish new ground rules for the governance of community planning partnerships, the management of community assets, and other related matters. We have used a number of communication channels to influence this Bill and ensure that Orkney benefits from it. We attended and gave evidence to the Local Government and Regeneration Committee in March 2014, submitted a response to the Committee's Call for Evidence on the draft Bill in September 2014, and are actively engaged with the Scottish Government officers working on the Bill, which is expected to gain Royal Assent around April 2015.

Target 7.2

Integrated Public Services

We will develop opportunities for closer integrated working with other organisations in order to improve services for Orkney's people

Through the Empowering Communities Project we are looking at ways to involve island communities in the delivery and management of Council services, thereby creating the possibility of local employment



opportunities, and recruitment will shortly begin for Island Link Officers on Papa Westray and Stronsay. We have also agreed the Body Corporate model for the provision of health and social care with our partners, NHS Orkney.

We will continue to ensure our joint workforce arrangements in Orkney Health and Care provide efficient services and cost effective use of public funds

We have in place a schedule of regular reviews to help to ensure that we continue to deliver efficient and effective services, and we continue to look at ways for our staff to work better together. We've been successful with recruitment, and have redesigned some posts to broaden the range of potential applicants.

Target 7.3

Embedding Orkney Health and Care – Governance Arrangements

To ensure the effective delivery of services, we will continue to work through those areas that need to be strengthened to support the governance arrangements of Orkney Health and Care

We have provided induction training for Members of Orkney Health and Care Board. However, a number of challenges in relation to joint arrangements remain, for example, the funding of joint posts and services, and reporting through various Boards. These challenges will be addressed through the joint arrangements set out in relation to the Public Bodies (Joint Working) (Scotland) Act.

Target 7.4

European Union financial support

We will seek to ensure the best possible outcomes for Orkney in the next stage of European Union funding

We are currently looking at ways to strengthen our capacity to maximise funding for Orkney projects, such as the new Structural and Rural Development funds and the potential expansion of the LEADER 2014-2020 programme, and are developing a Framework for the Governance and Delivery of Capital Programme Activities which will enable the prioritisation of projects to maximise EU funding. We also continue to lobby Scottish Government regarding Orkney's interests in EU funding.

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

Children's services



Pre-school education

In 2013/14, the cost per pre-school registration in Orkney was *£2,405.76, which is better than the 2012/13 figure of £2,455.53, and better than the 2013/14 Scottish average of *£2,998.58.



Primary education

In 2013/14, the cost per primary school pupil in Orkney was £8,305.84, which is not as good as the 2012/13 figure of £8,132.54, and not as good as the 2013/14 Scottish average of £4,749.59.

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

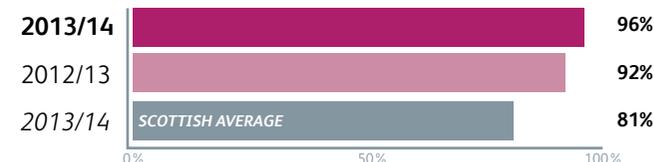
In 2013/14, the cost per secondary school pupil in Orkney was £10,433.50, which is not as good as the 2012/13 figure of £9,779.84, and not as good as the 2013/14 Scottish average of £6,523.31.

The cost per secondary school place in the three island authorities is higher than in other areas of the country, however, our 2013/14 costs compare favourably with the other two island authorities.

In 2013/14, 30.12% of secondary pupils in Orkney gained 5+ awards at level 6, which is better than the 2012/13 figure of 22.71%, and better than the 2013/14 Scottish average of 28.08%.



Satisfaction with Orkney's schools*



Pupils entering positive destinations

In 2013/14, 93.8% of Orkney's school leavers entered positive destinations (further or higher education, employment, training, or voluntary work), which is better than the 2012/13 figure of 93.4%, and better than the 2013/14 Scottish average of 92.3%.

*Data provided by the Scottish Household Survey

Adult social care



Self-directed support

In 2013/14, 2.99% of Orkney’s total social work spend went on self-directed support for adults aged 18 years and over, which is better than the 2012/13 figure of 2.65%, but not as good as the 2013/14 Scottish average of 6.4%.

In Orkney most people using self-directed support packages employ their own carers, known as Personal Assistants, in place of Council care services. In most other areas of the country self-directed support can also be used in this way, but there would also be an option to use it to purchase a package of care from a third sector or private sector care provider. This alternative option is limited in Orkney, since there is not the same range of third sector and private sector care providers as there is on the Scottish Mainland, which restricts the ways that people in Orkney can use their self-directed support package. This results in a lower level of use in Orkney than the Scottish average.

Home care

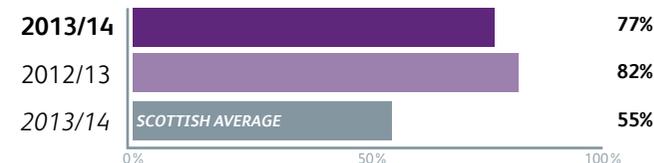
In 2013/14, the cost of providing care at home for people aged 65 and over in Orkney was £23.86 per hour, which is better than the 2012/13 figure of £31.74, but not as good as the 2013/14 Scottish average of £20.25.

The cost of providing home care across our remote, rural, island communities is understandably higher than the Scottish average. This is due to a number of factors, for example, the travel costs of home care staff making care visits to rural areas, and in some cases between islands. Other examples include our inability 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 home care services are provided directly by the Council, which is not always the case in other areas and which affects overall average costs. We have, however, been working hard to make the service as efficient as possible and have reduced our costs from previous years, and will continue with this work in the coming year.

In 2013/14, 36.59% of people aged 65 and over with intensive care needs in Orkney were receiving care at home, which is better than the 2012/13 figure of 33.11%, and is better than the 2013/14 Scottish average of 34.74%.



Satisfaction with social care in Orkney*



Residential care for older people

In 2013/14, the weekly cost per care home resident in Orkney was £833.65, which is better than the 2012/13 figure of £948.65, but not as good as the 2013/14 Scottish average of £367.96.

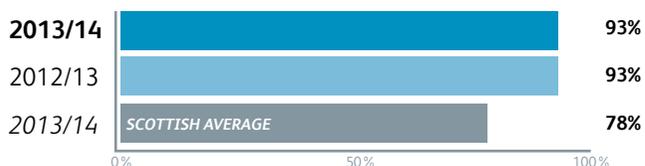
The higher cost of providing residential care in Orkney is due to a number of factors, for example, our care homes meet the needs of older people with very high levels of dependency, and we rarely have to make use of placements out of Orkney, all of which we manage to achieve by having a sufficient number of appropriately trained and supported care home staff which clearly has a cost implication. Other examples include our inability 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 which affects overall average costs. We continue, however, to work hard to make the service as efficient as possible and have reduced our costs from previous years, and will continue with this work in the coming year.

Culture and Leisure

Sports facilities

In 2013/14, the cost per sports facility attendance in Orkney was £1.90, which is better than the 2012/13 figure of £2.57, and is better than the 2013/14 Scottish average of £3.84.

Satisfaction with leisure facilities in Orkney*

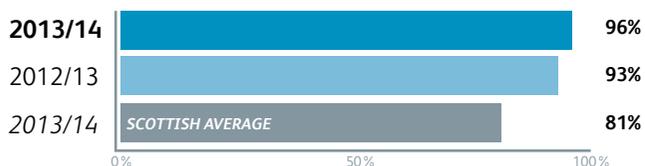


Libraries

In 2013/14, the cost per library visit in Orkney was £6.95, which is not as good as the 2012/13 figure of £6.42, and not as good as the 2013/14 Scottish average of £2.71.

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.

Satisfaction with libraries in Orkney*



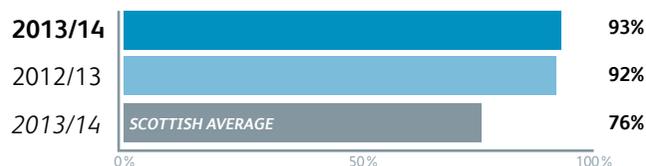
Museums

In 2013/14, the cost per museum visit in Orkney was £10.40, which is not as good as the 2012/13 figure of £9.93, and not as good as the 2013/14 Scottish average of £3.72.

Our higher costs are due in part to Orkney's museums providing similar levels of service as some larger Scottish mainland sites, but due to our lower population, visitor numbers are significantly lower.



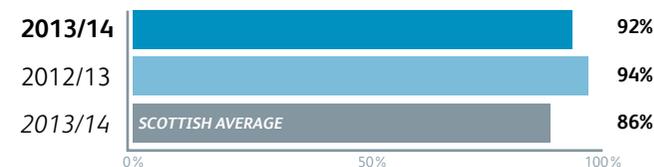
Satisfaction with museums in Orkney*



Parks and open spaces

In 2013/14, the cost of parks and open spaces, per 1,000 of Orkney's population, was £13,954.57, which is not as good as the 2012/13 figure of £13,794.71, but is better than the 2013/14 Scottish average of £30,785.70.

Satisfaction with parks and open spaces*



Environmental services

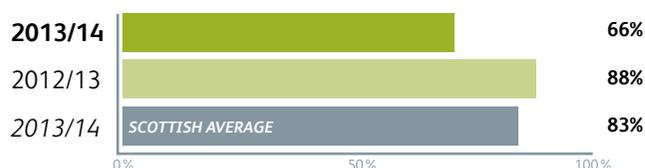
Refuse collection

In 2013/14 the **gross cost** of collecting refuse per premise in Orkney was £93.50, which is not as good as the 2012/13 figure of £89.21, and not as good as the 2013/14 Scottish average of £79.88.

In 2013/14 the **net cost** of collecting refuse per premise in Orkney was £55.71, which is not as good as the 2012/13 figure of £53.90, but is better the 2013/14 Scottish average of £61.29.

Due to Orkney's geography, we collect refuse from across highly dispersed communities and individual properties, and this results in higher collection costs.

Satisfaction with refuse collection in Orkney*



We believe that the Alternate Weekly Collection, which was being progressively rolled out during this period, was not positively received by all service users of the new arrangements, and that this affected levels of satisfaction.



Refuse disposal

In 2013/14 the **gross cost** of disposing of refuse per premise in Orkney was £149.03, which is not as good as the 2012/13 figure of £141.59, and not as good as the 2013/14 Scottish average of £108.76.

In 2013/14 the **net cost** of disposing of refuse per premise in Orkney was £112.84, which is better than the 2012/13 figure of £115.76, but not as good as the 2013/14 Scottish average of £91.80.

Here in Orkney we do not landfill our waste, and instead ship it for incineration to Shetland, which results in higher costs due to the shipping.



Waste recycling

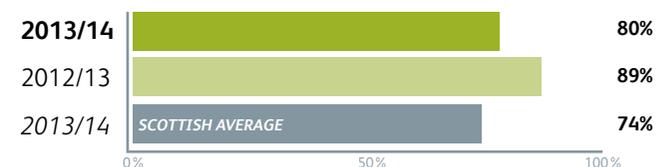
In 2013/14, 30.77% of Orkney's waste was recycled, which is better than the 2012/13 figure of 22.8%, but not as good as the 2013/14 Scottish average of 42.2%.

As we have been progressively rolling out the Alternate Weekly Collection from May 2012, so we are seeing a steady improvement in recycling. Following completion of the roll out of commercial waste recycling, the Island Alternate Weekly Collection, and a targeted campaign in some areas of Orkney Mainland, we expect further improvement in our recycling rates.

Street cleaning

In 2013/14, the cost of street cleaning, per 1,000 of Orkney's population, was £13,769.12, which is better than the 2012/13 figure of £14,305.62, and better than the 2013/14 Scottish average of £15,617.06.

Satisfaction with street cleaning in Orkney*



*Data provided by the Scottish Household Survey

Environmental services continued...

Environmental cleanliness

A council area's cleanliness score is a measure of the quality of the street cleansing services provided by councils. In 2013/14, Orkney's cleanliness score was 100%, which is better than the 2012/13 figure of 98.4%, and better than the 2013/14 Scottish average of 96.1%.

Environmental health

In 2013/14, the cost of environmental health, per 1,000 of Orkney's population, was £24,710.25, which is about the same as the 2012/13 figure of £24,709.71, but not as good as the 2013/14 Scottish average of £18,301.71.

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



Orkney's Roads

In 2013/14, the cost per kilometre of maintaining Orkney's roads was £2,635.39, which is not as good as the 2012/13 figure of £2,619.61, but is better than the 2013/14 Scottish average of £6,058.42.

In 2012/14, 16.83% of Orkney's A class roads needed to be considered for maintenance treatment, which is better than the 2011/13 figure of 18.55%, and better than the 2012/14 Scottish average of 28.7%.

In 2012/14, 20.95% of Orkney's B class roads needed to be considered for maintenance treatment, which is better than the 2011/13 figure of 21.9%, and better than the 2012/14 Scottish average of 35.2%.

In 2012/14, 11.52% of Orkney's C class roads needed to be considered for maintenance treatment, which is better than the 2011/13 figure of 12.24%, and better than the 2012/14 Scottish average of 36.6%.

In 2010/14, 23.9% of Orkney's unclassified roads needed to be considered for maintenance treatment, which about the same as the 2009/13 figure of 23.37%, and better than the 2010/14 Scottish average of 39.4%.



Trading standards

In 2013/14, the cost of trading standards, per 1,000 of Orkney's population, was £7,834.96, which is better than the 2012/13 figure of £7,988.85, but not as good as the 2013/14 Scottish average of £5,584.59.

In all Scottish councils there is a minimum level of core service required to provide the trading standards service. 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. This has an adverse impact on our costs as there are no economies of scale.

Economic development

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

In 2013/14, 6% of Orkney's unemployed people were assisted into work from Council operated/funded Employability Programmes, which is not as good as the 2013/14 Scottish average of 12.58%.

Orkney's lower rate is due to the Council operating/funding a proportionate level of employability programmes appropriate to our local community, recognising that we have a lower percentage of unemployment in Orkney.



Council management

The democratic core

Scottish councils each have a 'democratic core' made up of tax collection, housing benefit administration, registration of births deaths and marriages, emergency planning, licensing and elections.

In 2013/14, the cost of the Council's democratic core, per 1,000 of Orkney's population, was £131,942.51, which is not as good as the 2012/13 figure of £ 123,966.56, and not as good as the 2013/14 Scottish average of £32,076.88.

In all Scottish councils there is a minimum level of core service required to support the democratic function, whatever the size of the council. For this reason our costs, in common with the other two island authorities, are significantly higher than the Scottish average. The main reason for the increased costs in 2013/14 is the increased spending in relation to Council priorities.



Central support services

In 2013/14, 5.5% of the Council's total gross expenditure was spent on its central support services, which is not as good as the 2012/13 figure of 5.14%, and not as good as the 2013/14 Scottish average of 5.13%.

As the value of front-line service budgets reduce year on year, so the proportion of fixed and essential central support costs against these budgets has increased very slightly.

Council management continued...

Council staff

In 2013/14, an average of 8.6 work days per Council employee was lost due to sickness absence, which is better than the 2012/13 figure of 8.86 work days, and better than the 2013/14 Scottish average of 9.24 work days.

In 2013/14, of the Council's the highest paid 5% of employees, 25% of these were women, which is not as good as the 2012/13 figure of 26.14%, and not as good as the 2013/14 Scottish average of 50.7%.

As a Harbour Authority, Orkney Island 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. It should however be noted that we do have a good level of gender balance amongst our most senior officers, with eight out of the 18 current postholders within the Corporate Management Team being female.



Council Tax

In 2013/14, 97.72% of income due from the Council Tax in Orkney was successfully collected, which is not as good as the 2012/13 figure of 98.08%, but is better than the 2013/14 Scottish average of 95.16%.

In 2013/14, the cost of collecting the Council Tax in Orkney was £20.46 per dwelling, which is not as good as the 2012/13 figure of £20.14, and not as good as the 2013/14 Scottish average of £12.13.

Council Tax collection costs are higher in Orkney than the Scottish average due to the high fixed costs of the Council Tax system, and a minimum staffing complement required, which are spread over a comparatively small number of dwellings.

Invoice payments

In 2013/14, 76.88% of invoices to the Council were paid within 30 days, which is not as good as the 2012/13 figure of 78.45%, and not as good as the 2013/14 Scottish average of 91.93%.

Invoice payment within 30 days could 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.



Nuisance noise

In 2013/14, it took an average of 495 hours from the time a complaint about domestic noise was received and attendance on site by a Council officer (for those complaints requiring attendance on site), which is better than the 2012/13 time of 599 hours, but not as good as the 2013/14 Scottish average of 80.73 hours.

However, these figures relate to only five of the 115 complaints about noise we received from members of the public, since we dealt with 110 of these without the need for a Council officer to attend the site of the noise. And, since we are unable to provide a 24 hour, seven day a week service, those complaints occurring out of normal office hours are, where appropriate, attended to by our partner agency, the Police. It is also worth noting that Police responses and alternative responses by the Council, such as our activities under antisocial behaviour legislation, are not taken into account with these figures.

Council housing



Rent loss

In 2013/14, the level of Council house tenant rent arrears in Orkney was 5.81%, which is not as good as the 2013/14 Scottish average of 5.51%.

In this Council we have a prudent approach to writing off Council house tenant arrears, and in this period wrote off only 4%, as compared to the Scottish average of 22%. This has an impact on the level of arrears here in Orkney.

In 2013/14, 3.48% of Council house rent due in Orkney was lost due to properties being unoccupied, which is better than the 2012/13 figure of 4.15%, but not as good as the 2013/14 Scottish average of 1.31%.

Orkney's geography has an impact on our ability to let Council houses in some areas.

Housing quality

In 2013/14, 80.35% of Council housing in Orkney met the Scottish Housing Quality Standard, which is better than the 2012/13 figure of 71.16%, but not as good as the 2013/14 Scottish average of 83.67%.

In 2013/14, 89.07% of Council housing in Orkney was energy efficient, which is better than the 2012/13 figure of 74.52%, but not as good as the 2013/14 Scottish average of 94.01%.

We are continuing to make good progress towards meeting the Scottish Housing Standard, which we must achieve by 2015. 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.



Repair times

In 2013/14, it took an average of 10.66 working days to complete non-emergency repairs to Council housing in Orkney, which is not as good as the 2013/14 Scottish average of 10.17 working days.

We are continuing to work closely with our contractors to endeavour to improve repair times. However, given our small size, slight variations in the number of repairs that are not delivered inside the statutory timescale can result in a disproportionate impact in percentage terms.

Council buildings

Council building suitability

In 2013/14, 83.66% of Council buildings were found to be suitable for their current use, which is not as good as the 2012/13 figure of 86.14%, but better than the 2013/14 Scottish average of 78.21%.

Council building condition

In 2013/14, 95.79% of the internal floor area the Council's operational buildings was found to be in satisfactory condition, which is better than the 2012/13 figure of 80.29%, and better than the 2013/14 Scottish average of 80.92%.

