

**Item: 3**

**Development and Infrastructure Committee: 3 June 2025.**

**Performance Monitoring – Enterprise and Sustainable Regeneration.**

**Report by Director of Enterprise and Resources.**

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## **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. The Directorate Delivery Plan for Enterprise and Sustainable Regeneration was approved in March 2024.
- 1.4. The Council’s Risk Management Policy and Strategy requires that all directorates maintain a register of risks that are inherent in their activities and the services they provide.
- 1.5. 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.
- 1.6. Annexes 1, 2 and 3 provide the six-monthly updates in respect of the Enterprise and Sustainable Regeneration Directorate Delivery Plan, together with relevant performance indicators.
- 1.7. Section 5 below sets out detail on complaints and compliments received by the Enterprise and Sustainable Regeneration service.
- 1.8. Annex 4 presents the revised risk register for Enterprise and Sustainable Regeneration for consideration.

## **2. Recommendations**

- 2.1. It is recommended that members of the Committee:
- i. Note the performance of Enterprise and Sustainable Regeneration for the reporting period 1 October 2024 to 31 March 2025, in respect of directorate priorities and performance indicators, as set out in Annexes 1, 2 and 3 respectively to this report.
  - ii. Agree the proposed amendments to the Directorate Delivery Plan actions as set out in section 3.2 of this report.
  - iii. Note the complaints and compliments made to Enterprise and Sustainable Regeneration in the six-month period 1 October 2024 to 31 March 2025 and for the two preceding six-month periods, as set out in section 4 of this report.
  - iv. Approve the revised Enterprise and Sustainable Regeneration Risk Register, attached as Annex 4 to 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.
- 3.2. Set out below are those Directorate Delivery Plan actions assessed as blue within Annex 1, namely those which have been progressed to completion and are now being recommended for removal from the Directorate Delivery Plan:
- i. 03a International engagement - Deliver on existing commitments contained within Orkney's friendship agreement with Vestland and the Minute of Understanding with the Nordic Atlantic Cooperation.
  - ii. 03b International engagement - Develop a plan, aligned to the Council's priorities, that sets out key performance measures, targets, and resource commitments.
  - iii. 03c International engagement - Increase awareness and opportunities for the wider Orkney community to engage with communities within the Arctic and North Atlantic.
  - iv. 03d International engagement - Participate in the Arctic Circle Assembly in October 2024.

## 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 reports for Enterprise and Sustainable Regeneration are attached as Annexes 2 and 3.
- 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.

## 5. Directorate Complaints and Compliments

- 5.1. Table 1 below sets out the complaints and compliments made to Enterprise and Sustainable Regeneration in the six-month period 1 October 2024 to 31 March 2025 and for the two preceding six-month periods.

| Table 1.     | Six months ending 31 March 2024. | Six months ending 30 September 2024. | Six months ending 31 March 2025. | Totals. |
|--------------|----------------------------------|--------------------------------------|----------------------------------|---------|
| Complaints.  | 0                                | 1                                    | 1                                | 2       |
| Compliments. | 2                                | 1                                    | 9                                | 12      |

- 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. The compliments and complaints received in the reporting period 1 October 2024 to 31 March 2025, were as follows:
- Five compliments to Pier Masters and their teams.
  - Four compliments to Digital Connectivity.
  - One complaint relating to Orkney Ferries' booking system, responded to with a compassionate and informative explanation of service provision in the event of emergency requests.

## 6. Directorate Risk Register

- 6.1. Managers within Enterprise and Sustainable Regeneration have recently conducted a six-monthly review and update of the directorate Risk Register, along with the list of actions to mitigate these risks. The updated Risk Register is attached as Annex 4 to this report.

### For Further Information please contact:

Gareth Waterson, Director of Enterprise and Resources, extension 2521, Email [gareth.waterson@orkney.gov.uk](mailto:gareth.waterson@orkney.gov.uk).

### Implications of Report

1. **Financial:** none arising directly from this report.
2. **Legal:** The Council's performance management systems help the Council to meet its statutory obligation to secure best value.
3. **Corporate Governance:** not applicable.
4. **Human Resources:** not applicable.
5. **Equalities:** An Equality Impact Assessment is not required for performance monitoring.
6. **Island Communities Impact:** An Island Communities Impact Assessment is not required for performance monitoring.
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.
  - Improving Population Health.
- 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: Council Generic.

Annex 3 – Performance Indicators: Service Specific.

Annex 4 – Risk Register.



## Directorate Delivery Plan 2023-28 End March 2025

Progress against ESR Directorate Delivery Plan 2023-28 at 31 March 2025

| Title   | Description  | Intended Outcome   | BRAG  | Start Date  | Target Date |
|---|--|--|---|-------------|-------------|
| ESR DDP 01a<br>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  | The Council is financially sustainable. We balance our income and the use of reserves to support affordable and sustainable service provision and infrastructure development | GREEN  | 01-Oct-2024 | 31-Mar-2028 |
| <b>Lead</b>                                     | <b>Comment</b>   |  |   |             |             |
| Erik Knight                                     | Orkney Community Wind Project has governance to proceed at Quanterness site. Other site investigations / financials still being reviewed. SDWQ has progressed to PCSA - work now has to be done to secure investment/buyer for the project. Visitor levy consultation has been launched. |  |   |             |             |

| Title   | Description  | Intended Outcome   | BRAG   | Start Date  | Target Date |
|---|--|--|--|-------------|-------------|
| ESR DDP 01b<br>Council Financial Sustainability | New income streams are secured to support Council service provision and infrastructure development.  | The Council is financially sustainable. We balance our income and the use of reserves to support affordable and sustainable service provision and infrastructure development | GREEN  | 10-Apr-2025 | 31-Mar-2028 |
| <b>Lead</b>                                     | <b>Comment</b>   |  |  |             |             |
| Erik Knight                                     | Orkney Community Wind Project has governance to proceed at Quanterness site. Other site investigations / financials still being reviewed. SDWQ has progressed to PCSA - work now has to be done to secure investment/buyer for the project. Visitor levy consultation has been launched. |  |  |             |             |

| Title                        | Description   | Intended Outcome                                 | BRAG  | Start Date  | Target Date |
|------------------------------|---|--|---|-------------|-------------|
| ESR DDP 02a<br>Local economy | Review of support mechanisms, action plans and marketing programme to ensure resources as best targeted.                        | The local economy is sustainable and prosperous. | GREEN  | 02-Apr-2025 | 31-Mar-2028 |
| Lead                         | Comment   |  |   |             |             |
| Sweyn Johnston               | Preliminary work to inform this is underway and a report expected to be taken to Committee in 2025 setting out recommendations. |  |   |             |             |

| Title                        | Description  | Intended Outcome                                 | BRAG  | Start Date  | Target Date |
|------------------------------|--|--|---|-------------|-------------|
| ESR DDP 02b<br>Local economy | Actively support and participate in development of key infrastructure, for example the transmission connection for Orkney.   | The local economy is sustainable and prosperous. | GREEN  | 01-Oct-2024 | 31-Mar-2028 |
| Lead                         | Comment  |  |   |             |             |
| Sweyn Johnston               | The Council has been the key enabler in securing regulator consent for a new interconnector. Construction of the related substation in Finstown started in 2024, works are progressing, and the interconnector is due to be energised in 2028. |  |   |             |             |

| Title                                   | Description   | Intended Outcome   | BRAG   | Start Date  | Target Date |
|---|---|--|--|-------------|-------------|
| ESR DDP 03a<br>International engagement | Deliver on existing commitments contained within Orkney's friendship agreement with Vestland and the Minute of Understanding with the Nordic Atlantic Cooperation | We have strong international relations that advance the interests of Orkney and its communities. | BLUE  | 01-Oct-2024 | 31-Mar-2025 |

| Lead           | Comment  |
|----------------|--|
| Sweyn Johnston | <p>The Council is collaborating with Nordhordland UNESCO Biosphere Reserve. Nordhordland is a district in Vestland. This relationship has arisen through the Orkney World Heritage Site Gateway Project and the MoU with the Nordic Atlantic Cooperation (NORA). NORA funded a project that OIC has engaged with called the UNESCO North Atlantic Trail Project. This seeks to build on the outcomes of the Scottish UNESCO Trail and create a 'trail' network that enables UNESCO sites across the North Atlantic to come together to promote place based sustainable regeneration. In October 2024 OIC were represented at the Sisimuit II conference at the Manicouagan and Uapishka Biosphere Region, Quebec, where further discussions were held with Nordhordland around progressing joint projects linking the UNESCO sites on voluntourism and citizen science.'</p> <p>'The MoU with NORA continues with the launch of the Nordic Atlantic Fund in October 2024. This provides £20,000 to support organisations and businesses collaborate with organisations across the NORA region including Faroe Islands, Coastal Norway, Iceland and Greenland.</p> <p>Meetings were held in March 2024 between the Leader of the Council, Chief Executive and the Chair of NORA in Edinburgh at the launch of the North Atlantic UNESCO Trail Project. The Launch event included ministerial representation from Scotland the Faroe Islands and Ambassador from Canada and Chair of the UK Commission for UNESCO. An annual meeting between NORA and OIC was held at the Arctic Circle Assembly in Iceland in October 2024.</p> |

| Title                                   | Description  | Intended Outcome   | BRAG |   | Start Date  | Target Date |
|---|--|--|------|---|-------------|-------------|
| ESR DDP 03b<br>International engagement | Develop a plan, aligned to the Council's priorities, that sets out key performance measures, targets, and resource commitments   | We have strong international relations that advance the interests of Orkney and its communities. | BLUE |  | 11-Oct-2024 | 30-Nov-2024 |
| Lead                                    | Comment  |  |      |   |             |             |
| Sweyn Johnston                          | A report was considered by the Corporate Leadership Team (CLT) earlier in 2024 outlining an approach to international engagement. It is intended that a paper will be presented to Policy and Resources Committee in 2025 setting out proposals. |  |      |   |             |             |

| Title                                   | Description  | Intended Outcome   | BRAG |   | Start Date  | Target Date |
|---|--|--|------|---|-------------|-------------|
| ESR DDP 03c<br>International engagement | Increase awareness and opportunities for the wider Orkney community to engage with communities within the Arctic and North Atlantic  | We have strong international relations that advance the interests of Orkney and its communities. | BLUE |  | 01-Apr-2023 | 31-Mar-2025 |
| Lead                                    | Comment  |  |      |   |             |             |
| Sweyn Johnston                          | An online session was held in December 2023 with NORA where representatives interested in the Arctic were invited to attend and hear about projects happening across the North Atlantic. A session was delivered at the Orkney Science Festival involving representatives from the local community and videos from the Iceland Ocean Cluster, NORA and Arctic Economic Council. A further public event is planned before the end of the year to bring people together to share connections. The three universities in Orkney all joined the Scottish Arctic Network and University of the Arctic, including UHI Orkney, Heriot-Watt University and Robert Gordon University. |  |      |   |             |             |

| Title                                   | Description   | Intended Outcome   | BRAG |   | Start Date  | Target Date |
|---|---|--|------|---|-------------|-------------|
| ESR DDP 03d<br>International engagement | Participate in the Arctic Circle Assembly in October 2024.  | We have strong international relations that advance the interests of Orkney and its communities. | BLUE |  | 01-Apr-2023 | 30-Nov-2024 |
| Lead                                    | Comment   |  |      |   |             |             |
| Sweyn Johnston                          | The Leader Heather Woodbridge, Chief Executive Oliver Reid and Service Manager for Sustainable Regeneration and Arctic Inga Burton, participated in the Arctic Circle Assembly in October 2024 and reported findings back to Council. |  |      |   |             |             |

**Personnel key**

**Director of Enterprise and** – Gareth Waterson

**Head of Finance** – Erik Knight

**Head of Enterprise and Economic Growth** – Sweyn Johston

**Head of Marine Services and Transportation** – Jim Buck

**BRAG key**

**Red** - the agreed action is experiencing significant underperformance, with a medium to high risk of failure to meet its target.

**Amber** - the agreed action is experiencing minor underperformance, with a low risk of failure to meet its target.

**Green** - the agreed action is likely to meet or exceed its target.

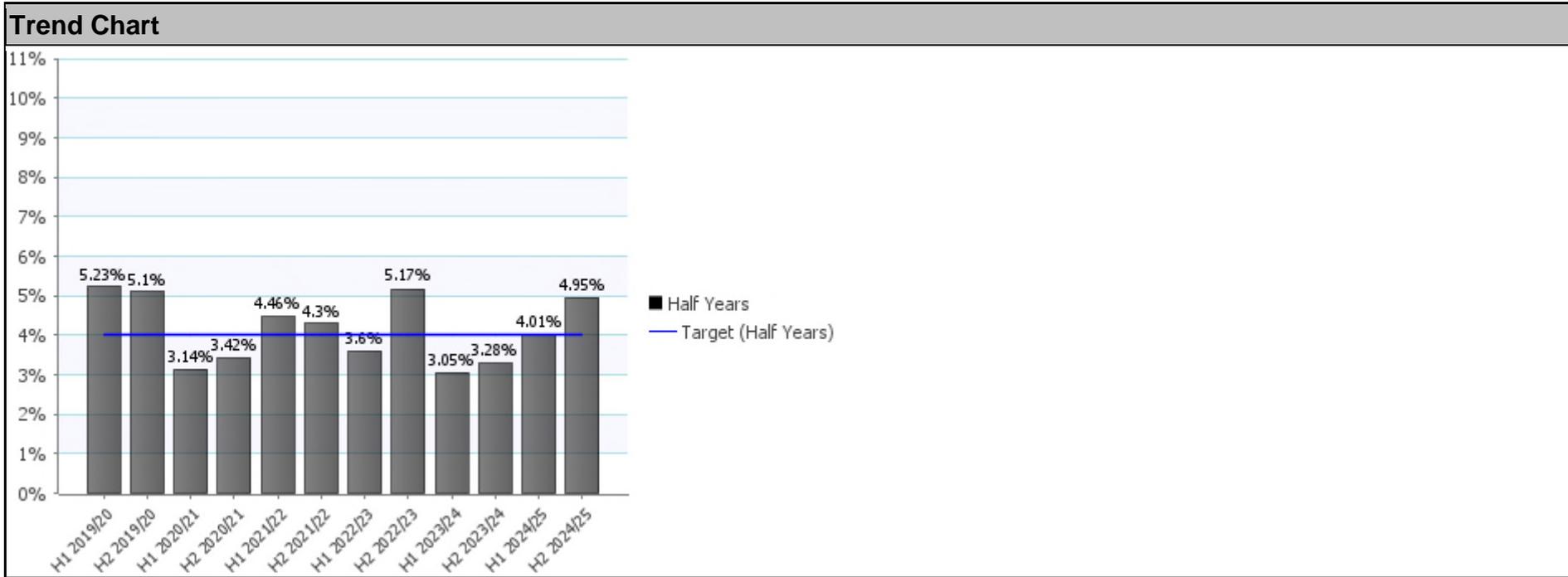
**Blue** – the agreed action has been progressed to completion.

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

Cross Council Generic Indicators as at 31 March 2025



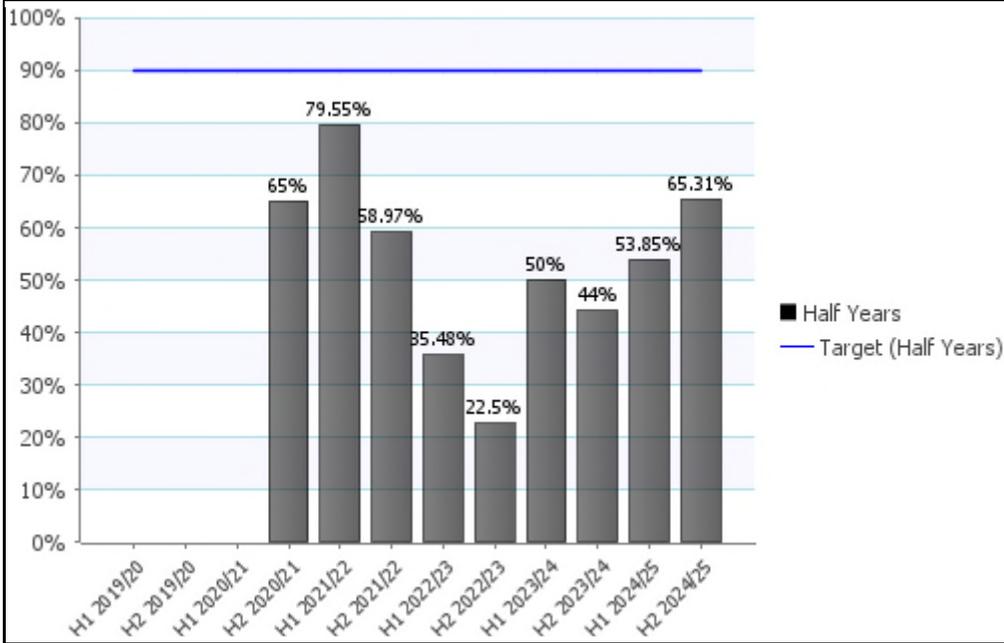
| Performance Indicator   |        |              |       |   |
|---|--------|--------------|-------|---|
| CCG 01 – Sickness absence – The average number of working days per employee lost through sickness absence, expressed as a percentage of the number of working days available.   |        |              |       |   |
| Target  | Actual | Intervention | RAG   |   |
| 4%  | 4.95%  | 6.1%         | AMBER | ⚠ |
| 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> |        |              |       |   |



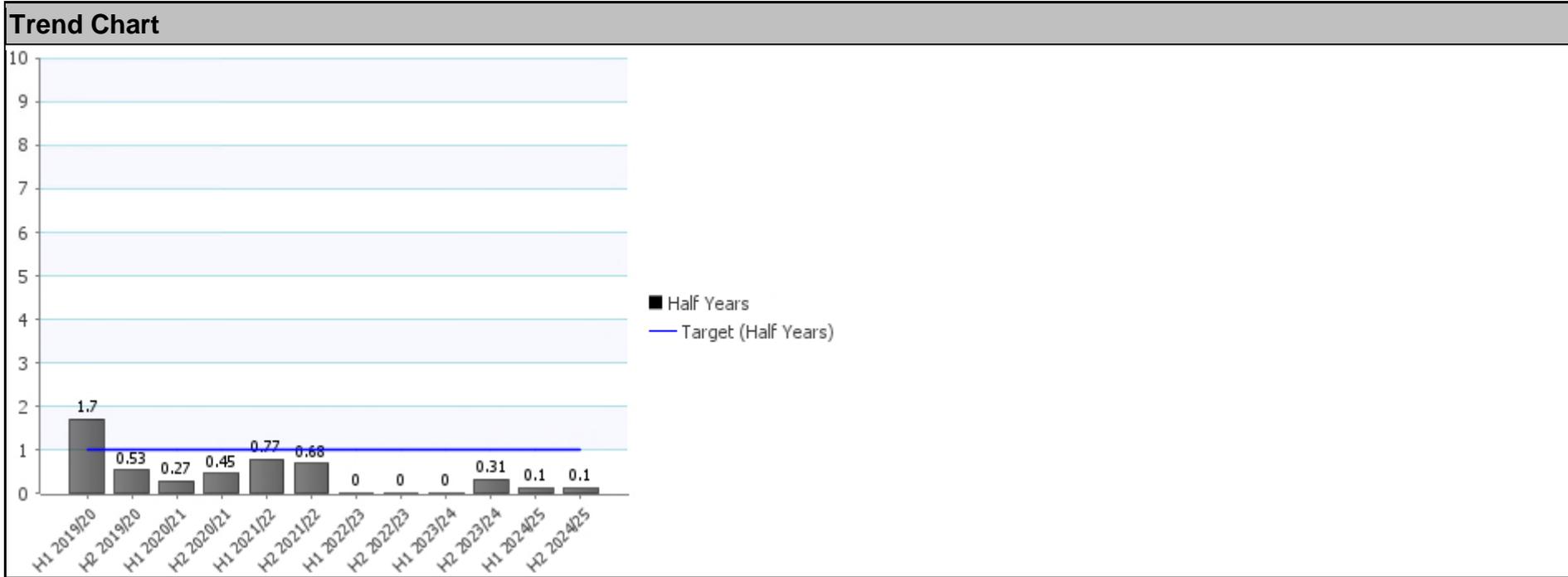
| Performance Indicator   |        |              |  |
|---|--------|--------------|--|
| CCG 02 – Sickness absence – Of the staff who had frequent and/or long-term sickness absence (they activated the sickness absence triggers), the proportion of these where there was management intervention.  |        |              |  |
| Target  | Actual | Intervention | RAG                                    |
| 90%   | 65.31% | 79%          | RED <span style="color: red;">●</span> |
| Comment   |        |              |  |
| 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. |        |              |  |

Managers in most areas are holding conversations with staff on their return to work which have not been recorded. For example, absence counselling meetings which need notice to arrange, have not been completed where employees have just returned to work. Staff vacancies and absences in 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.

**Trend Chart**



| Performance Indicator  |        |              |       |   |
|--|--------|--------------|-------|---|
| CCG 03 – Staff accidents – The number of staff accidents within the service, per 30 staff per year.  |        |              |       |   |
| Target   | Actual | Intervention | RAG   |   |
| 1  | 0.1    | 2.1          | GREEN |  |
| Comment  |        |              |       |   |
| <p><b>Trend Analysis:</b> ES&amp;R is demonstrating a static low-level trend of accident reporting for the 12-month rolling period reported in this quarter.</p> <p>It is important to note that while the number of reports has remained static, the actual number of accidents reported during this 12-month period remains extremely low for a service of this size, which includes the high-risk operational Marine Services.</p> <p>Marine Services has a strong commitment to ensuring the well-being of staff and visitors through rigorous safety protocols and continuous improvement initiatives. They undertake comprehensive regular training sessions, have established a marine safety committee and ensure thorough risk assessments. Additionally, initiatives are being implemented between the Safety and Resilience service and Marine Services to raise awareness among staff about the importance of reporting accidents and near misses.</p> <p>Overall, E&amp;SR's health and safety position reflects a directorate that maintains a high standard of management in this area.</p> <p><b>RIDDOR:</b> During this reported 12-month period there has been 0 RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations) reportable accidents for E&amp;SR.</p> |        |              |       |   |

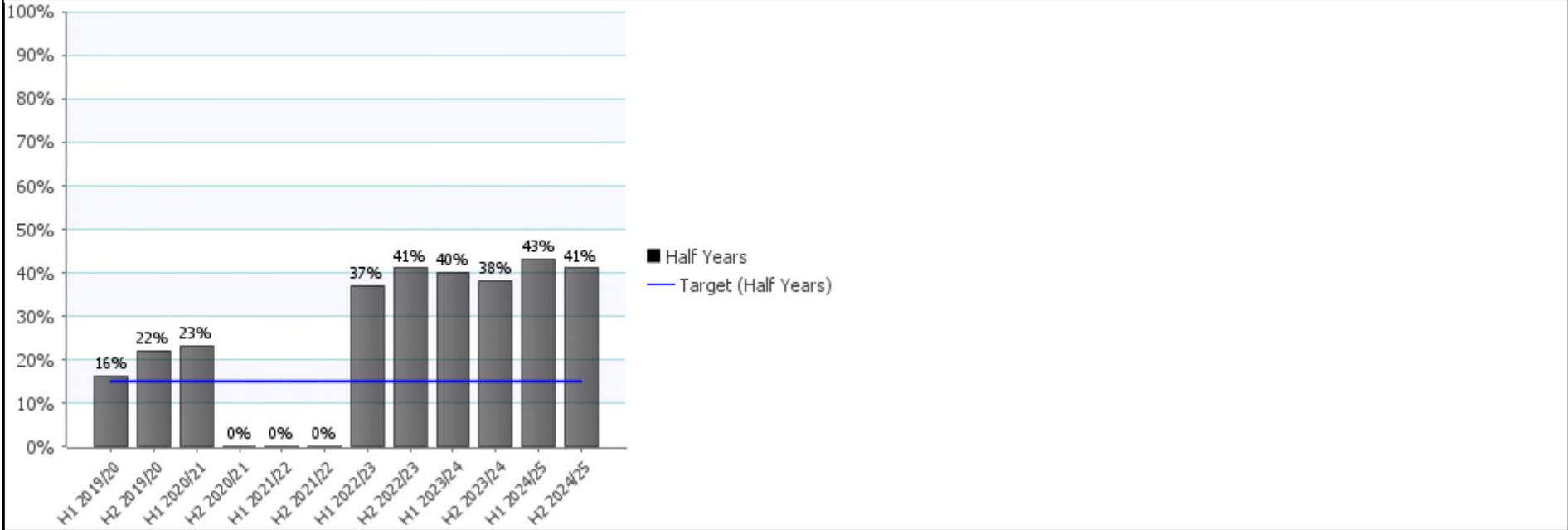


| Performance Indicator   |        |              |  |
|---|--------|--------------|--|
| CCG 04 – Budget control – The number of significant variances (priority actions) generated at subjective group level, as a proportion of cost centres held. |        |              |  |
| Target  | Actual | Intervention | RAG                                    |
| 15%   | 41%    | 31%          | RED <span style="color: red;">●</span> |

**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.

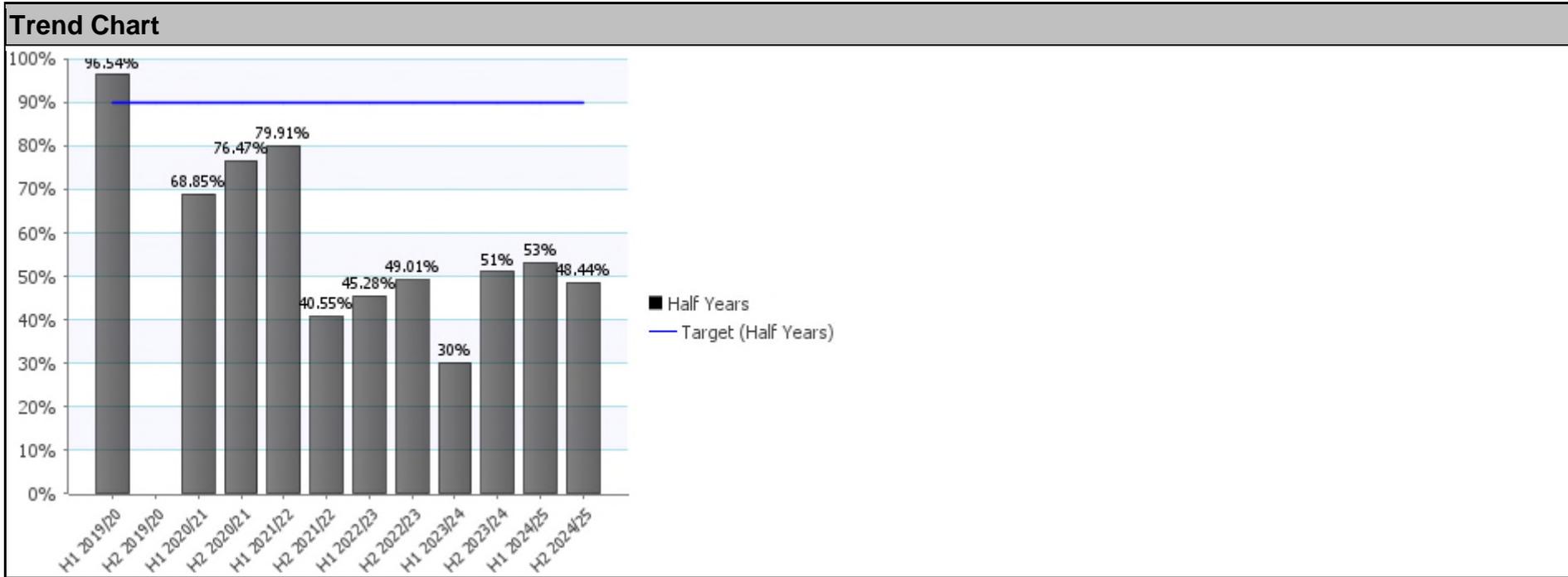
**Trend Chart**



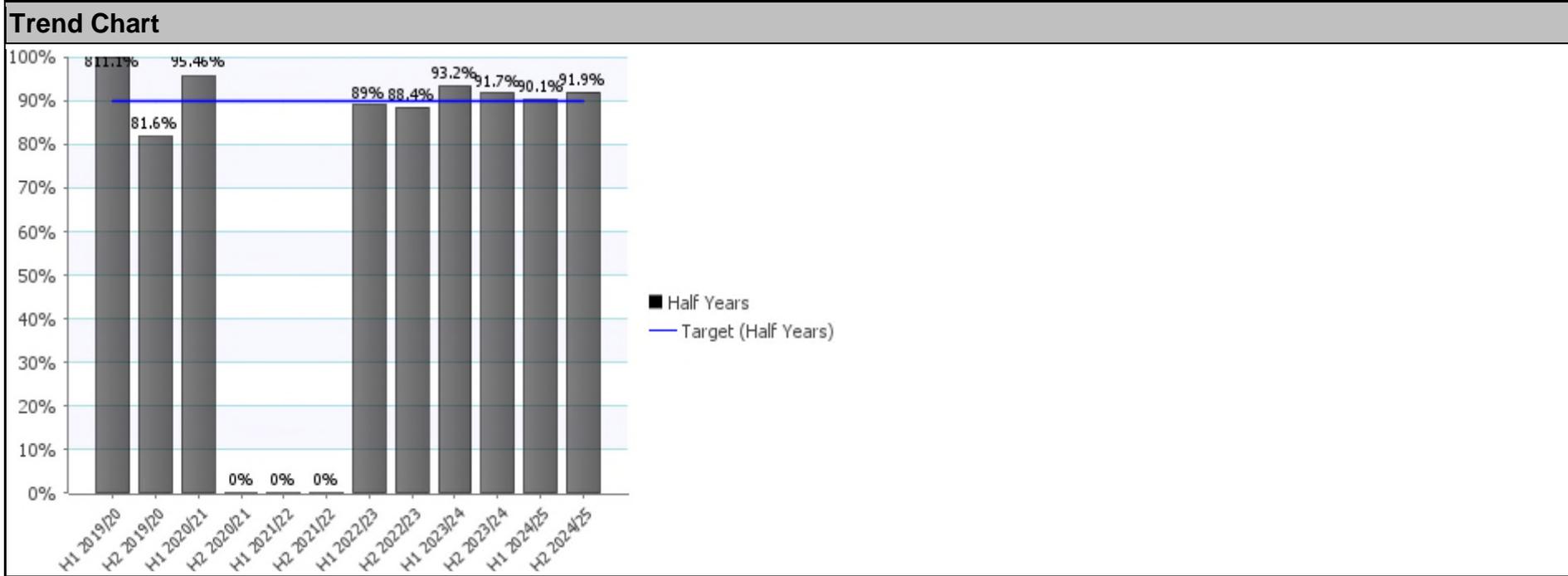
| Performance Indicator   |            |              |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
|---|------------|--------------|-----|------------------------------------|-----------|------------|------------|------------|-------|----|------------|----|----|------------|----|----|------------|----|----|------------|----|----|------------|----|----|------------|-------|----|------------|----|----|------------|------|----|------------|-------|----|------------|------|----|------------|-------|----|
| 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%  | 3.33%      | 4.1%         | RED | <span style="color: red;">●</span> |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| Comment   |            |              |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| There are still some challenges in recruiting to posts in the Council particularly in Finance and 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   |            |              |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| <table border="1"> <caption>Trend Chart Data</caption> <thead> <tr> <th>Half Year</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr><td>H1 2019/20</td><td>2.86%</td><td>2%</td></tr> <tr><td>H2 2019/20</td><td>0%</td><td>2%</td></tr> <tr><td>H1 2020/21</td><td>0%</td><td>2%</td></tr> <tr><td>H2 2020/21</td><td>0%</td><td>2%</td></tr> <tr><td>H1 2021/22</td><td>0%</td><td>2%</td></tr> <tr><td>H2 2021/22</td><td>0%</td><td>2%</td></tr> <tr><td>H1 2022/23</td><td>5.56%</td><td>2%</td></tr> <tr><td>H2 2022/23</td><td>0%</td><td>2%</td></tr> <tr><td>H1 2023/24</td><td>1.3%</td><td>2%</td></tr> <tr><td>H2 2023/24</td><td>3.03%</td><td>2%</td></tr> <tr><td>H1 2024/25</td><td>7.9%</td><td>2%</td></tr> <tr><td>H2 2024/25</td><td>3.33%</td><td>2%</td></tr> </tbody> </table> |            |              |     |                                    | Half Year | Actual (%) | Target (%) | H1 2019/20 | 2.86% | 2% | H2 2019/20 | 0% | 2% | H1 2020/21 | 0% | 2% | H2 2020/21 | 0% | 2% | H1 2021/22 | 0% | 2% | H2 2021/22 | 0% | 2% | H1 2022/23 | 5.56% | 2% | H2 2022/23 | 0% | 2% | H1 2023/24 | 1.3% | 2% | H2 2023/24 | 3.03% | 2% | H1 2024/25 | 7.9% | 2% | H2 2024/25 | 3.33% | 2% |
| Half Year   | Actual (%) | Target (%)   |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H1 2019/20  | 2.86%      | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H2 2019/20  | 0%         | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H1 2020/21  | 0%         | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H2 2020/21  | 0%         | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H1 2021/22  | 0%         | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H2 2021/22  | 0%         | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H1 2022/23  | 5.56%      | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H2 2022/23  | 0%         | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H1 2023/24  | 1.3%       | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H2 2023/24  | 3.03%      | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H1 2024/25  | 7.9%       | 2%           |     |                                    |           |            |            |            |       |    |            |    |    |            |    |    |            |    |    |            |    |    |            |    |    |            |       |    |            |    |    |            |      |    |            |       |    |            |      |    |            |       |    |
| H2 2024/25  | 3.33%      | 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%   | 0.9%       | 10.1%        | GREEN | ▶ |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| Comment  |            |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| There are 214 established permanent positions with six having left, but not through retirement or redundancy during the period.  |            |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| Trend Chart  |            |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| <p>Legend: ■ Half Years, — Target (Half Years)</p> <table border="1"> <caption>Recruitment and Retention Data</caption> <thead> <tr> <th>Period</th> <th>Percentage</th> </tr> </thead> <tbody> <tr><td>H1 2019/20</td><td>0.7%</td></tr> <tr><td>H2 2019/20</td><td>2.08%</td></tr> <tr><td>H1 2020/21</td><td>1.24%</td></tr> <tr><td>H2 2020/21</td><td>1.24%</td></tr> <tr><td>H1 2021/22</td><td>1.66%</td></tr> <tr><td>H2 2021/22</td><td>0.82%</td></tr> <tr><td>H1 2022/23</td><td>1.55%</td></tr> <tr><td>H2 2022/23</td><td>2.53%</td></tr> <tr><td>H1 2023/24</td><td>6.43%</td></tr> <tr><td>H2 2023/24</td><td>1.46%</td></tr> <tr><td>H1 2024/25</td><td>2.8%</td></tr> <tr><td>H2 2024/25</td><td>0.9%</td></tr> </tbody> </table> |            |              |       |   | Period | Percentage | H1 2019/20 | 0.7% | H2 2019/20 | 2.08% | H1 2020/21 | 1.24% | H2 2020/21 | 1.24% | H1 2021/22 | 1.66% | H2 2021/22 | 0.82% | H1 2022/23 | 1.55% | H2 2022/23 | 2.53% | H1 2023/24 | 6.43% | H2 2023/24 | 1.46% | H1 2024/25 | 2.8% | H2 2024/25 | 0.9% |
| Period   | Percentage |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H1 2019/20   | 0.7%       |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H2 2019/20   | 2.08%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H1 2020/21   | 1.24%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H2 2020/21   | 1.24%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H1 2021/22   | 1.66%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H2 2021/22   | 0.82%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H1 2022/23   | 1.55%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H2 2022/23   | 2.53%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H1 2023/24   | 6.43%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H2 2023/24   | 1.46%      |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H1 2024/25   | 2.8%       |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |
| H2 2024/25   | 0.9%       |              |       |   |        |            |            |      |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |       |            |      |            |      |

| <b>Performance Indicator</b>   |               |                     |            |   |
|--|---------------|---------------------|------------|---|
| CCG 07 – Good Conversations – The number of staff who receive (at least) an annual face-to-face Good Conversations (GC) meeting, as a proportion of the total number of staff within the service.  |               |                     |            |   |
| <b>Target</b>  | <b>Actual</b> | <b>Intervention</b> | <b>RAG</b> |   |
| 90%  | 48.44%        | 79%                 | RED        |  |
| <b>Comment</b>   |               |                     |            |   |
| <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> |               |                     |            |   |



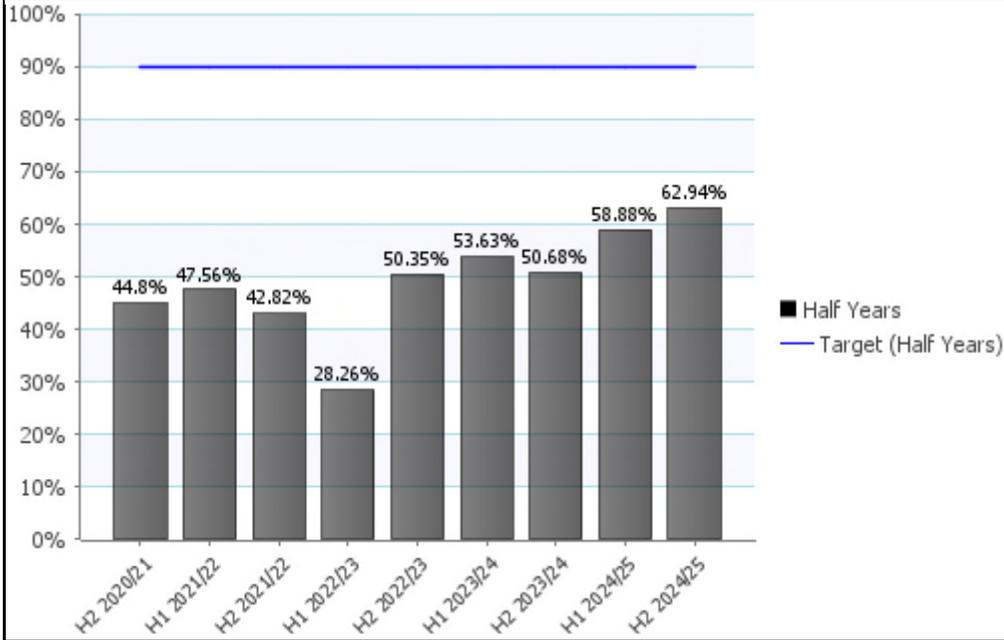
| Performance Indicator  |        |              |   |
|--|--------|--------------|---|
| CCG 08 – Invoice payment – The number of invoices that were submitted accurately, and paid within 30 days of invoice date, as a proportion of the total number of invoices paid.                   |        |              |   |
| Target   | Actual | Intervention | RAG   |
| 90%  | 91.9%  | 79%          | GREEN  |
| Comment  |        |              |   |
| The Service performance for this indicator exceeds the target and demonstrates the efficiency of most invoices being received either electronically or into one of three fairly central locations. |        |              |   |



| 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%   | 62.94% | 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 62.94% 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. There have been issues with iLearn recording the completion of training during this reporting period. Discussions are in progress between the service areas and Learn |        |              |     |  |

Develop to resolve these issues.

**Trend Chart**



**RAG 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.

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

Service Specific Indicators as at 31 March 2025



| Performance Indicator  |            |              |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
|--|------------|--------------|-------|--|------|------------|------------|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|
| ESR SS 11 – Pilotage – The proportion of requests where the pilotage was provided within two hours of the request.   |            |              |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Target   | Actual     | Intervention | RAG   |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 98%  | 100%       | 94%          | GREEN |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Comment  |            |              |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Pilotage service maintained at two hours or less notice.   |            |              |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Trend Chart  |            |              |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| <table border="1"> <caption>Trend Chart Data</caption> <thead> <tr> <th>Year</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2019/20</td> <td>100</td> <td>98</td> </tr> <tr> <td>2020/21</td> <td>100</td> <td>98</td> </tr> <tr> <td>2021/22</td> <td>100</td> <td>98</td> </tr> <tr> <td>2022/23</td> <td>100</td> <td>98</td> </tr> <tr> <td>2023/24</td> <td>100</td> <td>98</td> </tr> <tr> <td>2024/25</td> <td>100</td> <td>98</td> </tr> </tbody> </table> |            |              |       |  | Year | Actual (%) | Target (%) | 2019/20 | 100 | 98 | 2020/21 | 100 | 98 | 2021/22 | 100 | 98 | 2022/23 | 100 | 98 | 2023/24 | 100 | 98 | 2024/25 | 100 | 98 |
| Year   | Actual (%) | Target (%)   |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2019/20  | 100        | 98           |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2020/21  | 100        | 98           |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2021/22  | 100        | 98           |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2022/23  | 100        | 98           |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2023/24  | 100        | 98           |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2024/25  | 100        | 98           |       |  |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |

| Performance Indicator  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
|--|------------|--------------|-------|---|------|------------|------------|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|
| ESR SS 12 – Towage – The proportion of requests where the towage was provided within two hours of the request.   |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Target   | Actual     | Intervention | RAG   |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 98%  | 100%       | 94%          | GREEN | ▶ |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Comment  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| All acts of towage carried out within the two-hour period.   |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Trend Chart  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| <p>The trend chart displays performance data from 2019/20 to 2024/25. The vertical axis (y-axis) represents the percentage, ranging from 97 to 100.5 in increments of 0.5. The horizontal axis (x-axis) lists the fiscal years: 2019/20, 2020/21, 2021/22, 2022/23, 2023/24, and 2024/25. Blue bars represent the actual performance percentage, which is consistently 100% for every year. An orange horizontal line represents the target performance, which is set at 98%. The legend at the bottom indicates that the blue bar represents the percentage and the orange line represents the target.</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2019/20</td> <td>100</td> <td>98</td> </tr> <tr> <td>2020/21</td> <td>100</td> <td>98</td> </tr> <tr> <td>2021/22</td> <td>100</td> <td>98</td> </tr> <tr> <td>2022/23</td> <td>100</td> <td>98</td> </tr> <tr> <td>2023/24</td> <td>100</td> <td>98</td> </tr> <tr> <td>2024/25</td> <td>100</td> <td>98</td> </tr> </tbody> </table> |            |              |       |   | Year | Actual (%) | Target (%) | 2019/20 | 100 | 98 | 2020/21 | 100 | 98 | 2021/22 | 100 | 98 | 2022/23 | 100 | 98 | 2023/24 | 100 | 98 | 2024/25 | 100 | 98 |
| Year   | Actual (%) | Target (%)   |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2019/20  | 100        | 98           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2020/21  | 100        | 98           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2021/22  | 100        | 98           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2022/23  | 100        | 98           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2023/24  | 100        | 98           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2024/25  | 100        | 98           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |

| Performance Indicator  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
|--|------------|--------------|-------|---|------|------------|------------|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|---------|-----|----|
| ESR SS 13 – Business start-ups and expansions – Percentage of grant applications determined within 90 days.  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Target   | Actual     | Intervention | RAG   |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 80%  | 100%       | 69%          | GREEN | ▶ |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Comment  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| All grants have been determined within the 90 days' target.  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| Trend Chart  |            |              |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| <table border="1"> <caption>Trend Chart Data</caption> <thead> <tr> <th>Year</th> <th>Actual (%)</th> <th>Target (%)</th> </tr> </thead> <tbody> <tr> <td>2019/20</td> <td>100</td> <td>80</td> </tr> <tr> <td>2020/21</td> <td>100</td> <td>80</td> </tr> <tr> <td>2021/22</td> <td>100</td> <td>80</td> </tr> <tr> <td>2022/23</td> <td>100</td> <td>80</td> </tr> <tr> <td>2023/24</td> <td>100</td> <td>80</td> </tr> <tr> <td>2024/25</td> <td>100</td> <td>80</td> </tr> </tbody> </table> |            |              |       |   | Year | Actual (%) | Target (%) | 2019/20 | 100 | 80 | 2020/21 | 100 | 80 | 2021/22 | 100 | 80 | 2022/23 | 100 | 80 | 2023/24 | 100 | 80 | 2024/25 | 100 | 80 |
| Year   | Actual (%) | Target (%)   |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2019/20  | 100        | 80           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2020/21  | 100        | 80           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2021/22  | 100        | 80           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2022/23  | 100        | 80           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2023/24  | 100        | 80           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |
| 2024/25  | 100        | 80           |       |   |      |            |            |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |         |     |    |

**RAG 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.

## Enterprise and Sustainable Regeneration (ESR)

Risk Register – February 2024

### Strategic Risks

| Cluster.                  | Risk Number. | Owner.  |
|---------------------------|--------------|---|
| Financial.                | 3.           | Head of Finance.  |
|                           | 5.           | Corporate Director for Enterprise and Sustainable Regeneration. |
|                           | 6.           | Head of Marine Services, Transportation and Harbour Master.     |
|                           | 7.           | Head of Marine Services, Transportation and Harbour Master.     |
|                           | 8.           | Corporate Director for Enterprise and Sustainable Regeneration. |
| Staffing.                 | 1.           | Corporate Director for Enterprise and Sustainable Regeneration. |
|                           | 2.           | Corporate Director for Enterprise and Sustainable Regeneration. |
| Governance.               |              |   |
| Legislation.              |              |   |
| Communication.            |              |   |
| Reputational.             | 4.           | Head of Marine Services, Transportation and Harbour Master.     |
| Physical.                 |              |   |
| Legislative / Governance. |              |   |
| Technological.            |              |   |

| <b>Risk Rating.</b> | <b>Risk.</b>   | <b>Owner.</b>   | <b>Cluster.</b> | <b>Risk Number.</b> |
|---------------------|--|---|-----------------|---------------------|
| 25                  | Loss of service due to lack of funding for Ferry and Terminal Replacement.   | Corporate Director for Enterprise and Sustainable Regeneration. | Financial.      | 8                   |
| 20                  | Inability to deliver core services and expand demand-led services in line with expectation.                              | Head of Finance.  | Financial.      | 3.                  |
| 16                  | Continuity of staffing and knowledge.  | Corporate Director for Enterprise and Sustainable Regeneration. | Staffing.       | 1.                  |
| 15                  | Major project delay or failure.  | Corporate Director for Enterprise and Sustainable Regeneration. | Financial       | 5.                  |
| 12                  | Continued lack of Scottish Government support for costs of concessionary travel on ferries, air and community transport. | Head of Marine Services, Transportation and Harbour Master.     | Financial       | 6.                  |
| 12                  | Risk of reduced income from Harbours business activity as the market changes.  | Head of Marine Services, Transportation and Harbour Master.     | Financial       | 7.                  |
| 9                   | Staff training and development.  | Corporate Director for Enterprise and Sustainable Regeneration. | Staffing.       | 2.                  |
| 9                   | Airfield closure or non-conformity.  | Head of Marine Services, Transportation and Harbour Master.     | Reputational.   | 4.                  |

### **Risks by rating**

# Risk Matrix

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

**Risk Title: 01 – Continuity of staffing and knowledge.**

|                    |   |                |          |             |             |                            |           |                           |          |
|--------------------|---|----------------|----------|-------------|-------------|----------------------------|-----------|---------------------------|----------|
| <b>Likelihood.</b> | <b>3</b>  | <b>Impact.</b> | <b>4</b> | <b>RAG.</b> | <b>High</b> | <b>Current Risk Score.</b> | <b>12</b> | <b>Target Risk Score.</b> | <b>8</b> |
| <b>Owner.</b>      | Corporate Director for Enterprise and Sustainable Regeneration. |                |          |             |             | <b>Cluster.</b>            | Staffing. |                           |          |

| <b>Vulnerability.</b>   | <b>Trigger.</b>   | <b>Consequences.</b>   | <b>Options.</b> | <b>Mitigating Actions.</b>   |
|---|---|--|-----------------|--|
| <p>Smaller teams are less resilient and more vulnerable.</p> <p>Recruitment and retention are ongoing challenges due to a challenging job market.</p> <p>Small teams or single key people in critical posts.</p> <p>Demographic of the workforce with several staff members becoming eligible for retirement.</p> | <p>Unplanned and planned staff absence; unexpected and unplanned events.</p> <p>Retirement of staff members with many years of corporate knowledge.</p> | <p>Impact on staff morale and ability to take leave; impact on team effectiveness; poor communication; impact on management capacity; inefficient use of staff; inability to implement planned work and deliver statutory functions.</p> | <p>Treat.</p>   | <p>01.01. Undertake workforce planning and opportunities for career succession planning.</p> <p>01.02. Take a flexible approach to staffing to help cover workloads.</p> <p>01.03. Develop a flexible post / job description to cover more than one area in the directorate.</p> |

**Risk Title: 02 – Staff training and development.**

|                    |   |                |          |             |               |                            |                 |                           |          |
|--------------------|---|----------------|----------|-------------|---------------|----------------------------|-----------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>3</b>  | <b>Impact.</b> | <b>3</b> | <b>RAG.</b> | <b>Medium</b> | <b>Current Risk Score.</b> | <b>9</b>        | <b>Target Risk Score.</b> | <b>4</b> |
| <b>Owner.</b>      | Corporate Director for Enterprise and Sustainable Regeneration. |                |          |             |               |                            | <b>Cluster.</b> | Staffing.                 |          |

| <b>Vulnerability.</b>  | <b>Trigger.</b>  | <b>Consequences.</b>  | <b>Options.</b> | <b>Mitigating Actions.</b>  |
|--|--|---|-----------------|---|
| <p>Staff may not be fully trained or experienced; staff may not be aware of or may inadvertently breach Council policy or Code of Practice; limited access to training budget.</p> <p>Staff may not feel valued if no investment in continuing professional development is made.</p> | <p>The Directorate and Council are unable to deliver functions effectively; lack of corporate consistency.</p> | <p>Lack of resilience; poor staff morale; legal and financial implications; reputational loss; increased rate of error; unable to meet professional development requirements.</p> | <p>Treat.</p>   | <p>02.01. Development of skills identified through staff good conversations.</p> <p>02.02. Promote Council's Learning and Development programmes and resources.</p> |

**Risk Title: 03 – Inability to deliver core services and expand demand-led services in line with expectation.**

|                    |                  |                |          |             |                |                            |                 |                           |          |
|--------------------|------------------|----------------|----------|-------------|----------------|----------------------------|-----------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>5</b>         | <b>Impact.</b> | <b>4</b> | <b>RAG.</b> | <b>Extreme</b> | <b>Current Risk Score.</b> | <b>20</b>       | <b>Target Risk Score.</b> | <b>9</b> |
| <b>Owner.</b>      | Head of Finance. |                |          |             |                |                            | <b>Cluster.</b> | Financial.                |          |

| <b>Vulnerability.</b>   | <b>Trigger.</b>  | <b>Consequences.</b>   | <b>Options.</b>     | <b>Mitigating Actions.</b>   |
|---|--|--|---------------------|--|
| The risk of insufficient financial resources to meet current and future demand. | The Council's inability to deliver essential services within the funding package provided by Scottish Government; expectations outstrip capacity to deliver. | Community unrest; dissatisfied service users and elected members; unmet demand; loss of credibility of the Council; failure to deliver the range of services expected. | Treat.<br>Tolerate. | 03.01. Follow revenue budget monitoring process and procedures.<br>03.02. Communication with Scottish and United Kingdom Governments.<br>03.03. Implement strategy for efficiency savings and, with the Corporate Leadership Team, develop longer term strategic planning. |

**Risk Title: 04 – Airfield closure or non-conformity.**

|                    |   |                |          |             |                |                            |                 |                           |          |
|--------------------|---|----------------|----------|-------------|----------------|----------------------------|-----------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>3</b>  | <b>Impact.</b> | <b>3</b> | <b>RAG.</b> | <b>Medium.</b> | <b>Current Risk Score.</b> | <b>9</b>        | <b>Target Risk Score.</b> | <b>4</b> |
| <b>Owner.</b>      | Head of Marine Services, Transportation and Harbour Master. |                |          |             |                |                            | <b>Cluster.</b> | Reputational.             |          |

| <b>Vulnerability.</b>  | <b>Trigger.</b>   | <b>Consequences.</b>  | <b>Options.</b> | <b>Mitigating Actions.</b>  |
|--|---|---|-----------------|---|
| <p>Insufficient plans in place to ensure delivery of training and exercises take place. The Council may not have sufficient funds to sustain assets, replace ageing assets and develop key assets.</p> <p>Difficulty of staff recruitment in some areas.</p> | <p>Failure to carry out training of staff.</p> <p>Insufficient resilience of staff – singleton post.</p> <p>Changed standards for runways, facilities and equipment.</p> <p>Material deterioration of runways.</p> <p>Shortage of staff to muster fire team for any island.</p> | <p>Failure to provide a service to the outer islands of Orkney; airfields deteriorate; plant/vehicles deteriorate; scarce resources; reputational risk to Council; closure of islands airfields.</p> <p>Failure to monitor health due to lack of supplier or sufficient budget.</p> | Treat.          | <p>04.01 – Improved training and exercise programme.</p> <p>04.02 – Plant and vehicle replacement programme.</p> <p>04.03 – Recruitment drive for new employees.</p> <p>04.04 - Airfield inspection and maintenance programme and introduction of Airfields Strategy.</p> <p>04.05 – Delivery of the Airfields investment plans for runways, buildings and plant.</p> <p>04.06 - Regular cycle of Safety Action Group and Safety Review Board meetings.</p> |

**Risk Title: 05 – Major project delay or failure.**

|                    |   |                |          |             |             |                            |            |                           |          |
|--------------------|---|----------------|----------|-------------|-------------|----------------------------|------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>5</b>  | <b>Impact.</b> | <b>3</b> | <b>RAG.</b> | <b>High</b> | <b>Current Risk Score.</b> | <b>15</b>  | <b>Target Risk Score.</b> | <b>6</b> |
| <b>Owner.</b>      | Corporate Director for Enterprise and Sustainable Regeneration. |                |          |             |             | <b>Cluster.</b>            | Financial. |                           |          |

| <b>Vulnerability.</b>   | <b>Trigger.</b>  | <b>Consequences.</b>                      | <b>Options.</b> | <b>Mitigating Actions.</b>   |
|---|--|---|-----------------|--|
| <p>The risk of insufficient financial and/or staff resources to meet current and future demand makes it difficult for the Council to realise its priorities eg Scale Wind, Islands Deal, Harbours Master Plan.</p> <p>Failure to spend grant funding.</p> <p>Reputational damage.</p> | <p>Strategic high-level project programme slippage or failure of being over budget.</p> <p>Scale of project management business requirements associated with the Islands Deal.</p> | <p>Failure to deliver major projects.</p> | <p>Treat.</p>   | <p>05.01 – Ensuring appropriate consideration of pressures during capital and revenue budget setting and most efficient use of existing resources.</p> <p>05.02 – Establish additional project specific staff and budget resources to ensure new project delivery where required (property and planning resource reviews and commitment to increase resource levels). Challenge has been establishing sufficient management time to progress recruitment process.</p> <p>05.03 - Implement recommendations relevant to the capital programme arising from the external review of the Planning Service.</p> |

| Vulnerability. | Trigger. | Consequences. | Options. | Mitigating Actions.   |
|----------------|----------|---------------|----------|---|
|                |          |               |          | <p>05.04 – Seeking to conclude the planning for the next capital programme (period 2024 to 2029) and thereby adjusting resource levels to meet delivery demands.</p> <p>05.05 - Review of the level of support for the next stage of Islands Deal work beyond Strategic Outline Business Case. This would be addressed via future Project Management Office committed resource across the partners.</p> |

**Risk Title: 06 – Continued lack of Scottish Government support for costs of concessionary travel on ferries, air and community transport.**

|                    |   |                |          |             |               |                            |            |                           |          |
|--------------------|---|----------------|----------|-------------|---------------|----------------------------|------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>4</b>  | <b>Impact.</b> | <b>3</b> | <b>RAG.</b> | <b>Medium</b> | <b>Current Risk Score.</b> | <b>12</b>  | <b>Target Risk Score.</b> | <b>4</b> |
| <b>Owner.</b>      | Head of Marine Services, Transportation and Harbour Master. |                |          |             |               | <b>Cluster.</b>            | Financial. |                           |          |

| <b>Vulnerability.</b>  | <b>Trigger.</b>   | <b>Consequences.</b>   | <b>Options.</b>                | <b>Mitigating Actions.</b>   |
|--|---|--|--------------------------------|--|
| <p>The Council may not have sufficient funds for dealing with concessions on Ferries, Air and Dial-a-Bus.</p> <p>This vulnerability is also increasing due to the increased ageing population.</p> | <p>Ageing population. Reducing Scottish Government proportion of grant / Scottish Government “pot” is capped.</p> <p>Any change to Scottish Government Policy on the provision of support to concessions.</p> | <p>Vulnerable people left without ability to meet basic needs, budgets inadequate due to reduction in Scottish Government support.</p> | <p>Treat.</p> <p>Tolerate.</p> | <p>06.01 – Outwith Local Authority control: reimbursement of over 60/disabled National Entitlement Card paid by the Scottish Government.</p> <p>06.02 - Orkney Inter Islands Air and Ferry Study Project/Fair Funding activity.</p> <p>06.03 – contribute to the Transport Scotland Fair Fares Review.</p> |

**Risk Title: 07 – Risk of reduced income from Harbours business activity as the market changes.**

|                    |   |                |          |             |               |                            |                 |                           |          |
|--------------------|---|----------------|----------|-------------|---------------|----------------------------|-----------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>4</b>  | <b>Impact.</b> | <b>3</b> | <b>RAG.</b> | <b>Medium</b> | <b>Current Risk Score.</b> | <b>12</b>       | <b>Target Risk Score.</b> | <b>4</b> |
| <b>Owner.</b>      | Head of Marine Services, Transportation and Harbour Master. |                |          |             |               |                            | <b>Cluster.</b> | Financial.                |          |

| <b>Vulnerability.</b>  | <b>Trigger.</b>   | <b>Consequences.</b>  | <b>Options.</b> | <b>Mitigating Actions.</b>  |
|--|---|---|-----------------|---|
| Harbours has become increasingly reliant on the oil industry and cruise liners for generating income. Changes to these markets could have a profound effect on harbour revenues. | The Council fails to identify and exploit new markets / income streams if / when current marine activity reduces. Cruise ships reduce. Oil revenues worsen. | Failure to provide a comprehensive 24/7 marine service; reputational risk to Council; dissatisfied service users and elected members; failure to deliver the range of services expected. Enterprise and Sustainable Regeneration self-financed budget strategy leading to overspend.<br><br>Inability to provide funds to the Strategic Reserve Fund. | Treat.          | 07.01 - Development and marketing of infrastructure and services.<br><br>07.02 – New business eg Ship to Ship transfer in Scapa Flow and other oil and gas related activity.<br><br>07.03 - Identify and exploit new markets and invest in infrastructure and skilled people.<br><br>07.04 - Implementation and investment in the Harbours Master Plan. Costs associated balanced against implications for Council-wide financial planning. |

**Risk Title: 08 – Loss of service due to lack of funding for Ferry and Terminal Replacement.**

|                    |   |                |          |             |                 |                            |                 |                           |          |
|--------------------|---|----------------|----------|-------------|-----------------|----------------------------|-----------------|---------------------------|----------|
| <b>Likelihood.</b> | <b>5</b>  | <b>Impact.</b> | <b>5</b> | <b>RAG.</b> | <b>Extreme.</b> | <b>Current Risk Score.</b> | <b>25</b>       | <b>Target Risk Score.</b> | <b>4</b> |
| <b>Owner.</b>      | Head of Marine Services, Transportation and Harbour Master. |                |          |             |                 |                            | <b>Cluster.</b> | Financial.                |          |

| <b>Vulnerability.</b>  | <b>Trigger.</b>  | <b>Consequences.</b>  | <b>Options.</b> | <b>Mitigating Actions.</b>  |
|--|--|---|-----------------|---|
| <p>The Council does not have sufficient funds for Ferry and Terminal maintenance and replacement programme.</p> <p>If Scottish Government funding is not forthcoming the costs of additional essential lifeline services could impact on other service priorities.</p> | <p>The Council cannot maintain or develop its essential assets to provide public services.</p> | <p>Ferries reach end of life with no replacement – rapid service deterioration.</p> <p>Excessive support costs as aged ferries kept running.</p> <p>Excessive running costs of old ferries.</p> <p>No opportunities to achieve expected service levels.</p> <p>Crisis purchase of new ferries – loss of bargaining power.</p> | <p>Treat.</p>   | <p>08.01 - Contact with Scottish Government, Orkney Inter Islands Air and Ferry studies and Fair Funding process including beginning discussion on transfer of responsibility and fair funding.</p> <p>08.02 – A revised funding mechanism for revenue elements of ferry service provision has been established with the Scottish Government.</p> <p>08.03 - Establish revised funding mechanism for capital elements of ferry service provision.</p> <p>08.04 - Contribute to Islands Connectivity Plan to ensure appropriate cover for lifeline transport services.</p> |