

# Minute

## General Meeting of the Council

Tuesday, 9 December 2025, 10:00.

Council Chamber, Council Offices, School Place, Kirkwall.



## Present

Councillors Graham A Bevan, Stephen G Clackson, Alexander G Cowie, David Dawson, Steven B Heddle, Rachael A King, Kristopher D Leask, W Leslie Manson, James R Moar, Janette A Park, Raymond S Peace, John A R Scott, Gillian Skuse, Jean E Stevenson, Ivan A Taylor, Mellissa-Louise Thomson, Owen Tierney, Duncan A Tullock and Heather N Woodbridge.

## Present via remote link (Microsoft Teams)

Councillor Gwenda M Shearer.

## Clerk

- Gavin Mitchell, Head of Corporate Governance.

## In Attendance

- Oliver D Reid, Chief Executive.
- Stephen Brown, Chief Officer, Orkney Health and Social Care Partnership.
- Hayley Green, Director of Infrastructure and Organisational Development.
- Gareth Waterson, Director of Enterprise and Resources.
- James Wylie, Director of Education, Communities and Housing.
- Andrew Groundwater, Head of Human Resources and Organisational Development.
- Erik Knight, Head of Finance.
- Kenny MacPherson, Head of Property and Asset Management.
- Darren Morrow, Head of Children, Families and Justice Services and Chief Social Work Officer.
- Alex Rodwell, Head of Performance and Business Support.
- Rosemary Colsell, Service Manager (Procurement) (for Items 1 to 13).
- Hazel Flett, Service Manager (Governance).
- Shonagh Merriman, Service Manager (Corporate Finance) (for Items 16 to 19).

## In Attendance via remote link (Microsoft Teams)

- William Moore, Service Manager (Improvement and Performance) (for Items 18 to 21).

## Observing

- Kirsty Groundwater, Communications Team Leader.
- Susan Taylor, Committees Officer.

## **Apology**

- Councillor P Lindsay Hall.

## **Declarations of Interest**

- No declarations of interest were intimated.

## **Chair**

- Councillor Graham A Bevan, Convener.

## **1. General Meeting of the Council**

### **Minute of Meeting held on 7 October 2025**

On the motion of Councillor Graham A Bevan, seconded by Councillor Heather N Woodbridge, the Council resolved to approve the Minute of the General Meeting of the Council held on 7 October 2025 as a true record.

## **2. Planning Committee**

### **Minute of Meeting held on 8 October 2025**

On the motion of Councillor Owen Tierney, seconded by Councillor David Dawson, the Council resolved to approve the Minute of the Meeting of the Planning Committee held on 8 October 2025 as a true record.

## **3. Licensing Committee**

### **Minute of Meeting held on 9 October 2025**

On the motion of Councillor Duncan A Tullock, seconded by Councillor Kristopher D Leask, the Council resolved to approve the Minute of the Meeting of the Licensing Committee held on 9 October 2025 as a true record.

## **4. Local Review Body**

### **Minute of Meeting held on 27 October 2025**

On the motion of Councillor Owen Tierney, seconded by Councillor Duncan A Tullock, the Council resolved to approve the Minute of the Meeting of the Local Review Body held on 27 October 2025 as a true record.

## **5. Licensing Committee**

### **Minute of the Meeting held on 5 November 2025**

On the motion of Councillor Duncan A Tullock, seconded by Councillor Kristopher D Leask, the Council resolved to approve the Minute of the Meeting of the Licensing Committee held on 5 November 2025 as a true record.

## **6. Development and Infrastructure Committee**

### **Minute of Meeting held on 11 November 2025**

On the motion of Councillor Kristopher D Leask, seconded by Councillor Mellissa-Louise Thomson, the Council resolved to approve the Minute of the Meeting of the Development and Infrastructure Committee held on 11 November 2025 as a true record.

The Council thereafter resolved to approve the recommendations contained in the Minute of the Meeting of the Development and Infrastructure Committee held on 11 November 2025.

## **7. Education, Leisure and Housing Committee**

### **Minute of Meeting held on 12 November 2025**

On the motion of Councillor Gwenda M Shearer, seconded by Councillor Ivan A Taylor, the Council resolved to approve the Minute of the Meeting of the Education, Leisure and Housing Committee held on 12 November 2025 as a true record.

The Council thereafter resolved to approve the recommendations contained in the Minute of the Meeting of the Education, Leisure and Housing Committee held on 12 November 2025.

## **8. Monitoring and Audit Committee**

### **Minute of Meeting held on 13 November 2025**

On the motion of Councillor Gillian Skuse, seconded by Councillor Mellissa-Louise Thomson, the Council resolved to approve the Minute of the Meeting of the Monitoring and Audit Committee held on 13 November 2025 as a true record.

## **9. Policy and Resources Committee**

### **Minute of Meeting held on 25 November 2025**

On the motion of Councillor Heather N Woodbridge, seconded by Councillor Alexander G Cowie, the Council resolved to approve the Minute of the Meeting of the Policy and Resources Committee held on 25 November 2025 as a true record.

The Council thereafter resolved to approve the recommendations contained in the Minute of the Meeting of the Policy and Resources Committee held on 25 November 2025, subject to the following item of amendment:

### **Flag Flying Protocol**

Councillor Stephen G Clackson referred to the recommendations of the Policy and Resources Committee relating to the Flag Flying Protocol and, seconded by Councillor Duncan A Tullock, moved an amendment that, given the uncertain elements of the proposed protocol uncovered during discussion at the meeting, and health and safety concerns that had subsequently come to their attention, the Flag Flying Policy should not be approved in its proposed terms and that the matter be referred back to the Committee, following consideration by the House Working Group.

The Council thereafter resolved that the Flag Flying Policy should not be approved in its proposed terms and should be referred back to the Policy and Resources Committee, following consideration by the House Working Group.

## **10. Community Development Fund Sub-committee**

### **Minute of Meeting held on 4 November 2025**

On the motion of Councillor Graham A Bevan, seconded by Councillor Kristopher D Leask, the Council resolved to approve the Minute of the Meeting of the Community Development Fund Sub-committee held on 4 November 2025, attached as Appendix 1 to this Minute, as a true record.

## **11. Asset Management Sub-committee**

### **Minute of Meeting held on 4 December 2025**

On the motion of Councillor Alexander G Cowie, seconded by Councillor Heather N Woodbridge, the Council resolved to approve the Minute of the Meeting of the Asset Management Sub-committee held on 4 December 2025 as a true record.

The Council thereafter resolved to approve the recommendations contained in the Minute of the Meeting of the Asset Management Sub-committee held on 4 December 2025, attached as Appendix 2 to this Minute.

## **12. Public Service Reform**

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Head of Corporate Governance, the Council:

Noted:

**12.1** The work undertaken by the Council and its partners to date in progressing work around the Public Service Reform agenda.

The Council resolved:

**12.2.** That the proposed Routemap to Reform for public services in Orkney, attached as Appendix 3 to this Minute, be approved.

**12.3.** That the Chief Executive, after consultation with the Leader, Depute Leader and Convener, should make such minor amendments to the Routemap to Reform as might be required following any feedback from NHS Orkney and the Integration Joint Board.

**12.4.** That, subject to agreement on any amendments requested by the Integration Joint Board and NHS Orkney, the Chief Executive should submit the proposed Routemap to Reform for public services in Orkney to the Scottish Government by 12 December 2025.

**12.5.** That the Chief Executive should agree Memoranda of Understanding with the Scottish Government and other relevant agencies confirming that no action would be taken in respect of any decisions or measures taken, including local reallocation of resources, that were in accordance with the Routemap to Reform even if they did not necessarily align with existing legacy systems or processes.

### **13. Procurement Annual Report**

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Service Manager, (Procurement), the Council:

Resolved that the Procurement Annual Report for the period 1 April 2024 to 31 March 2025, attached as Appendix 4 to this Minute, be approved for publication.

### **14. Evaluation of Service Health and Safety Performance**

After consideration of a report by the Director of Infrastructure and Organisational Development, copies of which had been circulated, and after hearing a report from the Head of Property and Asset Management, the Council:

Noted the Evaluation of Service Health and Safety Performance for 2024/25, attached as Appendix 1 to the report by the Director of Infrastructure and Organisational Development.

### **15. Chief Social Work Officer's Annual Report**

After consideration of a report by the Chief Social Work Officer, copies of which had been circulated, the Council:

Noted the Chief Social Work Officer's Annual Report for 2024/25, attached as Appendix 1 to the report by the Chief Social Work Officer.

### **16. Registered Services within Orkney Health and Care**

#### **Inspection Assurance**

After consideration of a report by the Chief Officer, Orkney Health and Social Care Partnership, copies of which had been circulated, and after hearing from the Head of Children, Families and Justice Services and Chief Social Work Officer, the Council:

Noted the inspection activity for registered services within Orkney Health and Care, for the period 22 April 2025 to date, summarised in section 3 of the report by the Chief Officer, Orkney Health and Social Care Partnership.

### **17. Local Child Poverty Action Report**

After consideration of a joint report by the Chief Officer, Orkney Health and Social Care Partnership, and the Director of Education, Communities and Housing, copies of which had been circulated, and after hearing a report from the Head of Performance and Business Support, the Council:

Resolved that the Local Child Poverty Action Report 2024-2025, attached as Appendix 5 to this Minute, be approved for submission to the Scottish Government, in so far as it related to the remit of the Council.

### **18. Revenue Expenditure Monitoring**

#### **18.1. Policy and Resources**

After consideration of a report by the Head of Finance, copies of which had been circulated, the Council:

Noted:

**18.1.1.** The revenue expenditure monitoring statement in respect of service areas for which the Policy and Resources Committee was responsible, for the period 1 April to 30 September 2025, attached as Annex 1 to the report by the Head of Finance, indicating a budget underspend position of £554,200.

**18.1.2.** The revenue financial service area statement in respect of service areas for which the Policy and Resources Committee was responsible, for the period 1 April to 30 September 2025, attached as Annex 2 to the report by the Head of Finance.

**18.1.3.** The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance.

## **18.2. Orkney Health and Care**

After consideration of a report by the Head of Finance, copies of which had been circulated, the Council:

Noted:

**18.2.1.** The revenue expenditure monitoring statement in respect of service areas within the Orkney Health and Social Care Partnership, for which the Council was responsible, for the period 1 April to 30 September 2025, attached as Annex 1 to the report by the Head of Finance, indicating a budget overspend position of £1,128,800.

**18.2.2.** The revenue financial service area statement in respect of service areas within the Orkney Health and Social Care Partnership, for which the Council was responsible, for the period 1 April to 30 September 2025, attached as Annex 2 to the report by the Head of Finance.

**18.2.3.** The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance.

## **18.3. Summary**

After consideration of a report by the Head of Finance, copies of which had been circulated, the Council noted:

**18.3.1.** The summary revenue expenditure monitoring statement for the period 1 April to 30 September 2025, attached as Annex 1 to the report by the Head of Finance, indicating the following:

- A total General Fund underspend of £922,100.
- A deficit in Sources of Funding of £380,400.
- A net Non-General Fund surplus of £12,613,800.

**18.3.2.** The sources of funding statement for the period 1 April to 30 September 2025, attached as Annex 2 to the report by the Head of Finance.

**18.3.3.** The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the report by the Head of Finance.

## **19. Capital Expenditure Monitoring**

After consideration of a report by the Head of Finance, copies of which had been circulated, and after hearing a report from the Service Manager (Corporate Finance), the Council:

Noted:

**19.1.** The summary financial position as at 30 September 2025, in respect of the General Fund and Non-General Fund capital programmes, as detailed in section 1.6 of the report by the Head of Finance.

**19.2.** The detailed analysis of expenditure figures and project updates in respect of the approved General Fund and Non-General Fund capital programmes, attached as Appendix 1 to the report by the Head of Finance.

## **20. Performance Monitoring**

### **20.1. Chief Executive's Service**

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Head of Corporate Governance, the Council:

Noted:

**20.1.1.** The performance of the Chief Executive's Service for the reporting period 1 April to 30 September 2025, in respect of service priorities and performance indicators, as set out in Annexes 1 and 2 respectively to the report by the Chief Executive.

**20.1.2.** The complaints and compliments made to the Chief Executive's Service in the 6-month period 1 April to 30 September 2025, and for the two preceding six-month periods, as set out in section 4 of the report by the Chief Executive.

The Council resolved:

**20.1.3.** That the following action, which had been progressed to completion, be removed from the Strategy, Performance and Business Solutions' Directorate Delivery Plan:

- DDP 12c Internal communication – Convene a multi-service working group.

**20.1.4.** That the following action be amended as indicated and thereafter incorporated within the Chief Executive's Service Directorate Delivery Plan:

- DDP 02 Alternative models of governance and constitutional reform – target date to be extended from 31 March 2026 to 31 March 2028.

**20.1.5.** That the Chief Executive's Service Risk Register, attached as Appendix 6 to this Minute, be approved.

## **20.2. Orkney Health and Care**

After consideration of a report by the Chief Officer, Orkney Health and Social Care Partnership, copies of which had been circulated, the Council:

Noted:

**20.2.1.** The performance of Orkney Health and Social Care Partnership services delivered by the Council, for the reporting period 1 April to 30 September 2025, attached as Appendix 1 to the report by the Chief Officer, Orkney Health and Social Care Partnership.

**20.2.2.** The complaints and compliments made to the Orkney Health and Social Care Partnership in the six-month period 1 April to 30 September 2025, and for the two preceding six-month periods, as set out in section 4 of the report by the Chief Officer, Orkney Health and Social Care Partnership.

## **20.3. Council Delivery Plan**

After consideration of a report by the Director of Education, Communities and Housing, copies of which had been circulated, and after hearing a report from the Head of Performance and Business Support, the Council:

Resolved to defer consideration of the report setting out progress made in respect of the Council's priorities and performance measures detailed within the Council Plan and Delivery Plan 2023 to 2028, for the reporting period 1 April to 30 September 2025, to the next meeting of the Policy and Resources Committee.

## **21. Corporate Risk Register**

After consideration of a report by the Director of Infrastructure and Organisational Development, copies of which had been circulated, and after hearing a report from the Head of Property and Asset Management, the Council:

Resolved that the Corporate Risk Register, as at November 2025, attached as Appendix 7 to this Minute, be approved.

## **22. Conclusion of Meeting**

At 13:10 the Convener declared the meeting concluded.

Signed: Graham A Bevan.

## Minute

### Community Development Fund Sub-committee

Tuesday, 4 November 2025, 12:00.

Council Chamber, Council Offices, School Place, Kirkwall.



### Present

Councillors Graham A Bevan, Kristopher D Leask, W Leslie Manson and Ivan A Taylor.

### Present via remote link (Microsoft Teams)

Councillors Gwenda M Shearer, Gillian Skuse and Mellissa-Louise Thomson.

### Clerk

- Hazel Flett, Service Manager (Governance).

### In Attendance

- Sweyn Johnston, Head of Enterprise and Economic Growth.
- Erik Knight, Head of Finance.
- Inga Burton, Service Manager (Sustainable Regeneration and Arctic).
- David Macrae, Sustainable Regeneration Funding Manager.
- Stuart Bevan, Solicitor

### Observing:

- India Whitwell, Sustainable Regeneration Funding Manager.
- Laura Hutton, Economic Development Manager.
- Susan Taylor, Committees Officer.

### Observing via remote link (Microsoft Teams)

- Carol Coleman, Economic Development Officer.

### Apology

- Councillor Heather N Woodbridge.

### Declaration of Interest

- No declarations of interest were intimated.

### Chair

- Councillor Graham A Bevan, Convener.

## **1. Exclusion of Public**

On the motion of Councillor Graham A Bevan, seconded by Councillor Kristopher D Leask, the Sub-committee resolved that the public be excluded from the meeting as the business to be considered involved the disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

## **2. Third Party Applications – Monitoring Report**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 4 and 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Director of Enterprise and Resources, copies of which had been circulated, and after hearing a report from the Sustainable Regeneration Funding Manager, the Sub-committee:

Noted progress on the projects processed via the Third-Party Funding Applications Framework.

**The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.**

Councillor Mellissa-Louise Thomson joined the meeting during discussion of this item.

## **3. Regeneration Capital Grant Fund**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 4 and 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Director of Enterprise and Resources, copies of which had been circulated, and after hearing a report from the Sustainable Regeneration Funding Manager, the Sub-committee:

Resolved, in terms of delegated powers, what action should be taken with regard to a funding application to the Scottish Government's Regeneration Capital Grant Fund.

**The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.**

#### **4. Conclusion of Meeting**

At 12:45 the Convener declared the meeting concluded.

Signed: Graham A Bevan

## **Minute**

### **Asset Management Sub-committee**

Thursday, 4 December 2025, 11:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### **Present**

Councillors Alexander G Cowie, Steven B Heddle, Janette A Park, Ivan A Taylor and Mellissa-Louise Thomson.

### **Present via remote link (Microsoft Teams)**

Councillors Kristopher D Leask and Heather N Woodbridge.

### **Clerk**

- Sandra Craigie, Committees Officer.

### **In Attendance**

- Hayley Green, Director of Infrastructure and Organisational Development.
- James Wylie, Director of Education, Communities and Housing.
- Kenny MacPherson, Head of Property and Asset Management.
- Frances Troup, Head of Strategic Housing, Housing Operations and Homelessness.
- Shonagh Merriman, Service Manager (Corporate Finance).
- Laura Baillie, Team Manager (Housing Strategy, Development and Data).
- Michael Scott, Solicitor.

### **Observing**

- Erik Knight, Head of Finance.
- Graeme Christie, Service Manager (Estates).
- Kirsty Groundwater, Team Leader (Communications).

### **Declarations of Interest**

- No declarations of interest were intimated.

### **Chair**

- Councillor Alexander G Cowie.

## **1. Exclusion of Public**

On the motion of Councillor Alexander G Cowie, seconded by Councillor Mellissa-Louise Thomson, the Sub-committee resolved that the public be excluded from the meeting as the business to be considered involved the disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

## **2. Proposed Property Acquisition**

Under section 50A (4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 6, 8 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a joint report by the Director of Education, Communities and Housing and the Director of Infrastructure and Organisational Development, copies of which had been circulated, and after hearing a report from the Team Manager (Housing Strategy, Development and Data), the Sub-committee:

Resolved to **recommend to the Council** what action should be taken with regard to regard to a proposed property acquisition.

**The above constitutes the summary of the Minute in terms of the Local Government (Scotland) Act 1973 section 50C(2) as amended by the Local Government (Access to Information) Act 1985.**

## **3. Conclusion of Meeting**

At 12:05 the Chair declared the meeting concluded.

Signed: Alexander G Cowie.

# Orkney's Routemap to Reform

## Orkney Islands Council, NHS Orkney and Integration Joint Board Proposed Model of Transition (Public Service Reform)

### Introduction

Orkney Islands Council and NHS Orkney are currently addressing a combined annual deficit of approximately £26 million. This represents an unsustainable fiscal position, which is exacerbated by ongoing demographic changes and public protection pressures, which mean that securing more efficient joined up service provision is the best option for sustaining public services in Orkney.

The Scottish Government's Programme for Government 2025-26 includes a pledge, by the end of the current Parliament, to publish: *"Preferred models for Single Authority Models in Argyll and Bute, Orkney and Western Isles that have been developed jointly by local government and health and enable a shift towards prevention. This will include a plan and timeline for implementation, with at least one area transitioning to shadow arrangements."*

The Scottish Government has offered to support Orkney through Orkney Islands Council with £300,000 of funding from its Invest to Save Fund to support capacity to work with partners on a public service reform model for Orkney.

This work will fully explore how Orkney Islands Council, NHS Orkney and the Integration Joint Board locally can work more closely together to reduce duplication, find efficiencies, reduce financial deficits, and, ultimately, deliver sustainable services to local communities.

It is intended that any potential benefits would include the release of resources to protect frontline services and/or support the financial sustainability of NHS Orkney and Orkney Islands Council.

## **Four Principles**

A set of principles has been established to underpin consideration of options for transitioning from the current arrangements to a future governance model for the public sector in Orkney:

These principles are:

- (a) There must be benefit to the community.** Public Service Reform must deliver clear and measurable benefits to the community.
- (b) Accountability to the Orkney community.** The decision-makers of services to the public will be fully and transparently accountable to the people of Orkney.
- (c) Understanding of the national situation.** Local models of service delivery will relate to and work effectively with regional and national models.
- (d) Reduced duplication.** Key objectives will be to improve efficiency, pool resources, streamline bureaucracy and improve cohesion across Orkney's public services.

Orkney Islands Council and NHS Orkney, as the largest public sector employers within Orkney, believe that the essential work that lies ahead should be planned and measured, seeking no detriment to service provision or adverse impacts on staff. The nature and pace of change should be agreed and controlled locally allowing participating organisations scope to transition and manage consequential structural and organisational impacts. Staff, stakeholders, communities, service users and Community Planning partners should be kept fully informed and consulted where relevant to ensure trust and transparency in the process and nature of change.

## **Terminology**

Although the Scottish Government has asked that island areas (at least in the first instance) work on creating a “single authority model”, Orkney's recent history with working towards such a model does not sit comfortably with the terminology or indeed the approach as a starting point.

In addition, the term “Single Authority Model” is not always helpful as it implies that all public sector agencies could become part of a single organisation, when the reality is that there are no single models that could feasibly encompass the entirety of public services required in Orkney. There are approximately 22,000 people living in Orkney who need and expect access to the NHS and other essential public services provided at a local, regional and national level. It is important that terminology and language are considered and that

communications reassure the public and relevant staff groups that these services and structures will be part of the future models of service delivery – especially where these regional and national models are more efficient and effective in the provision of essential public services.

Alongside this, there is an ongoing agenda of regionalisation of services across the NHS. Whilst the Co-operation and Planning Directions 2025 (DL 2025/25) do not alter the duties or accountabilities of Health Boards, they do oblige Health Boards to come together and plan around specific areas, and also develop sub-national plans for financial sustainability. It would therefore be counter-intuitive to propose a new structure which inter-relates with regional planning arrangements that themselves are currently in the process of change.

Therefore, in addition to the four principles outlined above, there is consensus among representatives of Orkney Islands Council, NHS Orkney and the Integration Joint Board that the approach to public service reform in Orkney should not begin with an entirely new set of joint governance arrangements in the way that would be expected with a “Single Authority Model”. Instead, the starting point should be on identifying areas of activity and responsibility in which Orkney Islands Council, NHS Orkney and the Integration Joint Board are each engaged, and exploring opportunities to bring some of these together in order to enhance capacity and resilience in the immediate term and to seek efficiencies in the medium to longer term.

Under the Orkney Routemap to Reform, form will follow function. Governance and oversight arrangements will be considered and adapted, as changes in arrangements are agreed at a local level with transparency and support from regional and national participating partners.

We fully recognise the interdependent nature of the work of all local partners. There is an ever-increasing requirement to further align planning and delivery across traditional organisational boundaries. We understand, for example, that the significant workforce challenges being experienced in health and social care cannot be resolved without actions being taken in economic development, housing, childcare provision and education. We further understand that the current demands on many services will continue to rise exponentially unless the continuum of supports increasingly involve and include communities, community groups and third sector organisations. The aspiration outlined in the recently published Population Health Framework, and the recognition that prevention and earlier intervention is critical to this, cannot be delivered by statutory services alone.

It is respectfully suggested that the above approach aligns with the Scottish Government's commitments outlined in its Public Service Reform Strategy (published in June 2025), which seeks to encourage collaboration and integration between public sector organisations to create efficient services through removal of duplication and prioritisation of prevention as part of a plan to achieve £1 billion of savings over the next five years.

## **Orkney's Routemap to Reform – A Model of Transition**

Within Orkney, the community relies on a range of frontline services that can only be delivered in the community locally. These services are under significant pressure from a demographic and resourcing perspective and are already operating at the limits of sustainability and capacity.

Our proposed approach is designed to strengthen and support local communities' ability to access essential services at as early a stage as possible.

As a partnership, we are viewing all these services as being in scope for strengthening how these services are supported. Our approach is to review how we can support these services through the most resilient and robust means in accordance with the principles.

Members and Officers working within the Integration Joint Board bring specific experience and understanding of how integration and joint service delivery have been taken forward to date and how this could be built up in the future, and they will be essential participants in this agenda.

A Model of Transition (or route-map to reform of public services) is proposed. This sets out two key areas of focus:

### **(1) Establishing Shared Working / Shared Services.**

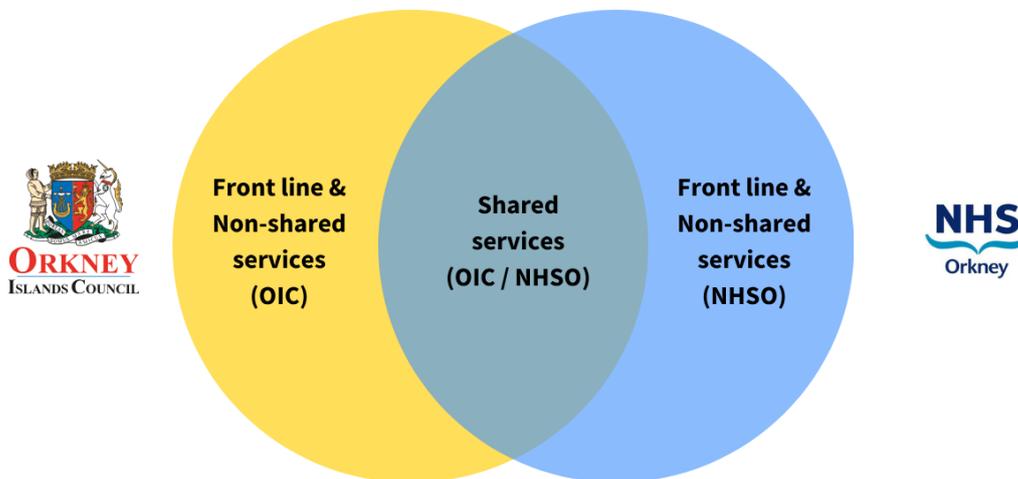
### **(2) Streamlined Governance.**

## **1. Establishing Shared Working / Shared Services**

- 1.1. This area of focus is those support services that are currently used by both Orkney Islands Council and NHS Orkney, to support the delivery of local frontline services which are performed, supported or accessed in the community on a regular basis. These are likely to include a range of performance management, strategic planning and development, and other support services that frontline activities rely on that would be the initial focus for conversations around the development of integrated approaches and early intervention and prevention.
- 1.2. No list has been drawn up at this stage. However, when this is done, consideration will need to be given to the challenges that may arise. For example, a shared Communications resource may, at least on the surface, seem an easier thing to deliver than, for example, a shared IT resource, particularly given that some of the IT solutions for NHS Orkney may require closer alignment and sharing of resource with other NHS Board areas.

- 1.3 A joint lead steering group has been set up, containing representation from Orkney Islands Council, NHS Orkney and the Integration Joint Board, and supported by the aforementioned grant funding from the Scottish Government's Invest to Save Fund. The steering group will identify initial priorities that have been agreed at a local level and scope out each service as currently being managed and delivered in each organisation. An assessment will then be undertaken around the feasibility of increased collaboration across teams in the short term, including pooling and sharing of resources, leading to achievement of efficiencies in the medium to longer term. The assessment will include consideration of options including the joint use of assets, facilities, knowledge and resources where appropriate.
- 1.4. Subject to the outcome of the above assessment, the steering group will agree and approve recommendations for early service changes, responding to demographic pressures and joint workforce challenges, and propose the mechanics for achieving such changes. Any recommendations approved by the steering group will then be taken through the respective governance processes of each organisation. It is envisaged that, subject to the agreement of the steering group and approval by the respective organisations, relevant support services will be delivered together by local teams across agencies to support shared collaboration across the whole functional area, but, where feasible and agreed, they will operate under a responsible partner management structure based on the four principles.
- 1.5. Migration towards a single operating structure for each service area, delivering agreed support across the wider public sector, will be considered by the steering group as opportunities arise and services are consolidated under responsible partner service governance. Migration will be agreed subject to all partners being satisfied on an agreed set of associated outcomes to be achieved. Savings will be secured in the meantime by greater collaborative working and joined up service delivery.
- 1.6. Part of this collaboration will include ongoing review of whether any aspects of service support could be more efficiently or effectively delivered regionally or nationally. If so, that will be pursued as an outcome. At all times the guiding principles will be followed wherever possible.
- 1.7. Any efficiencies and savings achieved through this process will be applied to support the ongoing resourcing of essential frontline services with a view to improving outcomes for communities in accordance with the principles.

- 1.8. Migration of services to a single operating structure will be an iterative process, which will require agreement by the steering group and approval by the respective organisations.
- 1.9. Line management and staff will be supported as they adapt to the model of transition and build for the future in accordance with the principles. The aim is to take forward this work in collaboration with local partners, and to move forward iteratively rather than go through a structure change conversation. This means that it is not anticipated that there will be any changes to individuals' terms and conditions of employment, but there will be a need to work more closely with partners and across teams.
- 1.10. A number of services may be assessed as unsuitable for local support because they are already being supported through national or regional ways of working that are delivering economies of scale. These ways of working and associated structures will be retained where they are more efficient and effective than a local solution would be.



## **2. Streamlined Governance**

- 2.1. Exploration of scope for streamlining governance, performance monitoring and control functions will be undertaken. Subject to agreement, consideration may be given to the streamlining of systems of governance, performance monitoring and control that currently exist across NHS Orkney, Orkney Islands Council and the Integration Joint Board. It is possible that amendments to legislation and the existing Integration Scheme may be required to support this area of work as some functions require by law to be delegated to the Integration Joint Board. It is likely that specialist advice and support will be required to support this exercise including around identification of alternative models of governance and control or developing alternative approaches to support relevant functions and ensure that they are accountable to the community and remain efficient and effective. There may be the need for legislative or Scottish Government intervention and support for alternative approaches, and understanding and sign-off of change processes and timescales.
- 2.2. It is proposed that any significant changes to governance - even if agreed - would not take effect until (at the earliest) after May 2027 when Council elections are to be held. This would allow any proposed changes to be taken forward at a natural point of transition when normal process dictates changes to governance affecting many public services across Orkney.
- 2.3. Even as structural and governance arrangements are transitioned, staff will continue to be employed by their respective agencies. No immediate TUPE transfers of employment are therefore envisaged. There will be no requirement for changes to employment contracts, and the old reporting and service structures will simply be allowed to fall away as revised lead agency structures are built opportunistically when people move on through normal workforce transitions. Savings achieved in support of service costs can be refocused on reducing the frontline demands arising from demographic service pressures. It is expected that efficiencies will be possible through removal of duplication of governance, performance monitoring, audit, administrative support and bureaucracy currently split across three governance structures. Savings will be re-invested to support and strengthen resourcing of frontline services in accordance with the principles and with a focus on early intervention and prevention where appropriate.

### **Community Planning Partnership**

In relation to further development of Orkney's Routemap to Reform, the other partners in the Orkney Community Planning Partnership will be kept regularly informed as the transition model evolves. If at any stage there are aspects of the reform process that partners wish to become involved in, they will be able to be accommodated by agreement.

### **Consultation and Engagement**

There will be widespread and inclusive consultation and engagement as this will be essential to provide reassurance to communities and staff and to identify shared priorities and the best approach for all interests.

### **Memorandum of Understanding**

Given the iterative nature of the reform process being proposed, while some early successes and progress will be identified and delivered, the transition will take a number of years to implement fully. In order to facilitate progress and ensure continuity of support for the agreed local approach, a memorandum of understanding will require to be agreed with Scottish Government, Audit Scotland and other key regulatory bodies and partners, to endorse and support the reform process and provide assurance for local partners that no enforcement or other regulatory action will be applied in respect of any decisions taken that are in accordance with both the model and the principles, including local reallocation of resources and service redesign, but which might not necessarily align with currently existing legacy systems or processes. It goes without saying that trust and respect will require to be maintained among all parties if the transition is to be successful, and visible support from regional and national partners will also be essential to create a permissive environment in which to build this trust and consensus.

### **Scottish Government Grant Funding**

In the meantime, and subject to the approval by the Scottish Government, the aforementioned Invest to Save funding from the Scottish Government will be applied to progress development of the proposed Routemap to Reform in Orkney. This will include the recruitment and employment of a Strategic Project Manager and a Strategic Project Officer to support the partners as they embark on this transition process. Their work will include undertaking the scoping and assessment work referred to in sections 1.3 and 2.1 above and the design and development of revised operating structures where shared services are assessed as feasible.

Orkney Islands Council is also in receipt of an offer of grant funding of £15,000 from the Scottish Government for the facilitation of dialogue between Orkney Islands Council and NHS Orkney in support of the project. Two extremely positive sessions have already been facilitated by John Sturrock KC and it is anticipated that further facilitation and external support will be required to maintain progress and deliver public service reform.

Public engagement and consultation activities will also be arranged. In addition, there will be a requirement to commission professional advice from external organisations, which may include legal, financial, communications and other professional advice.

### **Costs**

**£75,000** to be allocated to any potential external specialist advice related to legal, finance, communications, etc.

**£50,000** to be used for any necessary public engagement / consultation activities.

**£20,000** for facilitation sessions hosted by John Sturrock KC and / or Professor Donna Hall CBE between Orkney Islands Council, NHS Orkney, the Integration Joint Board, the Scottish Government and COSLA.

**£20,000** to be held in a contingency fund for any unforeseen costs not included or in excess of the above.

**£150,000** to be allocated to the recruitment of two temporary policy and project support officers for a period of 18 months, including on-costs. Estimated costs are outlined in the table below:

<b>Title</b>	Strategic Project Manager
<b>Role description</b>	The Strategic Lead for Public Service Reform, reporting to the Policy & Communications Service Manager at Orkney Islands Council
<b>Post duration</b>	18 months temporary
<b>Salary (+DIA)</b>	£43,506 (£46,365 inc Distant Islands Allowance)
<b>On-costs</b>	£12,393.36 (approx.)
<b>TOTAL SPEND</b>	£88,137.54 (18 months)

<b>Title</b>	Strategic Project Officer
<b>Role description</b>	The support to the Strategic Lead for Public Service Reform, reporting to the Policy & Communications Service Manager at Orkney Islands Council
<b>Post duration</b>	18 months temporary
<b>Salary (+DIA)</b>	£28,742 (£31,601 inc Distant Islands Allowance)
<b>On-costs</b>	£8,099.34 (approx.)
<b>TOTAL SPEND</b>	£59,550.51 (18 months)

### **Implementation period of above actions**

To be determined following the above research, initial service collaboration and joint working in initial identified areas of opportunity should commence in early 2026 delivering initial improved working efficiencies and effectiveness. Substantive changes to governance and service performance and monitoring systems would be in line with the timescales set out in section 2.

### **Timeline**

#### **Friday, 12 December 2025**

If approved by Orkney Islands Council, NHS Orkney and the Integration Joint Board, Orkney Islands Council will submit the above Model of Transition to the Scottish Government for approval.

#### **Monday, 5 January 2026**

If Model of Transition is approved by Scottish Government and funding allocated from their Invest to Save Fund – research and development work will be taken forward as outlined above, and the process of recruiting two research officers on temporary 18-month contracts will begin.

#### **Thursday, 7 May 2026**

*Scottish Parliament elections.*

#### **Friday, 12 June 2026**

Report due to Scottish Government on progress of Model of Transition and at six monthly intervals thereafter.

#### **Thursday, 6 May 2027**

*Orkney Islands Council elections.*



# **Procurement Annual Report**

**1 April 2024 to 31 March 2025.**

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## Definition of Key Terms

Contract.	An agreement between the Council and any Contractor made by formal agreement or by issue of acceptance or an official order for Supplies, Services or Works.
Contractor(s).	Includes any sole trader, partnership or company (limited or unlimited) or any duly incorporated trade, professional or commercial body.
Delegated Authority.	Officers who have been given formal written authority by their Executive Director or Chief Officer to manage procurement exercises within a specified value range on behalf of the Council.
Threshold.	The threshold for determining the application of the Regulations. In the case of the Public Contracts (Scotland) Regulations 2015 the threshold is £214,904 (indicative value excluding 20% VAT £179,087) for Supplies and Services and £5,372,609 (indicative value excluding 20% VAT £4,477,174) for Works. In the case of the Utilities Contracts (Scotland) Regulations 2016 the threshold is £429,809 (indicative value excluding 20% VAT £358,174) for Supplies and Services and £5,372,609 (indicative value excluding 20% VAT £4,477,174) for Works.
Framework Agreement.	An overarching agreement with supplier(s) to establish terms governing individual contracts that may be awarded during the life of the agreement ('call-offs'), concluded in accordance with Section 34 of the Public Contracts (Scotland) Regulations 2015.
Health and Social Care Services.	A public contract or framework for social and other specific services listed in Schedule 3 of the Public Contracts (Scotland) Regulations 2015.
Life-Cycle Costing.	All consecutive or interlinked stages, including research and development to be carried out, production, trading and its conditions, transport, use and maintenance, throughout the existence of the product or the works or the provision of the service, from raw material acquisition or generation of resources to disposal, clearance and end of service or utilisation.
Procurement.	The process leading to the award of a public contract or framework agreement or establishment of a dynamic purchasing system for the acquisition of works, supplies or services from an economic operator.

Public Contracts Scotland (PCS) portal.	The Scottish Government's official national advertising <a href="#">portal</a> for public sector contract opportunities.
Quick Quote (QQ).	An online quotation facility which allows the Council to obtain competitive quotes electronically for: <ul style="list-style-type: none"> <li>• Low value requirements between £10,000 and £50,000; and</li> <li>• Unregulated Works Contracts, depending on complexity of contract (as defined in Clause 17 of the Council's Contract Standing Orders).</li> </ul>
Quotation.	A formal offer to supply or purchase supplies, execute works or provide services where the estimated value of the contract is below £50,000.
Regulated Procurement.	As defined by the Procurement Reform (Scotland) Act 2014 and referred to as the Reform Act 'slice' a regulated procurement for Goods or Services Contracts with a value of £50,000 or above and for Works Contracts over £2,000,000 and less than the relevant Thresholds.
Regulations.	The Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014, the Procurement (Scotland) Regulations 2016 and / or the Concession Contract (Scotland) Regulations 2016 as the context requires, but where the Council is acting as a Harbour Authority and chooses to do so, the Utilities Contracts (Scotland) Regulations 2016.
Supplies.	Goods or the hire of goods and for any siting or installation of those goods.
Tender.	A formal offer to supply or purchase supplies, execute works or provide services where the estimated value of the contract is £50,000 (excluding VAT) or more.
Unregulated Works Procurement.	A contract for Works with a value of between £50,000 and £2,000,000, being a procurement not covered by the Regulations and procured utilising the Council's database of pre-approved contractors.
Works.	Building construction, building maintenance or engineering works.

## Introduction

Orkney Islands Council ('the Council'), provides a range of facilities and services to a community with a population estimated as 22,020 in mid-2024 by the Office of National Statistics. The Council is also the Harbour Authority with a port estate of 29 piers and harbours, a Roads Authority for the islands and operates a network of inter-island air and ferry services.

The Council provides procurement and related services for a wide range of works, supplies and services with an annual spend, for the financial year **2024 to 2025**, of over £67 million.

The Council operates a devolved model of procurement across four directorates including Orkney Health and Care. The central Procurement Services Team is based within Corporate Governance and consists of 4.7 full-time equivalent staff: a Service Manager (Procurement), three Procurement Officers and an Assistant Procurement Officer post. The Service Manager's responsibilities include the development of a network of 16 trained and experienced officers across the Council who are assigned delegated responsibility for the procurement of supplies, services and works.

The Council published its updated Procurement Strategy 2023-2028, as required by the Procurement Reform (Scotland) Act 2014 ("the [Act](#)"), in December 2023. To report compliance with its Procurement Strategy and the Act itself, the Council must publish an annual report.

There are 11 key priorities identified in the Procurement Strategy as follows:

- Sustainability, Climate Change and Net Zero Targets.
- Working with local suppliers.
- Value for money.
- Collaboration and partnering.
- Governance.
- Contract management.
- Communication.
- E-Procurement.
- Monitoring and measurement.
- Guidance.
- Training.

There are six key priority areas where targets and indicators have been identified and are attributable for the Procurement Strategy reporting period ending 31 March 2024 and are as follows:

- Sustainability.
- Working with local suppliers.
- Value for money.
- Collaboration and partnering.
- Contract management.
- E-Procurement.

The guidance and template issued by the Scottish Government has been used for this eighth Procurement Annual Report. The reporting period for this eighth annual report is from 1 April 2024 to 31 March 2025.

In addition to the required information set out in the Act, this report includes performance against several strategic indicators as detailed in the Council's Procurement Strategy 2023 to 2028.

To evidence our progress against our strategic targets and the new duties introduced by the Act, the published Annual Report details the form of measurements taken. The statistics presented in this report provide the evidence which should, over time, show how the Council is progressing against both the national and local objectives. Targets were set in the Council's Procurement Strategy and progress towards these has been noted in this eighth Procurement Annual Report.

## **Section 1 – Summary of Regulated Procurements Completed**

Section 18(2) of the Act requires organisations to include ‘**a summary of the regulated procurements that have been completed during the year covered by the report**’.

As defined by the Act and referred to as the Reform Act ‘slice’ a regulated procurement is for Goods or Services Contracts with a value of £50,000 or above and for Works Contracts over £2,000,000 and less than the relevant Thresholds.

A Regulated Procurement is completed when the award notice is published or where the procurement process otherwise comes to an end. This includes contracts and framework agreements.

Appendix 1 provides the breakdown of the Regulated Procurements completed for the reporting period of 1 April 2024 to 31 March 2025.

## Section 2 – Review of Regulated Procurement Compliance

All procurement exercises carried out by the Council are required to be carried out in accordance with the Council's Contract Standing Orders (CSOs) and these are regularly updated to take account of changes in legislation and best practice in procurement. The CSOs were last reviewed and updated in February 2024.

Prior to the point of contract award, all recommendation reports are required to include a statement that the CSOs have been complied with, therefore full compliance is anticipated. Examples of internal and external review of the Council's processes and compliance with these processes are detailed in the audit / improvement capability outcomes as follows:

### Procurement and Commercial Improvement Programme (PCIP)

The Council first completed Scotland Excel's PCIP in July 2017. The PCIP is generally undertaken every two years, the most recent undertaken on 19 March 2024. Outcomes and recommendations from this exercise are incorporated into the Procurement Team Service Improvement Plan as a process of ongoing improvement.

The objective of the PCIP is to assist the Council to improve its structure, capability, processes and ultimately performance by attaining a level of procurement performance that is appropriate to the scale and complexity of its business. As part of the PCIP the Council is required to demonstrate a prudent and well-planned approach to defining its supply needs. Assessment of the Council's procurement improvement capability is carried out by Scotland's Centre of Expertise, Scotland Excel, and covers procurement activities carried out by the Council's Officers with Delegated Authority in the Procurement, Capital Projects, Facilities and Engineering Teams.

The PCIP identified the following Key Opportunities for further improvement, all of which have been incorporated into the Procurement Service Improvement Plan with work ongoing to complete these tasks.

Ref	Description
I1	The Council can benefit from expanding the content of procurement plans, namely collating a view of high value and high-risk procurement activities across the Council. This would allow the team to focus their resources on these key areas.
I2	The team recognised the need for a suite of documents and processes to cover a number of key procurement areas including Contract and Supplier Management.
I3	Although the team seek to utilise available learning and development opportunities, a more structured approach may benefit the organisation. Use of the competency framework within the team and with delegated procurement officers would be a positive step.
I4	The Council would benefit from including a risk status on each of its procurement contracts within the contract register. The majority of risks are about procurement and not the wider risk post-award. It would be ideal to include the risks of managing the supplier post-award. This would allow greater clarity and focus on key areas.

Ref	Description
I5	Although Procurement Influence achieved Developing, should the Council add evidence that the whole organisation has embedded corporate sourcing procedures which recognise sustainable and climate considerations, using the relevant tools throughout the procurement processes, then Improving Area or more could be achieved.
I6	The Council would benefit from undertaking a Conflict-of-Interest form annually. Consider that the DPOs do this too.

## Internal Audit

The following three internal audits were undertaken within the reporting period of 1 April 2024 to 31 March 2025.

### Works, Inspection, Repairs and Maintenance

An Internal Audit of Works, Inspection, Repairs and Maintenance was completed during the reporting period 2024/25. The findings of this report were presented to the Monitoring and Audit Committee on 26 September 2024 and provided adequate assurance around the framework of governance, risk management and control relating to Works, Inspection, Repairs and Maintenance. The Audit Report is available [here](#).

### Insurance Processes

An Internal Audit of Insurance Processes was completed during the reporting period 2024/25. The findings of this report were presented to the Monitoring and Audit Committee on 13 February 2025 and provided substantial assurance around the framework of governance, risk management and control relating to Insurance Processes. The Audit Report is available [here](#).

### Orkney Health and Care Payment Processes

An Internal Audit of Orkney Health and Care (OHAC) Payment Processes was completed during the reporting period 2024/25. The findings of this report were presented to the Monitoring and Audit Committee on 13 February 2025 and provided unsatisfactory assurance around the framework of governance, risk management and control relating to OHAC Payment Processes. The Audit Report was heard in private as there was exempt information contained within the report.

Chair of the Monitoring and Audit Committee Councillor Lindsay Hall said: “This was undoubtedly a report which gave Councillors significant concern. The issues raised were given a good going over by the members of the committee, with many difficult and uncomfortable questions asked of the staff team present.

“We were reassured that, in most cases, the issues it raised had been identified and taken forward for action before the report came before us – with some actions already completed.

“It was clear to elected members that this was not about any individual wrongdoing but a lack of clear processes and policies - and that significant steps are already underway to make improvements in this regard.”

A follow up report is due to come back to the Monitoring and Audit Committee in February 2026.

## **Contract Standing Orders**

The Council's Contract Standing Orders are regularly updated to take account of changes in legislation. The latest update of the Council's Contract Standing Orders was undertaken in February 2024 to take account of the Threshold changes which took effect in January 2024, and the requirement to undertake financial assessments for contracts put in place using the Non Competitive Action procedure, as a result of an internal audit recommendation.

All Contracts awarded by the Council, regardless of value, are subject to an obligation to seek best value and to demonstrate transparency, equal treatment, non-discrimination, and proportionality.

Contracts awarded by the Council must comply with the CSOs.

Officers are required to comply with the CSOs, the Scheme of Delegation to Officers, the Scheme of Administration, and the Financial Regulations.

## **Procurement Strategy**

The Council's Procurement Strategy was first published in December 2016.

The Strategy was updated in January 2019, again for the period 2021 to 2023 and a further revised Strategy approved in December 2023 for the period 2023-2028 following a public consultation undertaken in the Summer of 2023.

Appendix 2 attached to this report includes the revised Procurement Strategy targets set out in the latest Strategy for 2023 to 2028 and records the progress made over the last financial year.

## Section 3 – Community Benefit Summary

The Council has a Sustainable Procurement Policy. This Policy sets out the general principles that the Council will follow across all its procurement and commissioning activities to ensure that these are undertaken in a sustainable manner.

This Policy also sets out how the Council will plan and manage its procurement activities to meet the Council's corporate aims and objectives and comply with regulatory and legislative requirements. Finally, the Policy supports the Council's commitment to sustainable procurement which is set out in the Council's Corporate [Procurement Strategy 2023-2028](#).

The Procurement Strategy is intended for all of those who are involved in, or affected by, the Council's procurement activities throughout our community and beyond. The Council spends tens of millions of pounds each year on a diverse range of goods, services and works from third parties. It is important therefore that this spending power is used to support key Council objectives. The Sustainable Procurement Policy has been developed to help the Council to meet its legal duties and to deliver its key strategic objectives. The [Sustainable Procurement Policy](#) was updated and approved by Council in March 2022. Due to the Council's fast developing policy to meet its Climate Change Duties and progress to Net Zero, the Sustainable Procurement Policy was further reviewed following a public consultation in 2024 to align with the Council Plan and Procurement Strategy.

Sustainable procurement supports the Council's values, as outlined in the [Council Plan 2023-2028](#) and the [Council Delivery Plan 2023-2028](#) which cover the reporting period of this Procurement Annual Report.

This Procurement Annual Report will report on the Procurement Strategy 2023 to 2028 which is aligned to the new [Council Plan 2023-2028](#), which has the following strategic priorities:

- Growing our Economy.
- Strengthening our Communities.
- Developing our Infrastructure.
- Transforming our Council.

It is a statutory requirement that Community Benefits must be considered for all procurement processes at or above £4 million in value to meet the Council's requirement to meet the sustainable procurement duty.

For each individual Regulated Procurement exercise, Officers with Delegated Procurement Authority must complete a 'Commodity Strategy for all Regulated Procurements' which includes a section on Community Benefits to be considered where applicable.

### Procurements that have included Community Benefits

There have been five procurements carried out by the Council, where Community Benefits for procurements with a contract value over the £4,000,000 threshold, have been included.

For procurement of Category C (local contract / framework including local collaborative framework agreements) Contracts which are undertaken by the Council, Community Benefits are included without exception as part of the award criteria where the value of the

Action Plan is over £4 million. These are recorded in the Procurement Strategy Targets/Indicators, attached at Appendix 2.

These contracts are as follows, and have either been completed or have ongoing spend within the reporting period for this annual report:

<b>Date of Award.</b>	<b>Subject Matter.</b>	<b>Estimated Value (£).</b>	<b>Start Date.</b>	<b>End Date.</b>
09/08/2010	Hard Facilities Management Schools Investment Programme	7,600,000	08/09/2010	09/07/2030
05/01/2021	Inter-island Air Services	4,880,363	01/04/2021	31/03/2025
09/04/2021	School and Public Bus Contracts	4,672,014	16/08/2021	15/08/2031
15/03/2022	New Kirkwall Care Facility	12,641,675	25/05/2022	23/08/2024
06/03/2025	Scapa Deep Water Quay PCSA Stage	5,997,945	06/03/2025	TBC

Where the Council can access Category A (national collaborative) contracts or Category B (sectoral collaborative) contracts via Framework Agreements the overall anticipated value of the Framework is inevitably of a high value and likely to be over the £4 million threshold for the inclusion of community benefits.

Contracts awarded under Framework Agreements are required to achieve Community Benefits as mandatory. However, for contracts awarded via a Framework Agreement it is more difficult to identify Community Benefits which will be realised locally, except where the local supply chain is involved in the delivery of the Contract.

Monitoring of Community Benefits for exercises before this year have continued as planned.

There has been an increase of one contract over the value of £4 Million with Community Benefit Clauses over the past financial year. However, the inclusion of Community Benefit Clauses is now routinely considered where appropriate for all procurements.

<b>Community Benefit Analysis.</b>	<b>1 April 2024 to 31 March 2025.</b>
Total Number of Contracts where Community Benefit Clauses have been included.	5.
Number of Applicable Contracts with Community Benefit Clause.	5.
Percentage of total Applicable Contracts with Community Benefit Clauses.	100%.

## Other considerations

The following factors are routinely taken into consideration in relevant procurements, especially in construction or social care procurement. However, these may not always be specifically labelled as Community Benefit Award Criteria:

- Climate change (carbon and energy consumption, carbon in production, adaption, carbon in vehicle emissions).
- Materials (scarcity, security).
- Waste (production, reuse / recondition / remanufacture).
- Hazardous materials / emissions.
- Biodiversity (protection and enhancement).
- Heritage (protection and enhancement).
- Water (consumption and production).
- Employment (skills and training, SMEs / social enterprises / supported businesses).
- Communities.
- Fair and ethical trading (working conditions, conflict materials).
- Equality (protected characteristics).

Following the legislative changes, and as recorded for the financial years covered by this report on the Council's On-Contract Spend Register, Fair Work Practices are routinely included in the award criteria for all contracts. In addition, a Sustainable Procurement award criterion has been developed which can be adapted to use where relevant and proportionate for the procurement exercise undertaken. This is now included in contracts where there is an activity identified that would impact on climate change impact. There have been a total of **84** procurements undertaken including live ongoing contracts to the end of the March 2025 reporting period where Community Benefits / Sustainability Clauses have been part of the award criteria regardless of value.

The most notable significant procurement exercises which were undertaken during the current reporting period include one large infrastructure project and smaller contracts, for example, transport and haulage services or food supply where a direct impact is made on greenhouse gas emissions, consultancy services where maximum use is made of online meetings and services where delivery is part of the contract, for example.

In the main, responses to the sustainable procurement and community benefits sections for these contracts have been positive and ranged from a strong awareness of the principles of Fair Work Practice and a focus on offering work placements, employment opportunities for individuals experiencing long term unemployment, apprenticeships etc to supporting community events by providing free transport.

In accordance with the Council's Sustainable Procurement Policy, the inclusion of sustainable procurement clauses in award criteria is considered for all contracts where this is appropriate.

All Category A, B and C1 contracts awarded under a framework, either at national or UK wide level, all now include both Community and/or Sustainable Procurement clauses in accordance with legislation.

A summary of the Community Benefits and Sustainable Procurement clauses as part of the award criteria for the procurements included within the reporting period are as follows:

- Employment (skills and training, small or medium-sized enterprises (SMEs) / social enterprises / supported businesses).
- Fair Work Practices.
- Transport and emissions.
- Employment opportunities for people who experience barriers to employment.

Included in the Sustainable Procurement Policy, a Sustainable Procurement Impact Assessment (SPiA) tool has been developed and is now in use. This approach assists Senior Officers and Officers with Delegated Procurement Authority to assess where a specific procurement exercise should consider these factors at the planning stage of the procurement as recorded in the procurement plan. For the 2024-25 reporting period, SPiAs have been undertaken at the planning stage of predominantly major capital projects and procurement exercises where the project or service operation is likely to have an impact, totals four. This process is now embedded, and numbers will increase once procurement exercises which are live or in the planning stage have reached the award stage of the procurement process.

## **Section 4 – Supported Businesses Summary**

The Procurement Reform (Scotland) Act 2014 (“the [Act](#)”) includes a classification for supported business and defines a supported business as ‘an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons and where at least 30% of the employees of the economic operator are disabled or disadvantaged’.

Public organisations can restrict the right to participate in procurement for the award of a public contract / framework to supported businesses only.

This change expanded the potential for more businesses to be included in this category. The Council’s contract activity for the reporting year includes the Community Interest Company, Scottish Supported Business and Social Enterprise Company, Hey Girls period products, available in Council facilities and online through the Council’s online ordering process.

## **Section 5 – Future Regulated Procurements Summary**

The Procurement team has worked with Directors across the Council to develop a forward procurement plan for their service areas. These plans identify the Council's anticipated procurement activity for the coming year for Category C and C1 procurement (excluding Category A and B activity).

The Act has extended this timeframe to two years, and Appendix 3 includes information regarding anticipated Regulated Procurements for that period. As referenced in the introduction above, this report includes information on all procurement activity and this is included in the Forward Plan, i.e. it also covers 'nonregulated' procurement.

## Section 6 – Other Information

### Supplier Development

In the past an annual Meet the Buyer event was held annually for the years 2018 to 2020.

Since the Covid-19 pandemic and with the increase in online events, there have been no overarching Meet the Buyer events organised. However, contract specific market engagement events are considered in consultation with the service area in a format compatible with the market at the time where required and on a case-by-case basis and include in person events now. These events are organised by the service area and in conjunction with the Council's Procurement Team. A feature of all Meet the Buyer events is to signpost the support available via the Business Gateway Orkney Service and the Supplier Development Programme which both continue to be active in providing support to contractors and are actively involved in helping local firms do business better with the Council.

Meet the Buyer events, following the format of focused upcoming contract opportunities, will continue to be undertaken where this is deemed a suitable route for contract/sector specific market engagement for future procurement exercises.

### Collaboration and Partnering Opportunities

In accordance with the Council's Procurement Strategy there is a Council commitment regarding collaboration and partnering. It is recognised that greater efficiencies can be achieved by improved collaboration between different organisations within the public sector with similar requirements, whether within the local government sector or in other areas of the public sector, such as the Scottish Government, the Crown Commercial Service, Non-Departmental Public Bodies and the National Health Service (NHS). Collaboration with Shetland Islands Council is to be actively explored to see if there are opportunities to work more closely together to identified potential economies of scale etc

Collaboration maximises the value of procurement whether it be through aggregation of demand or through the sharing of resources to reduce administration. Framework Agreements are noted as either a Category A Contract or a Category B Contract or Category C1 for local collaborative contracts in place. The Council's use of these is shown in the tables below.

The Council's internal contract register lists all purchases for works, services and supplies known to have a contract in place. This register does not include ad hoc purchases for values typically under the £10,000 minimum threshold as noted in the Council's CSOs. There are exceptions to this rule where the nature or complexity of the contract warrants having a contract in place regardless of being of low value (under £10k, for example, IT licensing agreements, cleaning contracts etc).

In total there are **464** live contracts listed in the Council's contract register for the year 1 April 2024 to 31 March 2025.

Tables 1 to 5 below summarise all live contracts as recorded on the Council's Contract Register by category for the previous five complete financial years and a corresponding split between Services, Supplies and Works.

**Table 1 – 1 April 2020 to 31 March 2021**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	25.	7.69%.	£2,828,299.00.
Category B (sectoral).	29.	7.24%.	£2,662,194.74.
Category C (local single supplier).	212.	58.82%.	£21,618,832.83.
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	13.	1.02%.	£373,967.50.
Category O (other).	149.	25.23%.	£9,540,039.67.
<b>Total.</b>	<b>428.</b>	<b>100.00%.</b>	<b>£37,023,333.74.</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service	275.	64.25%.	£19,064,537.13.	51.49%.
Supply	57.	13.32%.	£10,829,453.22.	29.25%.
Works	96.	22.43%.	£7,129,343.39.	19.26%.
Total.	428.	100%.	£37,023,333.74.	100%.

**Table 2 – 1 April 2021 to 31 March 2022**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	54	2.39%	£1,002,229.10
Category B (sectoral).	58	10.21%	£4,282,885.39
Category C (local single supplier).	222	63.22%	£26,531,161.52
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	10	1.20%	£503,333.29
Category O (other).	159	22.98%	£9,643,541.36
<b>Total.</b>	<b>503</b>	<b>100.00%</b>	<b>£41,963,150.67</b>

Type of Contract	Number of Contracts	% of Total Contracts	Value of Contracts	% of Total Value
Service	323	64.21%	£22,203,979.34	52.91%
Supply	109	21.67%	£4,544,836.92	10.83%
Works	71	14.12%	£15,214,334.41	36.26%
Total.	503	100%	£41,963,150.67	100%

**Table 3 – 1 April 2022 to 31 March 2023**

Contract Category Analysis.	Number.	Percentage of Total Value.	Estimated Contract Value (£).
Category A (national).	65	9.70%	£5,477,199.06
Category B (sectoral).	50	7.86%	£4,438,800.93
Category C (local single supplier).	212	54.81%	£36,577,955.46
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	10	1.51%	£850,084.39
Category O (other).	135	16.11%	£9,094,367.60
<b>Total.</b>	<b>472</b>	<b>100.00%</b>	<b>£56,438,407.43</b>

Type of Contract	Number of Contracts	% of Total Contracts	Value of Contracts	% of Total Value
Service	310	65.82%	£25,980,242.68	46.03%
Supply	115	24.36%	£16,015,275.65	27.38%
Works	47	9.96%	£14,442,889.10	25.59%
Total.	472	100%	£56,438,407.43	100%

**Table 4 – 1 April 2023 to 31 March 2024**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	69	15.33%	£7,466,414.32
Category B (sectoral).	54	12.00%	£6,556,422.98
Category C (local single supplier).	209	46.44%	£28,591,864.28
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	21	4.67%	£1,563,626.49
Category O (other).	97	21.56%	£8,991,766.46
<b>Total.</b>	<b>450</b>	<b>100.00%</b>	<b>£53,170,094.52</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service	305	67.78%	£28,455,583.61	53.52%
Supply	100	22.22%	£11,214,984.10	21.09%
Works	45	10.00%	£13,499,526.81	25.39%
<b>Total.</b>	<b>450</b>	<b>100%</b>	<b>£53,170,094.52</b>	<b>100%</b>

**Table 5 – 1 April 2024 to 31 March 2025**

<b>Contract Category Analysis.</b>	<b>Number.</b>	<b>Percentage of Total Value.</b>	<b>Estimated Contract Value (£).</b>
Category A (national).	68	17.89%	£9,767,947.21
Category B (sectoral).	87	13.90%	£7,591,087.75
Category C (local single supplier).	173	40.64%	<b>£22,213,557.62</b>
Category C1 (local contract / framework including local collaboration). (Examples for Category C1, are as for 2016 / 2017, the provision of contracts for food, specialist legal services working collaboratively and e-learning working collaboratively with other Public Authorities with the addition of the provision of tax advisory services).	15	3.58%	£1,952,565.98
Category O (other).	120	23.99%	£13,094,704.64
<b>Total</b>	<b>464</b>	<b>100.00%</b>	<b>£54,619,863.20</b>

<b>Type of Contract</b>	<b>Number of Contracts</b>	<b>% of Total Contracts</b>	<b>Value of Contracts</b>	<b>% of Total Value</b>
Service.	<b>331</b>	<b>71.34%</b>	<b>£37,918,771.69</b>	<b>69.42%</b>
Supply.	96	<b>20.69%</b>	£5,825,143.50	<b>10.66%</b>
Works.	37	<b>7.97%</b>	£10,875,948.00	<b>19.91%</b>
<b>Total.</b>	<b>464</b>	100%	<b>£54,619.863.20</b>	100%

### **Procurement Annual Spend Data**

The Council is required by the Scottish Government to input its annual spend data to the Procurement Hub which records all purchasing transactions made by the Council for each financial year. The information is processed and released back to the Council for the purposes of analysis and forward planning.

The following table provides a summary of key data for the Council spend data for the past five financial years.

**Table 6**

<b>Financial Year.</b>	<b>2020 / 2021.</b>	<b>2021 / 2022.</b>	<b>2022 / 2023.</b>	<b>2023 / 2024.</b>	<b>2024 / 2025</b>
Total Spend (£).	£40,405,786.00	£53,235,315.00	£69,968,064	£65,829,641	£70,753,354
Core Trade Spend (£)	£37,412,755.00	£50,458,363.00	£66,663,75	£61,867,089	£67,749,468
Input suppliers.	1,802.00	2,205.00	2,168	2,211	2,187
De-duplicated Suppliers.	1,764.00	1,998.00	2,136	2,176	2,161
Duplicate Suppliers.	38	27	32	35	26
SME Suppliers.	670	971	794	951	946
Local Suppliers.	217	294	269	282	336
Transactions.	29,226	34,999	36,472	37,963	38,991
Average Spend per supplier (£).	£22,906	£26,644	£32,757	£30,253	£32,741
Percentage of SME Spend.	61%	62%	59%	61.10%	60.63%
Percentage of Local Spend.	38%	41%.	41%	40.51%	39.54%
Amount of Local Spend (£)	£17,583,994.00	£23,715,430.61	£31,331,966.00	£25,365,506.49	£26,788,140
Percentage of Core Trade Spend of Total	92.59%	94.50%	95.28%	93.98%	95.75%

**Key to categories in Procurement Annual Spend table:**

- Total Spend – total amount of spend for the financial year.
- Input Suppliers – number of suppliers, before de-duplication.
- De-duplicated Total Suppliers – number of unique suppliers.
- Duplicate Suppliers – number of suppliers which are duplicates of another supplier.
- Transactions – total number of transactions.
- Avg. spend per supplier – average spend per unique supplier.
- Core Trade – sub-set of supply base that includes all Trade Suppliers and Social Care Provider with spend of £1,000 or more in the financial year.
- SME Supplier – Small and Medium sized businesses where the supplier has less than 249 employees or where the annual revenue is less than £22.8m.
- SME Spend – Spend with SME as a percentage of Core Trade Spend.
- Local Suppliers – Spend with suppliers within the same local authority area as the organisation (based on postcodes).
- Local Spend – Spend with local suppliers as a percentage of Core Trade Spend.

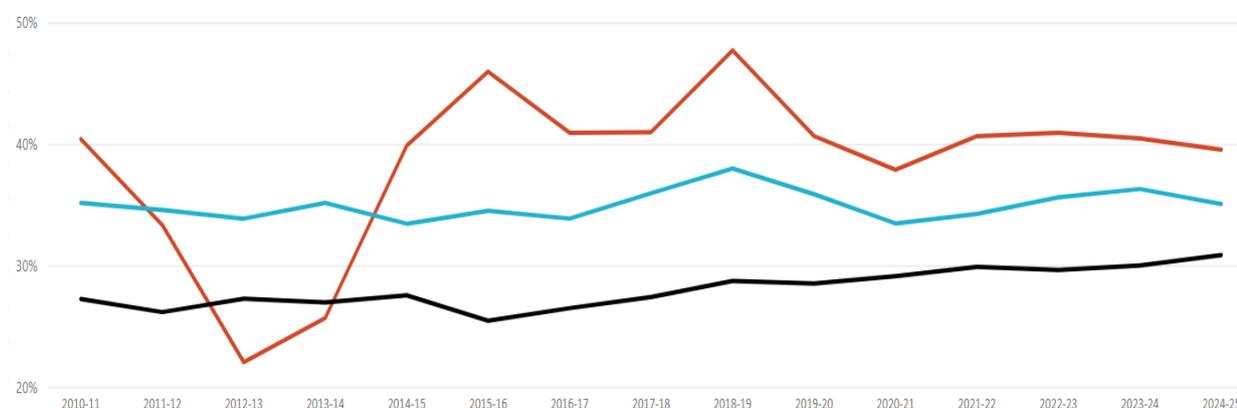
## Procurement Spend – National Context

The proportion of the Council's spend on local enterprises was 39.5% for the reporting period 2024– 2025 (figures accessed in November 2025). In comparison, the proportion of procurement spend on local enterprises across Scotland for the same period was 30.8% and, for similar\* councils (family group), there was an overall average of 35% spend on local enterprises.

\*Orkney is part of the Local Government Benchmarking Framework Group 1 which is grouped for the above indicator with similar Councils (East Renfrewshire, East Dunbartonshire, Aberdeenshire, Edinburgh City, Perth & Kinross, Aberdeen City and Shetland Islands).

Graph 1

### ECON04 – Proportion of Procurement Spent on Local Enterprises



Key: 2024-25

Red - Orkney Islands Council 39.5%

Blue - Family Group 35%

Black - All Scotland 30.8%

Ref: Local Government Benchmarking Framework

Orkney's procurement spend on local SMEs is 8.7% above the 'all Scotland' national average of 30.8% for the 2024 to 2025 period.

Please note that the figures referred to in this section are the percentages of the Council's spend on local Enterprises which is a different data set to the figures recorded for percentage of Enterprises Spend and percentage of Local Spend in Table 6. This information is sourced from the Local Government Benchmarking data sets and are the 2024 to 2025 figures. These are the most up to date statistics available to illustrate the national context.

## Climate Change Duties

The Climate Change (Scotland) Act 2009 places duties on public bodies relating to climate change.

These duties require that the Council must, in exercising its functions, act to:

- Contribute to the delivery of emission reduction targets (mitigation).
- Help deliver any statutory climate change adaptation programme (adaptation).
- Do this in a way that it considers most sustainable (acting sustainably).

The Council is statutorily required to provide evidence of the above in annual reports from reporting year 2021/22 onwards, as part of The Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2020.

The Council's annual Climate Change Duties (CCD) report for 2024/25 will be considered by Council in November 2025. Copies of previous CCD reports may be accessed [here](#).

### **Biodiversity Duty**

Section 8.21 of the Sustainable Procurement Policy states that the Council will meet the duty to further the conservation of biodiversity arising from the Nature Conservation (Scotland) Act 2004. This will be done, where appropriate, by specifying through the procurement processes requirements that protect and enhance green spaces, habitats, species, sustainable farming practices and biodiversity both locally and globally.

### **Scotland's Public Procurement Reporting Requirements for 2024-25**

The Scottish Government produced a policy note [SPPN 2/2025](#) on 12 June 2025 regarding future reporting requirement for the 2024/25 reporting periods.

To date there has been no change to the reporting requirements requested by the Scottish Government.

## Appendix 1 – Summary of Regulated Procurements 1 April 2024 to 31 March 2025

Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
08/04/2024	Number10 interim	OHAC Temporary Finance Staff	£64,000.00	08/04/2024	20/12/2024	NA	E&SR	Service Budget
01/04/2024	British Telecommunications PLC	SWAN2	£1,215,000.00	01/04/2024	31/03/2035	NA	NS&I	Service Budget
01/04/2024	Various	Social Care Agency Staff	£4,610,487.76	01/04/2024	31/03/2025	Ongoing	OHAC	Service Budget
01/04/2024	Various	Various IT Peripherals - Purchasing Platform	£121,029.39	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
01/04/2024	EDF Energy Ltd	Electricity 2024	£5,604,981.90	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
01/04/2024	Scottish Fuels	Liquid Fuel - Scotland North (2024)	£1,175,220.48	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
01/04/2024	Business Stream	Water and Waste Water Services (2024)	£534,121.22	01/04/2024	31/03/2025	Ongoing	I&OD	Service Budget
08/04/2024	Age Scotland Orkney	Provision of Independent Living Support Service	£94,819.00	01/04/2024	31/03/2025	Ongoing	OHAC	Service Budget
15/04/2024	Start Point Media	Social Media Management	£359,728.00	01/05/2024	31/04/2025	31/03/2028	E&SR	Service Budget
23/04/2024	David Flanagan Media	PR Media Management	£182,800.00	01/05/2024	31/04/2025	31/03/2028	E&SR	Service Budget
08/05/2024	Brodies LLP	Specialist Legal Services for Orkney Wind Farms	£104,250.00	08/05/2024	06/05/2026	06/05/2026	E&SR	Capital Project

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<b>Date of Award</b>	<b>Contractor</b>	<b>Subject Matter</b>	<b>Estimated/Actual Total Value (including any contract extensions)</b>	<b>Start Date</b>	<b>End Date</b>	<b>End date including period of extension</b>	<b>Directorate</b>	<b>Governance</b>
21/05/2024	Vodafone	Renewal of Mobile Phone contract	£120,135.60	01/06/2024	31/05/2027	31/05/2027	NS&I	Service Budget
07/06/2024	Dennis Eagle Ltd	26t Refuse Truck	£225,937.00	07/06/2024	Supply	NA	NS&I	Capital Replacement Programme
10/06/2024	HRI Munro Architecture	Architectural Services 24-29	£326,535.00	07/06/2024	06/06/2028	06/06/2030	NS&I	Service Budget
12/06/2024	Econ Engineering Ltd	Econ Quick Change Hotbox and Tipper Bodies	£75,870.00	12/06/2024	Supply	NA	NS&I	Capital Replacement Programme
13/06/2024	Norscot Truck and Van Ltd	18T Chassis and Quick Change Body - Tipper/Gritter/Hotbox	£134,838.00	13/06/2024	Supply	NA	NS&I	Capital Replacement Programme
17/05/2024	Aether Limited	Climate Change Consultancy	£58,050	18/06/2024	30/02/2025	NA	NS&I	External Funding
18/06/2024	Specialist Cars Renault	3 X New Electric Cars ( Vehicles)	£67,721.85	18/06/2024	Supply	NA	NS&I	Capital Replacement Programme
21/06/2024	Markon Limited	Reinstatement of Carriageway white lines following surface dressing (by Markon Ltd)	£90,510.00	21/06/2024	20/09/2024	NA	NS&I	Service Budget
01/07/2024	Orkney Transport (Prev J&V)	School Transport	£171,677.00	01/08/2024	30/06/2029	30/06/2031	EC&H	Service Budget
17/07/2024	Aebi Schmidt UK Ltd	Purchase of 3.5t road sweeper for waste services	£95,690.00	17/07/2024	Supply	NA	NS&I	Capital Replacement Programme
23/07/2024	Simpson & Brown	Conservation Surveying	£163,462.00	01/08/2024	31/07/2029	NA	NS&I	Service Budget

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Date of Award	Contractor	Subject Matter	Estimated/Actual Total Value (including any contract extensions)	Start Date	End Date	End date including period of extension	Directorate	Governance
23/07/2024	Nynas	Supply of Emulsion for road maintenance	£171,000.00	23/07/2024	28/02/2025	NA	NS&I	Service Budget
23/07/2024	Nynas	Supply of Bitumen for road maintenance	£300,000.00	23/07/2024	28/02/2025	NA	NS&I	Service Budget
28/07/2024	Lyngaa Marine ApS	Replacement and upgrade of obsolete Engine Controls for Earl Sigurd & Earl Thorfinn	£177,205.00	01/01/2025	31/03/2025	NA	E&SR	Annual Refit/ Repairs Programme
01/08/2024	Softcat Plc	Wireless LAN Controller	£52,061.64	01/08/2024	Supply	NA	NS&I	Service Budget
02/08/2024	Scot JCB Ltd	360 tracked excavator	£211,500.00	02/08/2024	Supply	NA	NS&I	Capital Replacement Programme
05/08/2024	Rocketbox	Vikings Exhibition	£264,000.00	05/08/2024	01/03/2025	NA	NS&I	External Funding
05/08/2024	NB Communication	Orkney Marketing Programme - Web Services	£214,500.00	01/08/2024	31/07/2027	31/07/2029	E&SR	Service Budget
13/08/2024	Hub North - Independent intelligence	Schools investment Programme Contract Options Appraisal Hub North	£59,670.03	13/08/2024	01/09/2025	01/09/2025	NS&I	Service Budget
15/08/2024	Mellor Bus Ltd	2 x 16 Seater Disabled Access Minibus	£266,430.00	15/08/2024	Supply	NA	NS&I	Capital Replacement Programme
27/08/2024	Skip Units Limited	Purchase of Various Skips and frames	£81,500.00	27/08/2024	Supply	NA	NS&I	Capital Replacement Programme
05/09/2024	MLM Engineering	Purchase of Tractor and Trailer	£130,000.00	05/09/2024	Supply	NA	NS&I	Capital Replacement Programme

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<b>Date of Award</b>	<b>Contractor</b>	<b>Subject Matter</b>	<b>Estimated/Actual Total Value (including any contract extensions)</b>	<b>Start Date</b>	<b>End Date</b>	<b>End date including period of extension</b>	<b>Directorate</b>	<b>Governance</b>
05/09/2024	Bill Mackie Engineering Ltd	MV Thorsvoe Refit 2024	£262,019.00	16/09/2024	03/10/2024	NA	E&SR	Annual Refit/ Repairs Programme
12/09/2024	A M Phillip Trucktech Ltd	2 x 7t Tipping Pickups with Tail Lifts ( Vehicles)	£120,415.00	12/09/2024	Supply	NA	NS&I	Capital Replacement Programme
17/09/2024	NCC Group Security Services Limited	Annual IT Health Check	£123,000.00	13/09/2024	12/09/2027	12/09/2028	NS&I	Service Budget
18/09/2024	Softcat Plc	Kirkwall Care Home IT Networking	£51,656.78	18/09/2024	Supply	NA	NS&I	Capital Programme
20/09/2024	indigo House	Hub North Strategic Support Housing Phase 3	£91,250.00	20/09/2024	30/09/2025	NA	NS&I	Capital Programme
25/09/2024	Specialist Cars Renault	Supply and Delivery of 3 New EV Vans	£67,796.85	25/09/2024	Supply	NA	NS&I	Capital Replacement Programme
30/09/2024	Kongberg Maritime Finland	Harald Gear Couplings	£53,456.48	27/09/2024	Supply	NA	E&SR	Annual Refit/ Repairs Programme
30/09/2024	NTM-GB Ltd	16T Split Back Recycler for Waste Services	£176,665.00	30/09/2024	Supply	NA	NS&I	Capital Replacement
15/10/2024	VAO	Supported Volunteering Project with VAO	£50,000.00	01/10/2024	30/09/2026	NA	EL&H	External Grant Funding
28/10/2024	QA Fish Ltd	Fresh Fish Catering Contract	£132,275.00	04/11/2024	03/11/2027	01/11/2029	EL&H	Service Budget
29/10/2024	Norscot Truck and Van Ltd	32t Tipper truck for roads Services	£157,200.00	29/10/2024	Supply	NA	NS&I	Capital Replacement Programme

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<b>Date of Award</b>	<b>Contractor</b>	<b>Subject Matter</b>	<b>Estimated/Actual Total Value (including any contract extensions)</b>	<b>Start Date</b>	<b>End Date</b>	<b>End date including period of extension</b>	<b>Directorate</b>	<b>Governance</b>
29/10/2024	Dennis Eagle Ltd	18t Refuse Collection Vehicle for Waste Services	£217,709.00	29/10/2024	Supply	NA	NS&I	Capital Replacement Programme
31/10/2024	Norscot Truck and Van Ltd	New 15T Road Sweeper	£185,974.00	31/10/2024	Supply	NA	NS&I	Capital Replacement Programme
07/11/2024	G A Barnie Group Ltd	Electrical Installation Checks New Contract 2024 - Non Housing	£559,128.55	07/11/2024	06/11/2027	NA	NS&I	Service Budget
07/11/2024	Enviroclean	Paper Products - Hatston	£80,000.00	11/11/2024	28/03/2027	NA	NS&I	Service Budget
19/11/2024	Brodies LLP	Legal Due Diligence	£62,000.00	20/11/2024	19/11/2026	NA	E&R	Capital Project
28/11/2024	The Salt Sales Co	Supply of Salt for winter maintenance of roads & pathways	£500,000.00	28/11/2024	31/10/2026	NA	NS&I	Service Budget
02/12/2024	McAdie & Reeve	Provision of Isles Haulage 2024	£400,000.00	22/11/2024	21/11/2027	20/11/2029	NS&I	Service Budget
09/12/2024	CRC Advisory Ltd	Entrepreneurial Islands Project	£65,350.00	01/04/2024	31/03/2025	NA	E&SR	Service Budget
13/12/2024	Environmental Technical Services	3 yrs 3 Years Ventilation Cleaning , Servicing and Recording of as Built Information Ventilation Ductwork / Cleaning Contract 2024	£112,580.00	13/12/2024	12/12/2027	NA	NS&I	Service Budget
18/12/2024	Knud E Hansen	ONI Vessel Design	£250,000.00	06/01/2025	31/05/2025	NA	E&SR	Capital Project
23/12/2024	Bill Mackie Engineering Ltd	MV Sigurd Re -Fit 2025	£361,454.00	06/01/2025	25/01/2025	NA	E&SR	Annual Refit/ Repairs Programme

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<b>Date of Award</b>	<b>Contractor</b>	<b>Subject Matter</b>	<b>Estimated/Actual Total Value (including any contract extensions)</b>	<b>Start Date</b>	<b>End Date</b>	<b>End date including period of extension</b>	<b>Directorate</b>	<b>Governance</b>
13/01/2025	Leask Marine	Sharon Rose Wreck Removal	£174,909.25	13/01/2025	23/02/2025	NA	E&SR	Service Budget
21/01/2025	Bill Mackie Engineering Ltd	Refit for Thorfinn 2025	£195,068.00	27/01/2025	07/02/2025	NA	E&SR	Annual Refit/ Repairs Programme
21/01/2025	Bill Mackie Engineering Ltd	Refit for Varagen 2025	£307,156.00	17/02/2025	03/03/2025	NA	E&SR	Annual Refit/ Repairs Programme
22/01/2025	Orkney Transport Ltd	Cruise Liner Shuttle Bus Service	£500,000.00	01/02/2025	31/01/2028	31/01/2030	E&SR	Service Budget
24/01/2025	Environmental Technical Services	Water Safety & TMV Inspection, Testing and Servicing Contract 2024	£225,222.00	24/01/2025	23/01/2028	NA	NS&I	Service Budget
07/02/2025	Employability Orkney	Employer Engagement Service	£50,000.00	01/04/2025	31/03/2027	NA	EL&H	External Grant Funding
11/02/2025	Tritonia Scientific Ltd	Seabed Survey in the East Scapa Flow.	£70,000.00	11/02/2025	11/08/2025	NA	E&SR	Service Budget
24/02/2025	Orcades Marine Management Consultants Ltd	Provision of Ballast Water Sampling	£313,091.00	01/04/2024	31/03/2027	31/03/2029	E&SR	Service Budget
06/03/2025	Acciona Construction SA and Jones Bros Ruthin (Civil Engineering) Co Ltd	Scapa Deep Water Quay (PCSA only)	£5,997,945.03	06/03/2025	07/08/2025	03/10/2025	E&SR	Capital Project
13/03/2025	Bill Mackie Engineering Ltd	Refit - Hoy head	£250,000.00	17/03/2025	02/04/2025	NA	E&SR	Annual Refit/ Repairs Programme

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<b>Date of Award</b>	<b>Contractor</b>	<b>Subject Matter</b>	<b>Estimated/Actual Total Value (including any contract extensions)</b>	<b>Start Date</b>	<b>End Date</b>	<b>End date including period of extension</b>	<b>Directorate</b>	<b>Governance</b>
14/03/2025	Bill Mackie Engineering Ltd	Refit - Eynhallow 2025	£90,000.00	07/04/2025	21/04/2025	NA	E&SR	Annual Refit/ Repairs Programme
20/03/2025	Systra Limited	Services associated with introduction of 20 mph speed limits on urban roads across Orkney	£82,900.00	01/04/2025	22/07/2025	NA	NS&I	External Funding
21/03/2025	Insight Direct (UK) Ltd	Fleet Management System	£60,000.00	21/03/2025	20/03/2028	NA	NS&I	Service Budget
31/03/2025	Bill Mackie Engineering Ltd	Refit - MV Harald 2025	£96,189.30	19/05/2025	23/05/2025	NA	E&SR	Annual Refit/ Repairs Programme
31/03/2025	Bill Mackie Engineering Ltd	Refit - MV Graemsay 2025	£52,522.15	07/04/2025	22/04/2025	NA	E&SR	Annual Refit/ Repairs Programme

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## Appendix 2 – Procurement Strategy Targets/Indicators 2023 to 2028

What will success look like?

The measures below are designed to stretch us as we strive to achieve our ambitions. Despite these uncertain times, we must be bold in what we aim to achieve and not just settle for simply maintaining the current position.

### 21.1. Sustainability, Climate Change and Net Zero Targets

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Number of Procurements where Community Benefit Clauses have been included in the award criteria. (To include contracts under £4,000,000 for reporting period 2024 / 2025 and beyond)	70	3 (Contracts with a value of over £4m)	4 (All Contracts regardless of value)
Number of Procurements for higher value contracts where climate change selection criteria have been included in the initial selection process for contracts identified as likely to impact climate change.	30	0	4
Percentage of procurements where a sustainability award criteria clause has been included. (Excluding frameworks – Cat C and Cat C1 only)	50%	21%	44%
Percentage of procurement spend on local enterprises – Council Plan target.	45%	41%	40%
Percentage of overall spend with the Third Sector and supported businesses.	10%	7.3%	6%

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## 21.2. Working with local suppliers

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Number of local suppliers registered with the Supplier Development Programme.	80	67	69
Number of local supply bases registered on the Public Contracts Scotland Portal Advertising Portal.	100	80	79
Percentage of Council spend attributable to SMEs	45%	41%	40%
To review contract award procedures to ensure that they place the minimum possible burden on suppliers.	2024	Ongoing	Ongoing

## 21.3. Value for Money

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Actual annual spend of contracts awarded expressed as a percentage compared to expenditure over the value of £1,000 as recorded by SG Procurement Hub.	90%	86%	81%

## 21.4. Collaboration and partnering

Target/Indicator 2023 to 2028	Target	Actual 2023 / 2024	Actual 2024 / 2025
Percentage of contract spend utilising Collaborative Contracts.	30%	2.94%	3.24%

## 21.6. Contract Management

<b>Target/Indicator 2023 to 2028</b>	<b>Target</b>	<b>Actual 2023 / 2024</b>	<b>Actual 2024 / 2025</b>
Contract Management Materials Toolkit (to include small contracts where applicable) for services to be developed.	2026	To be completed by July 2025	Complete
All contracts classified as high value and/or high risk to have an appropriate contract management plan in place.	2026	To be completed by April 2026	To be completed by April 2026
Exit plans in place for all appropriate contracts.	2027	To be completed by Dec 2026	To be completed by Dec 2026

## 21.7. Communication

<b>Target/Indicator 2023 to 2028</b>	<b>Target</b>	<b>Actual 2023 / 2024</b>	<b>Actual 2024 / 2025</b>
To seek customer satisfaction/feedback from bidders.	2026	To be determined	Under development
To advertise contract opportunities on the Council website.	2024	Ongoing	Ongoing

### 21.8. e-Procurement

<b>Target/Indicator 2023 to 2028</b>	<b>Target</b>	<b>Actual 2023 / 2024</b>	<b>Actual 2024 / 2025</b>
Review of internal processes carried out to identify opportunities to integrate with other Council electronic systems.	2028	To be determined	Options Appraisal planned

### 21.11. Training

<b>Target/Indicator 2023 to 2028</b>	<b>Target</b>	<b>Actual 2023 / 2024</b>	<b>Actual 2024 / 2025</b>
Sustainable Procurement and Procurement Climate Change Training to be undertaken by all Officers and Managers with Delegated Procurement Authority.	2024	Dec 2025	Dec 2025
Induction for all new employees to include procurement awareness.	2025	To be determined	In progress

### Appendix 3 - Forward Plan for Regulated and Unregulated Procurements April 2025 to March 2027

Subject Matter of Contract	New / Extended / Re-let	Expected Contract Notice / Publication Date	Expected Award Date	Expected Start Date	Estimated Value of the Contract (£)	Regulated / Unregulated
Various IT Contracts	New and Re- let	Various 2025 Ongoing	TBC	TBC	TBC	Regulated / Unregulated
Various Agency Workers Contracts	New and Re- let	Various 2025 ongoing	TBC	TBC	TBC	Regulated
Cleaning Services (Waiting Rooms and Public Conveniences various mainland and island locations.	Re-let	Various 2025 to 2027	Various throughout 2025 to 2027	Various throughout 2025 to 2027	TBC	Unregulated
Vehicles and Plant replacement programme	New	Various throughout 2025, 2026 and 2027	TBC	TBC	£1,400,000	Regulated / Unregulated
Vessel Re-fits 2025-27 individual contracts	Re-let	Various throughout 2025 2026 and 2027	TBC	TBC	TBC	Regulated / Unregulated
Vessel Refit Framework 2026 - 30	New	Various throughout 2026 to 2030	TBC	TBC	TBC	Regulated
Construction of Balance of Plant Orkney Community Wind Farm	New	Jul-2025	Feb-2026	Mar-2026	£18,000,000	Regulated
Provision of Outdoor Education Instructors	Re-Let	Sep-2025	Nov-2025	Apr-2026	£171,000	Regulated
Supply of One Second Hand 24m Landing Craft	New	Sep-2025	Nov-2025	Dec-2025	£1,400,000	Regulated
Repairs to Balfour Pier Steps	New	Oct-2025	Nov-2025	Nov-2025	£30,000	Unregulated
School Teacher Transport and School Pupil Transport (Eday)	Re-Let	Nov-2025	Jan-2026	Jan-2026	£101,115	Regulated

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<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
HEEPS:ABS Management Services 2026-3031	Re-Let	Nov-2025	Jan-2026	Apr-2026	£975,000 (5 year Contract)	Regulated
Supply of One Preowned Aircraft	New	Nov-2025	Jan-2026	Feb-2026	£400,000 (5 year contract)	Regulated
Container Shipment of Waste to Shetland	Re-let	Nov-2025	Feb-2026	Apr-2026	£1,951,572 (5 year contract)	Regulated
NI Linkspans Control Systems upgrades	New	Nov-2025	Jan-2026	Jan-2026	£1,200,000	Unregulated
A965 Finstown Drainage	New	Nov-2025	Jan-2026	Mar-2026	£250,000	Unregulated
Restoration of St Magnus Cathedral Organ	New	Nov-2025	Jan-2026	Sep-2026	£500,000	Regulated
Birsay Campsite building and site upgrade	New	Nov-2025	Jan-2026	Feb-2026	TBC	Unregulated
Outer North Isles Design and Build Ferry Replacement (3 Vessels with an option for a 1 x further option)	New	Nov-2025	May-2026	Jun-2026	£70-100M	Regulated
Orphir and Papdale Primary Schools Lighting Upgrades	New	Nov-2025	Dec-2025	Apr-2026	£300,000	Unregulated
Orkney Community Wind Farm Post Consent Commercial Advisory Services	Re-Let	Nov-2025	Jan-2026	Jan-2025	£355,000	Regulated
Emotional Well-Being Services	Re-Let	Dec-2025	Feb-2026	Apr-2026	TBC	Regulated
Accommodation Based Step Down Services	Re- Let	Dec-2025	Jan-2026	Apr-2026	£45,000	Unregulated
Storage Infrastructure and Disaster Recovery	Re-let	Dec-2025	Mar-26	Apr-2026	£350,000	Regulated
Moar Drive Multi Tenancy Shared House	New	Dec-2025	Feb-2026	Apr-2026	£800,000	Regulated

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Subject Matter of Contract	New / Extended / Re-let	Expected Contract Notice / Publication Date	Expected Award Date	Expected Start Date	Estimated Value of the Contract (£)	Regulated / Unregulated
Library Management System	Re-Let	Jan-2026	Feb-2026	Mar-2026	£154,153	Regulated
Kirkwall Pier Lighting	New	Jan-2025	Mar-2026	Apr-2026	£250,000	Unregulated
Annual Fire Fighting Equipment Inspections	Re-let	Jan-2026	Feb-2026	Mar-2026	TBC	Regulated
Pest Control Services	Re-Let	Jan-2026	May-2026	Jun-2026	£86,500	Unregulated
Radon Testing	New	Feb-2026	Mar-2026	Apr-2026	£350,000 (3 year contract)	Regulated
Banking Services.	Re-let.	Mar-2026	May-2026	Aug-2026	£22,980 (4 year contract)	Unregulated
Home Care Staff Management System	Re- Let	Apr-2026	Jul-2026	Aug-2026	£160,000 (4 year contract)	Regulated
Inspection and Testing of Vehicles for use as Taxi and Private Hire Cars	Re-let.	Apr-2027	Jul-2027	Jul-2027	£20,000 (5 year contract)	Unregulated.
Inspection, Testing and Maintenance of Fixed and Moveable Gymnasium and Fitness Room Equipment	Re-Let	Spring 2026	Summer 2026	Summer 2026	£35,000	Regulated
Independent Mobility Assessor	Re-Let	May-26	Jul-2026	Oct-2026	£5,000	Unregulated
Security Service for Orkney Harbour Authority	Re-Let	May-2026	Oct-2026	Dec-2026	£221,368	Regulated
Islands Haulage - Sanday	Re-Let	May-2026	Jul-2026	Sep-2026	£22,500	Unregulated
Student Accommodation Letting	Re-let	May-2026	Jul-2026	Aug-2026	£23,920	Unregulated
Port Marine Safety Code – Designated Person	Re-let	May-2026	Jul-2026	Oct-2026	£67,590 (5 year contract)	Regulated
Orkney Museum Promotional Material	Re-let	May-2026	Jul-2026	Oct-2026	TBC	Regulated

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<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
Lift Servicing and Maintenance 2026-2031	Re-let	Jun-2026	Aug-2026	Dec-2026	£112,516 (5 year contract)	Regulated
Kerbside Collections (Island/Island Groups)	Re-let	Aug-2026	Oct-2026	Dec-2026/Jan-2027	Various	Regulated
Employee Assistance Programme and Employee Benefits	Re-Let	Autumn 2026	Winter 2026	Winter 2026	£11,228	Unregulated
Supply and Services of Hygiene Units	Re-Let	Oct/Nov 2026	Jan / Feb 2027	Apr-2027	£227,096	Regulated
Heat Pump & Mechanical Ventilation & Heat Recovery System Servicing - Various OIC Properties	Re-Let	Winter 2026	Spring 2027	Spring 2027	£501,000	Unregulated
Ground Maintenance Services 2022 - 2026	Re-Let Subject to Council Approval	Dec-2026	Feb-2027	Apr-2027	£377,725	Regulated
Grounds Maintenance Services 2022 - 2026: Football Pitches	Re-Let Subject to Council Approval	Dec-2026	Feb-2027	Apr-2027	£117,141	Regulated
Young Persons Supported Accommodation Services	Re-Let	Dec-2026	Apr-2027	May-2027	£1,145,700	Regulated
Servicing & Maintenance of Automatic Doors	Re-Let	Jan-2027	Spring 2027	May-2027	£100,000	Unregulated
Environmental Consultancy services (Planning)	Re-Let	Spring 2027	Summer 2027	Aug-2027	£300,000	Regulated

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<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
3 Years Ventilation Cleaning , Servicing and Recording of as Built Information Ventilation Ductwork / Cleaning Contract 2027	Re-Let	Jul-2027	Nov-2027	Dec-2027	£11,258	Regulated
Islands Haulage – Various isles	Re-Let	Jul-2029	Aug-2029	Oct-2029	£400,000 (5 year contract)	Unregulated
Houton - Council Owned Land Servicing of Site Proposal (SSEN)	New	TBC	TBC	TBC	TBC	Unregulated
Roads Maintenance 2026-27: Various	New	TBC	TBC	TBC	TBC	Unregulated
Roads Maintenance 2026-27: Misc Bridge Repairs.	New	TBC	TBC	TBC	TBC	Unregulated
Roads Maintenance 2026-27: Footways.	New	TBC	TBC	TBC	TBC	Unregulated
Timber Floor Replacement at Various OIC Properties	Re-Let	TBC	TBC	TBC	£86,000	Unregulated
Kirkwall Pier - Waiting Room conversion to Offices	New	TBC	TBC	TBC	TBC	Unregulated
West Pier Lighthouse Conservation work	New	TBC	TBC	TBC	TBC	Unregulated
Kirkwall Town Hall – External Stone Works	New	TBC	TBC	TBC	£450,000	Unregulated
Houton Ferry Terminal Car Park and Marshalling	New	TBC	TBC	TBC	TBC	Unregulated
Orphir School External Wall Insulation and Boiler Replacement	New.	TBC	TBC	TBC	TBC	Unregulated
Tankerness House external fabric repairs	New	TBC	TBC	TBC	TBC	Unregulated
Eday Pier Refurbishment	New	TBC	TBC	TBC	£300,000	Unregulated

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<b>Subject Matter of Contract</b>	<b>New / Extended / Re-let</b>	<b>Expected Contract Notice / Publication Date</b>	<b>Expected Award Date</b>	<b>Expected Start Date</b>	<b>Estimated Value of the Contract (£)</b>	<b>Regulated / Unregulated</b>
Chinglebraes Retaining Wall	New	TBC	TBC	TBC	£500,000	Unregulated.
North Isles Cycling, Walking and Safer Routes	New	TBC	TBC	TBC	TBC	Unregulated
Kirkwall to Scapa Active Travel Route	New	TBC	TBC	TBC	TBC	Unregulated
Miscellaneous Culvert Platforms	New	TBC	TBC	TBC	TBC	Unregulated
Miscellaneous Piers and Harbours Maintenance Programme	New	TBC	TBC	TBC	£2,500,000	Unregulated
Stromness Swimming Pool Air Source Heat Pump	New	TBC	TBC	TBC	TBC	Unregulated
White Street Housing re-roofing	New	TBC	TBC	TBC	TBC	Unregulated
Houton Sea Wall Repairs	New	TBC	TBC	TBC	£35,000	Unregulated

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## Future Capital Projects

Subject Matter of Contract	New / Extended / Re-let	Expected Contract Notice / Publication Date	Expected Award Date	Expected Start Date	Estimated Value of the Contract (£)	Regulated / Unregulated
Haston Reclamation Phase 1	New	TBC	TBC	TBC	TBC	Regulated
Additional Support Needs Facility	New	Subject to Council approval to proceed	TBC	TBC	TBC	TBC
Orkney Logistics Base Hatston Phase 2 and 3	New	Subject to Council approval to proceed.	TBC	TBC	TBC	Regulated
Orkney Harbours Master Plan – Lyness Base	New	Subject to Council approval to proceed	TBC	TBC	TBC	Regulated
Royal Oak Memorial	New	Subject to external funding being secured	TBC	TBC	TBC	Unregulated
Ferry Replacement New Vessels Phase 2	New	Subject to external funding being secured.	TBC	TBC	TBC	Regulated
World Heritage Site	New	Subject to Council approval to proceed	TBC	TBC	TBC	Regulated / Unregulated
25 House Development at Coplands Road, Stromness	New	Subject to Council approval to proceed	TBC	TBC	£5,226,000	Regulated
Demolition of Papdale of Residence	New	Subject to Council approval to proceed	TBC	TBC	TBC	Unregulated
Bruising Shed Kirkwall Pier - Demolition of existing and creation of waiting room	New	Subject to Council approval to proceed	TBC	TBC	TBC	Unregulated

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# Local Child Poverty Action Report 2024 - 2025



**Orkney  
Community  
Planning  
Partnership**

[orkneycpp.org.uk](http://orkneycpp.org.uk)

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## Introduction

Local authorities and health boards in Scotland have a statutory requirement to report on child poverty. In Orkney, we choose to tackle this issue jointly as the Orkney Partnership, producing an annual *Local Child Poverty Action Report* with our partner agencies. The Cost of Living Task Force is a sub-group of the Orkney Partnership that leads on the child poverty work.

The cost of living crisis is the most severe economic crisis in a generation, and it is disproportionately affecting those in rural areas like Orkney. In 2021, the Scottish Government estimated that the minimum cost of living in remote rural Scotland was between 15% - 30% higher than in urban parts of the UK.

Last year, we included in this report a survey that showed that the majority of Orcadian children are feeling the consequences of the cost of living crisis either at home, or through changes in their community. Children were increasingly reporting feeling cold in their houses and having to change purchasing habits to accommodate the rising prices. This year, we include a brief overview of larger discussions on child poverty in Orkney. This section was informed by *Orkney Matters 2*, a community consultation project which took the conversation out to different isles and parishes. Tackling child poverty is no longer an exercise in prevention, but one of mitigation. Ensuring that children can live comfortable, normal lives is a goal that requires urgent action.

National figures included in this report show that Orkney has an estimated 757 children living in poverty, after housing costs. This is an overall decrease in the past five years.

Thank you for your interest in our report.



## Future of this Report

This 2024 – 2025 report is the final in the 2022 - 2026 reporting window. Starting from next year, the aim is to include the Local Child Poverty Strategy within the Children’s Services Strategy. This has two major benefits:

1. It centres the issue of child poverty within the larger Children’s Services Strategy, bringing more focus and attention to this important and worthwhile work.
2. It reduces the amount of duplication between reports and strategies, streamlining the reporting process which allows partners to dedicate more time to carrying out the content of the report.

As this strategy is included within the larger Children’s Services Strategy, the annual report on child poverty will be within the Children’s Services Annual Report. Both documents span the same reporting period and will be incorporated with each other.

## Reporting on Child Poverty in Orkney

Reporting on child poverty in Orkney is hindered by the relatively small size of our dataset compared to other local authorities. The data is, at times, so granular that it cannot be published to protect the anonymity of the child in question.

The Orkney Child Poverty Strategy 2022 – 2026 used figures from the UK Department for Work and Pensions (DWP) to understand the percentage of children living in absolute and relative poverty in Orkney.

The terms absolute and relative poverty come from the DWP with absolute poverty measuring whether those in the lowest income households are seeing their incomes rise in real terms, and relative poverty measuring whether those in the lowest income households are keeping pace with the growth of incomes in the economy as a whole.

### Relative Poverty

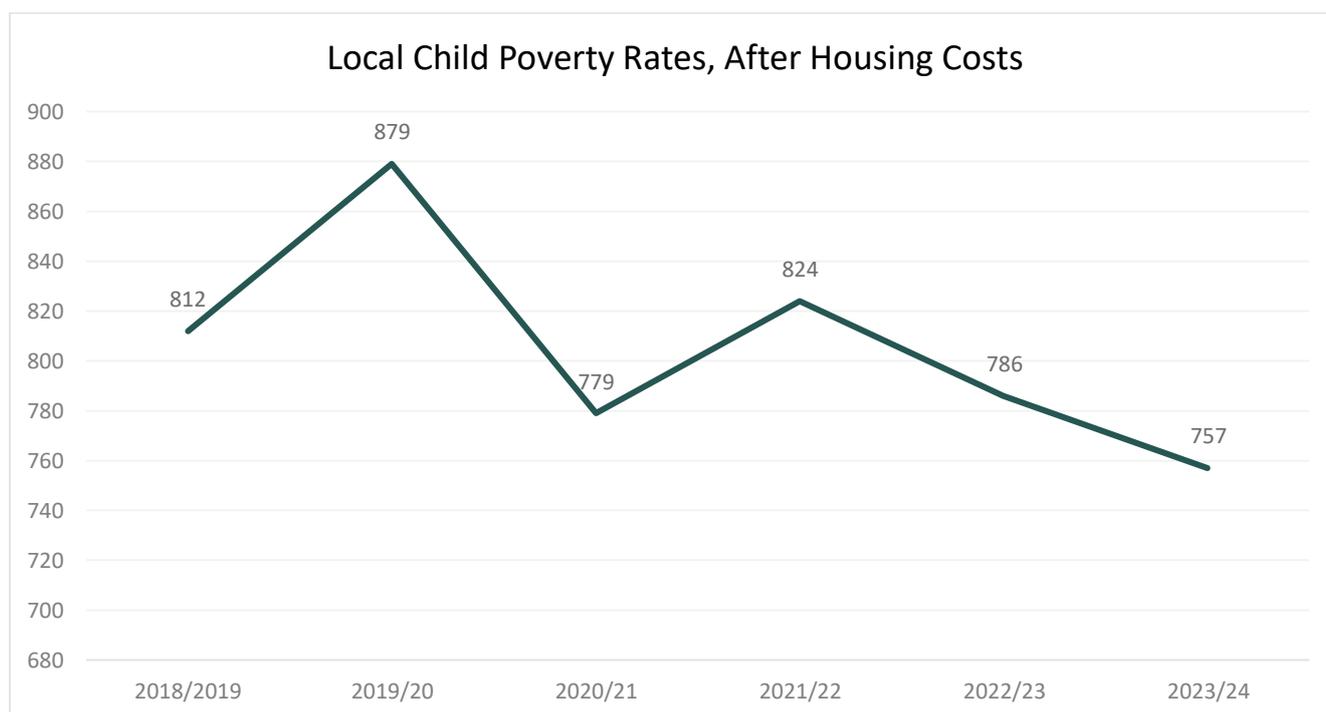
Children in families with incomes less than 60% of the contemporary UK median income

### Absolute Poverty

Children in families with incomes less than 60% of inflation adjusted 2010 – 2011 median income

The Centre for Research in Social Policy at Loughborough has developed new estimates of child poverty at local levels factoring in housing costs. This revised methodology means that child poverty figures from 2023 – 2024 and onwards cannot be compared to previous years estimates included in past LCPARs. The Scottish Government recommends that ‘while the previously published time series from 2014 – 2015 to 2022 – 2023 can still be used to look at trends over time there is an inherent level of uncertainty associated with the modelling approach which is difficult to quantify... year on year rates of change observed in specific locations need to be treated with some caution.’

This graph shows the current estimate of child poverty in Orkney using the revised methodology:



## Fuel Poverty

As explained in previous LCPARs, the DWP calculation of relative and absolute poverty does not account for the higher cost of living in rural island areas, nor the impact on fuel costs living in an exposed windy region. This is true for the new figures.

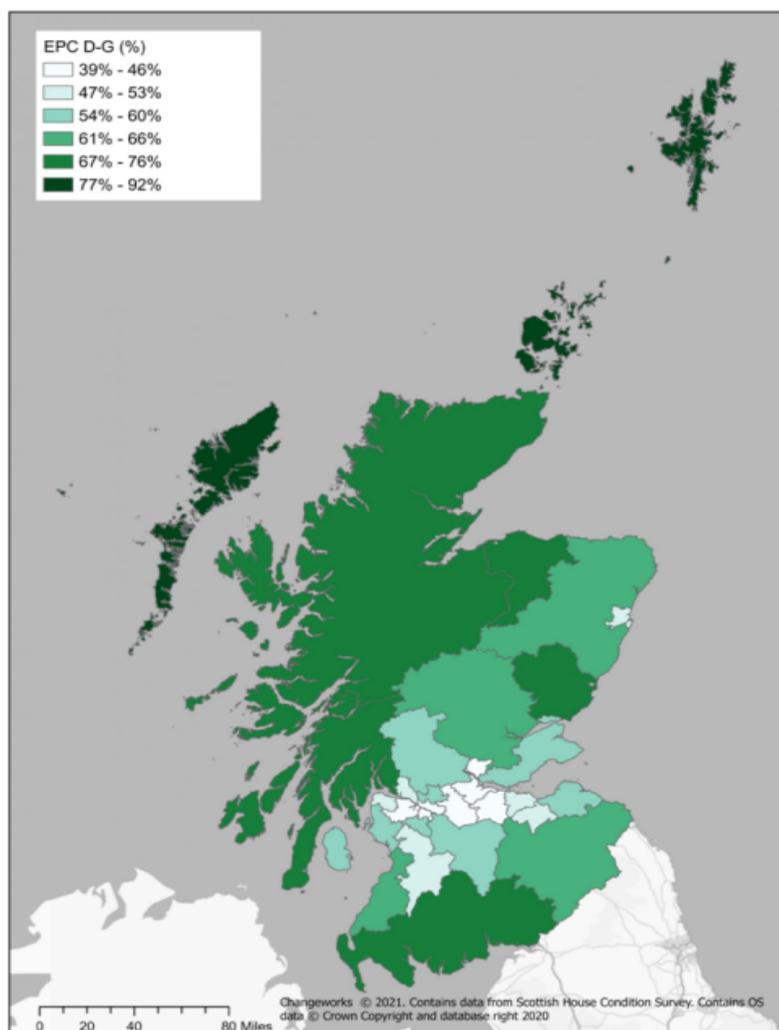
The Fuel Poverty (Targets, Definition and Strategy) (Scotland) Act 2019 define a household as being in fuel poverty “if, in order to maintain a satisfactory heating regime, total fuel costs necessary for the home are more than 10% of the household’s adjusted net income (i.e. after housing costs), and if after deducting those fuel costs, benefits received for a care need or disability and childcare costs, the households remaining adjusted net income is insufficient to maintain an acceptable standard of living”.

In 2017 - 2019, 30.5% of Orkney households were in fuel poverty compared with a Scottish average of 24.4%. Out of 32 Local Authority areas Orkney had the seventh highest rates of fuel poverty in Scotland and second highest rates of extreme fuel poverty. Since then, the Scottish average has climbed to 31%, and we can assume that there has been a comparable increase in Orcadian households in this time frame.

Orkney is not connected to the UK mainland gas grid, therefore people living in Orkney (Orcadians) must use more expensive forms of fuel to heat their homes. This results in higher standing charges, with households spending more than their urban equivalent households for the same energy usage. Orcadians either use more expensive electricity to heat their homes, or are reliant on unregulated fuels including oil, LPG, and solid fuels. Due to the unregulated market for these fuels, there are fewer protections for householders. Additionally, a greater proportion of households on Orkney use restricted meter tariffs which limit customers' ability to switch to more competitive rates.

In Orkney high fuel poverty rates are also driven by the poor energy efficiency of homes, as poorly insulated properties require greater fuel consumption to maintain comfortable temperatures. The Changeworks map shows the high proportion of dwellings in Orkney that have the poorest Energy Performance Certificate rating of D – G.

Orkney Islands Council has produced a Fuel Poverty strategy a part of the larger Local Housing Strategy. This document created five key actions to battle high fuel poverty rates:



- Lobbying Scottish and UK governments on the unfair tariffs experience in Orkney.
- Undertaking further analysis of fuel poverty at a lower Orkney Islands geographic area, with annual monitoring and review to enable more targeted action.
- Review information and advice provision for individual households and private landlords on fuel poverty and energy efficiency particularly in areas where fuel poverty is more prevalent.
- Develop a housing net-zero plan for implementation across tenure including taking opportunities for additional funding.
- Work with schools, universities, HIE and local contractors to promote careers and develop the local workforce in repairs, maintenance and energy efficiency works including accreditation in the insulation sector (across housing sectors).

Each of these actions are included in the Local Housing Action Plan with targets and timescales assigned.

## Child Health Indicators

Poverty impacts on children's health, and problems can persist for a lifetime. In previous Action Reports we have monitored a selection of the child health indicators published by Public Health Scotland to see how the health of Orcadian children compares with the Scottish average.

Please note that, due to Orkney's small population, these figures are prone to a high degree of fluctuation. For example, the fourth indicator 'alcohol-related hospital admissions, age 11 – 25) has a rate of 319 per 100,000 admissions, which translates to just nine admissions. Because of this, numbers can fluctuate year-on-year.

Below is a table of Public Health Scotland health indicators for Orkney. In column five, where we have improved from the previous reporting period, the cell has been filled green for ease of understanding:

ScotPHO Health Indicator	Reporting period	Orkney figures	Scotland figures	How did we do compared to previous reporting period?
<b>Healthy Birth Weight</b> 3 year rolling average	2021/22 – 2023/24	73.2 % (of babies born at a healthy weight)	80.9%	Increased 0.3%
<b>Child Healthy weight in Primary 1</b> Percentage of children in P1 whose BMI is within the healthy reference range for age and sex	2023/24	67.9%  (of P1 children whose BMI is within the healthy reference range for age and sex)	76.5%	Decreased 5%
<b>Drug-related hospital admissions, age 11 – 25</b> 3 year rolling average age/sex standardised rate per 100,000	2021/22 – 2023/24	159.6  (rate per 100,000 admissions)	114.7	Decreased by 76.4 per 100,000
<b>Alcohol related hospital admissions, age 11 – 25</b> Age/sex standardised rate per 100,000	2021/22 – 2023/24	319  (rate per 100,000 admissions)	182.6	Decreased by 75 per 100,000

ScotPHO Health Indicator	Reporting period	Orkney figures	Scotland figures	How did we do compared to previous reporting period?
<b>Young people admitted to hospital due to assault, age 15 – 25</b> Age/sex standardised rate per 100,000	2021/22 - 2023/24	13.2 (rate per 100,000 admissions)	63.8	Decreased by 14.3 per 100,000
<b>Teenage pregnancies</b> 3 year rolling average per 1000 females aged 15 - 19	2021/22 – 2023/24	17.1 (rate per 1,000 females aged 15 – 19)	23.6	Increased by 0.3%
<b>Child dental health in Primary 1</b> Percentage of P1 children with no obvious signs of tooth decay	2023/24 school year	83.9% (of P1 children with no obvious signs of tooth decay)	73.9%	Increased by 2%

## Orkney Matters 2

*Orkney Matters* was a community consultation project carried out in May – October 2024, with conversation topics driven by the general public. The Cost-Of-Living Crisis featured Economic strain and rising costs: everyday items and service prices are rising, with wages not keeping up with these increases.

- **Impact on daily life and choice:** individual habits are changing due to the availability and cost of childcare, and the necessity to ‘shop around’ for better prices.
- **Energy and Fuel Poverty:** In line with the above data on fuel poverty in Orkney, residents in Holm and Kirkwall noted they are struggling with high energy and fuel costs
- **Community support and services:** The importance of community support services was acknowledged, with foodbanks being well-used but stigmatised making some people reluctant to seek help.
- **Housing and property costs:** the rising costs of building and maintaining property were discussed, highlighting the broader impact on housing affordability and the financial burden of property upkeep.
- **Job Availability:** The Army Cadets (who range in age from 12 – 18 years old) were concerned there are not enough career options for them.

## What we do in Orkney to combat child poverty

All support agencies in Orkney refer families to partner agencies where they might be able to provide additional services, resources, or assistance to a family.

The summary table below lists the actions which partner agencies routinely carry out to combat child poverty in the community. The majority of these actions are rolling and are continued on from one year to another.

	Actions to combat child poverty	Partner agency
1	Advocacy services commissioned by NHS Orkney and Orkney Islands Council	CAB Orkney
2	Maximise income by assisting clients to identify and claim their full financial entitlements	CAB Orkney
3	Parent Employability Support for individuals and families to access information, support, welfare, training, and employment	OIC (CLDE)
4	Providing and encouraging take-up of free school meals and associated clothing allowances and support grants	OIC (School Catering), OHAC
5	Regular discussions with families about finances, debt, benefits etc. Financial support provided and referrals made to CAB for benefit checks/money advice for those in financial difficulties	OHAC (Social Work); OIC (Housing); OIC (CLDE)
6	Support with Scottish Welfare Fund Community Care Grant applications, and administering funds	OIC (Housing and Homelessness Services, Halls of Residence, and appointed agents); OIC (Revenues and Benefits)
7	Support for individuals and families to manage relationships, improve mental health and reduce substance use plus onward referrals to other services e.g. CAB, Women's Aid	Relationships Scotland – Orkney
8	Support for women and children affected by domestic abuse	Women's Aid Orkney
9	Sourcing funding (local and national) to assist families to purchase items, e.g. bicycles	OHAC (occupational therapists, health visitors)

	<b>Actions to combat child poverty</b>	<b>Partner agency</b>
10	Assisting families to apply for Best Start grants	Social Security Scotland, OHAC (Social Work)
11	Financial support for local children in need, including the following grant schemes: <ul style="list-style-type: none"> <li>- Orkney Fund</li> <li>- Bairns Need Nappies</li> <li>- Help from Home</li> <li>- Every Child Should be Warm in Bed</li> <li>- Every Child Deserves a Christmas</li> <li>- Winter Coat Fund</li> </ul>	Orkney Charitable Trust
12	Provision of emergency food to families referred by partner agencies	Orkney Foodbank
13	Community Fridges established in Kirkwall and Stromness to share surplus food donated by retailers and reduce food waste.	Greener Orkney
14	Addressing poor quality housing and fuel poverty through the Home Energy Efficiency Programme for Scotland (HEEPs:Abs) and Landlord Registration	OIC (Housing and Homelessness Services and appointed agents)
15	Providing information and advice on energy efficiency, tariff switching support, assistance with accessing grant funding, advocacy, income maximisation, and budgeting support	THAW Orkney
16	Providing direct support to householders in fuel poverty by means of electricity vouchers, Cosy Home Packs, and small grants	THAW Orkney
17	Electricity top-ups so those in receipt of food parcels can heat/cook their food	Orkney Foodbank THAW Orkney
18	Support for families on low incomes and/or those going through tough times	Homestart Orkney
19	Community larder boxes, pop-up charity shops, fuel voucher schemes etc. Acting as a link between the community and services, including referrals to the Foodbank from the isles	Island Wellbeing Project
20	Enabling digital connectivity and access to Wi-Fi, laptops and other devices for digitally excluded children and families	OIC (CLDE); OHAC (Health Visitors,

Actions to combat child poverty	Partner agency
	School Health, Paediatric therapists)
21 Provision and promotion of free period products available locally, a new online ordering system was piloted during 2021-22	OIC (Building Cleaning)  OHAC (Health Visitors, School Health)
22 Administration of capital grants for clients in financial insecurity for debt and large bills through Orkney Money Matters	THAW
23 Supported employment and skills development for adults and young people with a barrier to maintaining employment. Restart Orkney recycles, restores, and sells second-hand furniture and household items and supports new tenants to furnish their property	Employability Orkney with funding and support from OIC (Housing and Homelessness Services)
24 Funding for starter-packs of essential household items	OIC (Housing and Homelessness Services)
25 Housing support for vulnerable families.	OIC (Housing and Homelessness Services, Halls of Residence)
26 Ad hoc essential clothing items for Papdale Halls of Residence pupils	Papdale Hall of Residence staff
27 Larger grants for property repairs and upgrades to gap-fill national energy efficiency grant funding	THAW
28 Distribution of Scottish Government baby boxes to all families with new babies, containing items needed in the first six months	OHAC (Maternity Unit)
29 Support for pregnant women and families with babies and young children	OHAC (Maternity Unit)
30 Hungry Baby service - baby milk, baby food, nappies etc (referred to Health Visitors where child/children under 2 years)	Orkney Foodbank
31 Childsmile - improving children's oral health	OHAC (Dental and Oral Health)

	<b>Actions to combat child poverty</b>	<b>Partner agency</b>
32	Provision of an informal learning programme for young people transitioning out of school	Voluntary Action Orkney (The Connect Project)
33	Supporting the Active Schools Network to increase the number of opportunities for all children to get engaged in sport	OIC & SportScotland
34	ActiveLife Budget Membership scheme offering unlimited access to The Pickaquooy Centre and 11 Council-owned fitness facilities across the islands	OIC & The Pickaquooy Centre
35	Supported Accommodation for homeless young people is provided by the Council in Kirkwall and Stromness. Residents are supported Y People to learn independent living skills, enabling them to sustain a tenancy in the future	Y People; OIC (Housing and Homelessness Services)
36	Provision of school uniform, toiletries, and laundry items	OIC (Housing and Homelessness Services)
37	Facilitation of Young Scot cards, Youth Achievement Groups and the Orkney Youth Forum	OIC (CLDE)
38	Supporting vulnerable young adults to build confidence and positive relationships while focusing on life and employability skills	Voluntary Action Orkney (The Connect Project)
39	Developing new ways of working (via telephone and online) to engage with service users and deliver services safely	OHAC & OIC (Housing Service)
40	Moratorium on increase of rents within emergency housing	OHAC & OIC (Housing and Homelessness Services)
41	Explore options to ensure dental and wider health services are accessible without barriers of finance	Orkney Partnership Board
42	Money Counts – publication of “Worrying about Money?” leaflet and training for support agencies	NHS Orkney (Public Health), Orkney CAB, Social Security Scotland
43	Young People’s Befriending Project – supporting children and young people from the ages of 8-18 through the provision of a trained Befriender	Voluntary Action Orkney

<b>Actions to combat child poverty</b>	<b>Partner agency</b>
44 In School Counselling service expanded to make counselling available for all children and young people aged ten and over, both face to face and online	OIC (Schools)
45 The handout of laundry vouchers so families can get bedding and clothes laundered	Orkney Foodbank
46 Provision of necessities for families in need: <ul style="list-style-type: none"> <li>- Laundry vouchers</li> <li>- Electricity top-ups</li> <li>- Children's holiday meals</li> <li>- Supermarket gift cards</li> </ul>	Orkney Foodbank
47 Breakfast Clubs for children who would otherwise go without	Orkney Foodbank, Orkney Charitable Trust, Kirkwall Grammar School & Papdale Primary School
48 "A Helping Hand" webpage bringing together sources of help and support for those affected by the cost of living crisis	OIC.

## Pockets

“Pockets” is about ensuring people get the benefits they need and are entitled to, supporting people to take up work and working with employers to boost productivity and pay. Longer term, we are interested in exploring social reforms such as Minimum Income Guarantee which could potentially eliminate child poverty for good.

### Raise awareness of entitlements and maximise family income

The project commenced in May 2023, and funding has been extended to cover a full year.

There have been multiple successes from the pilot:

- Increased capacity for the delivery partners to deliver vital services and increased engagement across the partnership agencies.
- £100k in Energy Vouchers and £20k in shopping vouchers made available to the community.
- Increased awareness of support beyond the Foodbank such as the SWF Crisis Grants.
- Research, a workshop and action plan developed for Orkney agencies on how to improve take up of the SWF Crisis Grant.

Following partnership discussions, April 2024 saw the start of a new project under the Orkney Money Matters partnership. VAO became the lead partner for the **Cash First** project, funded by the Scottish Government as part of a national programme involving eight local authorities, with THAW Orkney as the main delivery partner supported by CAB, the Blide Trust and the wider Orkney Money Matters partnership organisations.

The aim of this project was to reduce the need for Foodbanks by offering a Cash First option for those experiencing food insecurity. An objective of the project was to provide outreach support to enable the delivery partners to focus on those who historically are harder to reach such as the ferry-linked isles communities. Between April 2024 and October 2025, a number of coordinated outreach events were delivered with the support of this funding.

### Adopt a ‘one stop shop’ approach to streamline access to services and new ways to engage

The Orkney Cash First project, which included up to £90,000 for a flexible cash fund between April 2024 and October 2025, also developed an online referral system, currently administered by THAW Orkney. The system has been successfully rolled out to the main delivery partners of the Cash First project and supports a more streamlined experience when accessing support and services, with emphasis on a “no wrong door” approach which included setting cash payments to Minimum Income Standard.

There was also additional support for isles with a Remote Rural Scotland uplift, which significantly increased support for families as payments were dependent upon household type.

An evaluation of the project will begin towards the end of October 2025 which will provide insights into the successes and challenges of the system and will support the Orkney Money Matters partnership to decide how to manage the system in the future to ensure its sustainability.

## **Explore with Scottish Government to scope for piloting Minimum Income Guarantee**

In June 2025, the Scottish Government published the *Minimum Income Guarantee: A Roadmap to Dignity for All*. This report included an overall timeline and roadmap for the introduction of the minimum income guarantee in Scotland. The roadmap is split into three sections:

1. Building the Guarantee (2026 – 2031)
2. Creating a Fairer Scotland (2031 – 2036)
3. Realising Our Collective Ambition (Longer term goals of what can be achieved beyond 2036).

The final step in Section One is the piloting of a minimum income guarantee. This pilot would be based around a specific population group (for example, unpaid carers) rather than around a geographical area like Orkney.

## Prospects

“Prospects” aims to improve the life chances of children, enabling them to escape poverty in a sustainable way. This includes supporting child development and educational achievement, supporting families through crisis and encouraging employers to provide family-friendly jobs and opportunities to progress.

### **Remove barriers to participation in school trips and experiences**

This work is being headed by the Council’s Education Service, Parent’s Councils, Island Development Trusts, and the Orkney Charitable Trust.

School/establishment managers were asked to review the impact of the ‘cost of the school day’ as part of a briefing in December 2022. There has been a specific focus on using local facilities for outdoor education programmes during 2022- 23, in recognition that these can remove barriers to participation, including making the experience more affordable. Where approval has been given for other trips, establishment managers are asked to ensure, through positive engagement with the wider community, that cost is not a barrier.

Orkney Charitable Trust partnered with Papdale Parent Council to set up a fund to enable children to participate in activities at Papdale School which their families would otherwise be unable to afford. Since the fund was set up, it has helped parents with school photographs, a verruca sock for swimming, reading overlays, ear defenders, and travel to school activities. The fund is available to any child, regardless of whether they are registered for free school meals. Education Scotland inspected Papdale Primary School and reported in June 2023: "The Parent Council provide a well-considered participation fund. This offers funding to ensure all children can access learning experiences and opportunities without families incurring additional financial costs."

This was a short-term goal, completed in 2023.

### **Improve take-up of free school meals and associated benefits**

The Council’s Schools Catering Service, together with Orkney Health and Care, are leading on this aim.

Money is sourced from Free School Meals and clothing grants are funded by the Scottish Government. Orkney Islands Council pays additional holiday grants to qualifying families to encourage take-up.

Uptake of free school meals was actively promoted in schools and the community, linking this to the payments being made for Christmas from Scottish Government and the Council.

This was a short-term goal, completed in 2023. During 2022-23, 1,733 children in Orkney were eligible for free school meals, but we do not at present record how many of these were taken up. The approach to lunchtime in nursery settings has been revised to enable children to be more independent in making food choices, which encourages the uptake of free nursery meals.

## **Remove barriers to participation in family leisure/holiday activities**

The Pickaquoy Centre and the Council offer budget membership to their joint ActiveLife scheme at a cost of £1 per person per activity, with no up-front subscription cost. The decision was taken at the beginning of the 2024 financial year to increase the price from 50 pence to £1, which was the first price increase to ActiveLife Budget since 2017 and reflect the increased running costs of the Centre.

In 2023-24, 831 Orkney residents took out or renewed a Budget Membership to ActiveLife. An increase of 32% year-on-year.

## Places

The places where people live shape their lives, affecting their job prospects and access to essential goods, services and housing. Policies designed to regenerate communities must address transport availability and accessibility as well as the quality and affordability of housing. We must also take account of the need for a “Just Transition” to net zero, ensuring that the impacts of climate change do not add to poverty and disadvantage in particular places.

### **Improve the energy efficiency of new/existing housing in private and social rented sectors**

This work is headed up by the Council’s Housing, Homelessness and Schoolcare Accommodation service, in partnership with OHAL.

Energy efficiency upgrades on social rented housing are funded by the Housing Revenue Account (tenants’ rents). Across Scotland, issues are being raised around the ethics of asking the poorest members of society to fund these huge costs and we hope that some Government funding may follow. Private sector homeowners can access the Energy Efficient Scotland: Area-Based Scheme (HEES ABS), available in Orkney through Warmworks, which is means tested. Warmworks will undertake an assessment of their property and give advice as to what their entitlement may be, together with any contribution needed from the householder themselves. In 2022-23, the Council received approximately £2m HEES ABS funding.

This action is being followed through in the Council's statutory Fuel Poverty Strategy, Heat Strategy and Energy Efficiency Strategy, all of which are either in development or completed. The Council and OHAL are waiting for Scottish Government to confirm guidance on the energy efficiency standards they need to work to. For new build, that is determined by existing building standards that housebuilders are obliged to follow, and the Council and OHAL both currently work to the Silver Standard. The focus will be on existing properties, with timescales to be reviewed once the Fuel Poverty Strategy is in place. Work is going on in the background, including pilot projects, and carrying out works that will be monitored. Once the plans are in place, this preliminary work will be followed up by larger programmes.

OIC has created the fuel poverty strategy, which is incorporated into the Local Housing Strategy.

### **Extend more employment opportunities to the isles**

This work is being led by the Orkney Partnership’s Local Equality Delivery Group, which includes representatives from isles development trusts, community councils, elected members and other key community planning partners.

The Local Employability Partnership and Strategic Community Learning Group are managed by the Council's Community Learning, Development and Employability team. This partnership encourages partners to provide work-based learning opportunities on the isles. During 2022-23, the Strategic Community Learning Group awarded £4,000 of Community

Based Adult Learning funding to Westray Learning Centre to help develop their learning/work hub. Following the launch of the Orkney Community Plan 2023-30, this action has been adopted by the Local Equality Delivery Group, which will progress it via Orkney's new Locality Plan.

### **Explore options to apply the benefits from wind power developments to reduce home energy costs**

This work is led by the Council's Enterprise and Economic Growth Service.

Orkney's Community Wind Farm Project encompasses three 28.8MW, six turbine, wind farm developments at Quanterness in St Ola, at Wee Fea in Hoy and on Faray in the North Isles. All three sites have now received planning permission. In March 2023, the UK's energy regulator, Ofgem, announced a 'minded-to' position to approve the request to install a 220MW inter-connector cable from Orkney to the Scottish mainland, which will help employment and income remain in the county. This work is now in progress.

The project is forecast to generate around £6m profit per annum, as well as £432,000 a year in community benefits which the Council has already agreed would be paid to community councils. The Council has yet to decide how the majority of the income from the scheme would be allocated, but one consideration would certainly be the mitigation of local fuel poverty. Decisions are not expected soon as the new turbines are not anticipated to start generating until 2027 at the earliest.

## Prevention

Almost anyone can experience poverty during their lifetime, so policies that protect against poverty are important. Unemployment, illness or relationship breakdown can strike at any time. Once in poverty, it is difficult to escape, and hardship can persist for generations.

### **Promote good employment practices, flexibility and fair pay, and their benefits to employers.**

This section is led by the Council's Community Learning, Development and Employability team on behalf of Orkney's Local Employability Partnership.

During 2022-23, a campaign was conducted to promote employment rights, fair pay and conditions, and Scottish Living Wage accreditation. The Employment Rights & Responsibilities media campaign was followed up by the creation of a Your Rights Booklet, to be distributed through the Local Employability Partnership. The booklet includes a QR code which directs people to CAB Orkney and ACAS. Posters have been produced for circulation within prominent employment premises. The LEP has developed an employers' information and resource toolkit relating to employment rights and employer responsibilities, which was launched at an employer engagement event at the new Employability Hub in March 2023. In 2022-23 twelve Employer Recruitment Incentives were negotiated and administered across a range of private and third sector organisations in Orkney. Six young people (aged 16–24) and six people aged 25 + were employed, of whom eleven (91%) remain in fair and sustainable work.

In 2023 – 24, major steps were taken by partners to move towards real living wage accreditation. Both OIC and VAO have either achieved real living wage accreditation or are in the process of doing so. The Community Wealth Building subgroup has met with members of Living Wage Scotland to better understand the process of becoming accredited for both real living wage and real living hours, and how to help our private sector partners to seek accreditation.

### **Increase the capacity of Orkney's advisory agencies**

THAW is working on accessing more funds for housing improvement to ensure that more housing assets are improved in the community for a longer-term impact. As part of this work, it has raised £200k for repairs to isles properties, which will be accompanied by developing improved assessments and advice around housing condition, prior to energy efficiency upgrades.

## **Explore people-centred strategies for local development such as Community Wealth Building**

Community wealth building (CWB) is a people-centred approach to local economic development, which seeks to direct wealth back into the local economy and places control and benefits into the hands of local people. It can be described as an approach that does not redistribute wealth but pre-distributes wealth. Integral to CWB is support for small and medium sized local businesses, including cooperatives and social enterprises, upskilling people to access new opportunities and fairer employment practices, all of which support wages and reduce poverty.

Many agencies in Orkney already implement policies which embody CWB principles, for example the Council's Sustainable Procurement Policy which enables small local suppliers to bid for school meal contracts, the Business Improvement District in Kirkwall, and locally owned wind turbine developments. In February 2023, the Partnership held a workshop to consider the scope for CWB to add value to local development plans and initiatives. Potentially, CWB might also help to resolve such longstanding issues as market failure in the meat supply chain, residential care, and nursery provision. CWB has since been adopted as a guiding principle in both the Orkney Community Plan 2023-30 and the Council Plan 2023-28.

## Priorities

The Scottish Government has identified six types of family which are more likely than others to experience poverty:

- Lone parent families
- Families with an adult or child with disabilities
  - Families with 3 or more children
  - Minority ethnic families
- Families with the youngest child aged less than 1
  - Families with a mother aged under 25

Orkney's Child Poverty Strategy recognises two additional local groups at higher risk of hardship:

- Families with experience of the care system.
- Residents of the ferry-linked isles.

### **Make inter-island ferry travel affordable to children and families on the ferry-linked isles.**

On 31 January 2022, the Scottish Government's Young Persons' Free Bus Scheme came into effect and everyone in Scotland who is under 22 or a full-time student can have their National Entitlement Card updated to permit free bus travel everywhere in Scotland. But in Orkney, our buses may actually be ferries, and the Council has been successfully lobbied the Scottish Government to extend the scheme to include free ferry fares.

The Community Learning, Development and Employability team are in discussion with National Youth Agency officials including Young Scot, Youth Link, and the Children's Commissioner. A Member of the Scottish Youth Parliament (MSYP) for Orkney was invited to the Scottish Parliament's Net Zero Energy and Transport Committee where they raised the importance of free ferry travel on islands in line with free bus travel in rural areas.

Meanwhile, the Schools team has been actively promoting the online application process to Orkney's under 22-year-olds to maximise uptake.

During 2022-23, Orkney Ferries fares were frozen at the reduced rates implemented in June 2021, when adult passenger and vehicle fares were cut by 38%. The rates were frozen again in June 2023 to last until spring 2024, in line with Orkney's external ferry services. A 25% discount applies for elderly and disabled passengers and 50% for under 22s. Children under 5 do not need a card and already travel free on buses and ferries.

The cost of travel by ferry to attend medical and dental appointments has been considered before by the Partnership, without a resolution, and will be looked at further by the Cost of Living Task Force. Increasingly, NHS advice is now available digitally via their virtual consultation system "Near Me", but for many types of care (such as dentistry) there is no alternative to a face-to-face appointment and a lengthy journey which to some is unaffordable.

## **Improve the availability and affordability of wraparound childcare/after-school provision**

During 2022-23, the Council was awarded £1.5m from the Scottish Government's Islands Infrastructure Fund (part of the Islands Programme supporting the National Islands Plan) towards the total project cost of £2.52m for a new nursery in Kirkwall, with the remainder being funded by the Council.

Orkney Islands Council has built a new nursery premises to accommodate the council-run Willow Tree Nursery. Plans were approved for a 51-place nursery to be built adjacent to Orkney College, facilitating future training and practical experience in early learning and childcare for college students. The construction contract was awarded in March 2023 to local firm Orkney Builders Ltd. During 2022-23, CLD Employability Services ran a Childminding qualification and training course for 10 individuals. There are now 6 additional newly qualified childminders offering childcare provision across Orkney.

The Partnership has been involved in talks at a national level on how childcare provision is a necessity in rural areas.

## **Prioritise early financial support for families at risk, to avert crisis and family breakdown**

Financial stressors are discussed with families during the initial assessment period. The team helps to optimise the financial benefits available to families at risk, provides referrals to Orkney Foodbank and has partnered with Orkney Charitable Trust, who offer grants for household goods, white goods, and financial support. Team meetings have included reflective discussions on the impact of the cost of living crisis and associated stressors for Orkney's children and families, particularly families in crisis and those going through the child protection process.

# Chief Executive's Service Risk Register – October 2025

## Strategic Risks

Cluster.	Risk Number.	Owner.
Financial.	1.	Head of Corporate Governance.
Governance.	5, 7.	Head of Corporate Governance.
Legislation.	6.	Head of Corporate Governance.
Communication.	2.	Head of Corporate Governance.
Reputational.	3.	Head of Corporate Governance.
Reputational / Physical.	8.	Head of Corporate Governance.
Legislative / Governance.	4.	Head of Corporate Governance.

## Risks by rating

<b>Risk Rating.</b>	<b>Risk.</b>	<b>Owner.</b>	<b>Cluster.</b>	<b>Risk Number.</b>
20.	Finance and budget cuts.	Head of Corporate Governance.	Financial.	1.
12.	Business continuity.	Head of Corporate Governance.	Governance.	5.
12.	Climate change.	Head of Corporate Governance.	Physical / Reputational.	8.
9.	Internal and external communications.	Head of Corporate Governance.	Communication.	2.
9.	Failure to comply with statutory timings.	Head of Corporate Governance.	Governance / Legislation.	4.
9.	Procurement.	Head of Corporate Governance.	Governance.	7.
9.	Breach of GDPR.	Head of Corporate Governance.	Legislation.	6.
9.	Failure to meet customer and stakeholder expectations.	Head of Corporate Governance.	Reputational.	3.

# 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 – Finance and budget cuts

<b>Likelihood</b>	5	<b>Impact</b>	4	<b>RAG</b>	High	<b>Current Risk Score</b>	20	<b>Target Risk Score</b>	9
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Financial	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Small size of teams means a budget cut could have a high impact as budgets are mainly staff costs.</p> <p>Services may have to be cut to meet budget.</p> <p>Core back-office functions may have to be cut to protect front line services.</p>	<p>Government cuts in budgets reducing Council budget and subsequently service budgets.</p>	<p>Failure to deliver core and statutory services of Chief Executive's Service.</p> <p>Failure to support service areas to deliver core statutory services.</p>	<p>Tolerate.</p>	<p>02.01 - Review of overheads although this is limited due to low level of costs relating to overheads.</p> <p>02.02 - Directorate analysis to identify areas for efficiencies and a review of services to ensure staff resource is focussed on essential functions.</p>

## Risk Title: 02 – Internal and external communication

<b>Likelihood</b>	3	<b>Impact</b>	3	<b>RAG</b>	Medium	<b>Current Risk Score</b>	9	<b>Target Risk Score</b>	4
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Communication	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Poor communication leads to an unawareness of Council priorities and intended outcomes.</p> <p>Staff, customers, and stakeholders must be appropriately engaged about efficiency measures and service changes and proactively informed, so expectations are realistic.</p> <p>We fail to manage how we respond to social media and to take advantage of the potential benefits.</p>	<p>Staff, customers, and stakeholders do not understand the reasons for the changes.</p> <p>Good ideas are not collected from effective communication and engagement.</p> <p>Staff not given the opportunity to contribute to corporate organisational development and become disengaged.</p> <p>There is not an effective management of social media or use of it as an effective engagement tool.</p>	<p>Poor morale, staff disengagement.</p> <p>Higher turnover of staff.</p> <p>Reputational risk – increase in complaints and adverse publicity.</p> <p>Misplaced criticism.</p> <p>Lack of understanding of what the Service / Council wants to achieve.</p> <p>Increased cost to Council if work has to be reformed.</p> <p>Good ideas lost.</p>	<p>Treat.</p>	<p>03.01 - Leadership development and staff training.</p> <p>03.02 – Internal and External Communications delivery plans developed and implemented.</p> <p>03.03 - Regular communication with customers and stakeholders.</p> <p>03.04 - Actively seek customer / stakeholder feedback.</p>

### Risk Title: 03 – Failure to meet customer and stakeholder requirements

<b>Likelihood</b>	3	<b>Impact</b>	3	<b>RAG</b>	Medium	<b>Current Risk Score</b>	9	<b>Target Risk Score</b>	4
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Reputational	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Customer and Stakeholders' expectations not clearly defined or agreed.	Service delivery standards not met.  Customer / Stakeholder complaints.	Reputational risk – increase in complaints and adverse publicity.  Increased cost to Council if work has to be reperfomed	Treat.	04.01 – Ensure appropriate staff training in place and undertaken.  04.02 - Regular communication with customers and stakeholders to articulate and manage expectations.  04.03 - Actively seek customer / stakeholder feedback and identify any improvements required.  04.04 - Agreed brief/terms of reference / service standards with full understanding of customer and stakeholder requirements.  04.05 – Fill vacant posts timeously where appropriate to ensure where possible services are operating at optimum staff complement.

## Risk Title: 04 – Failure to comply with statutory timings / agreed timescales

<b>Likelihood</b>	3	<b>Impact</b>	3	<b>RAG</b>	Medium	<b>Current Risk Score</b>	9	<b>Target Risk Score.</b>	9
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Governance / Legislative	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Volume of work, competing priorities, lack of staffing could lead to not adhering to Service Level Agreements, service standards, or statutory timings, and not adhering to agreed timescales for specific service processes.</p> <p>This may additionally lead to poor assessment / audits.</p>	<p>Failure to meet statutory timings and requirements of legislation.</p> <p>Failure to adhere to agreed timings for staffing policies – e.g., disciplinary etc.</p> <p>Failure to adhere to timings for court cases, employment tribunals, social work orders etc.</p> <p>Failure to meet deadlines for support to services including project delivery.</p>	<p>Reputational risk.</p> <p>Lost opportunities.</p> <p>Possible financial implications.</p>	<p>Treat.</p>	<p>05.01 - Ensuring staff are familiar with and adhere to the requirements and relevant standards / timescales.</p> <p>05.02 – Staff awareness of critical timings across service and wider council services.</p> <p>05.03 – Managers supporting staff to prioritise and diarise timings to ensure adherence.</p>

## Risk Title: 05 – Business Continuity

<b>Likelihood</b>	3	<b>Impact.</b>	4	<b>RAG</b>	High	<b>Current Risk Score</b>	12	<b>Target Risk Score</b>	9
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Governance	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
An event or incident leads to the inability of teams to carry out their core functions.	Pandemic, IT incident, power outage, fire, flood etc	Backlog of work and failing to meet deadlines. Loss of critical documents.	Treat.	06.01 - Directorate ensures that service business continuity plans in place. 06.02 - Remote working possible at home on laptops. 06.03 - Ensuring documents are stored in the cloud using the Microsoft 365 stack (OneDrive, Teams, and SharePoint).

## Risk Title: 06 – Breach of General Data Protection Regulation (GDPR)

<b>Likelihood</b>	3	<b>Impact</b>	3	<b>RAG</b>	Medium	<b>Current Risk Score</b>	9	<b>Target Risk Score</b>	9
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Legislation	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Personal information could be processed for Planning Committee, Local Review Body, staff and education appeals, Licensing, Complaints, Freedom of Information requests	Sensitive information is leaked or goes to wrong recipients.	Monetary penalty from Information Commissioner's Office. Reputational risk to Council.	Treat.	07.01 - Training and awareness of General Data Protection Regulation. 07.02 - Handling as little personal information as required. 07.03 - Secure disposal of personal information in accordance with policy. 07.04 - Strong IT and document security. 07.05 - Redacting of personal info. 07.06 – Use of Electronic Document and Records Management System (EDRMS) to support secure and effective handling of information.

## Risk Title: 07 – Procurement

<b>Likelihood</b>	3	<b>Impact</b>	3	<b>RAG</b>	Medium	<b>Current Risk Score</b>	9	<b>Target Risk Score</b>	8
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Governance	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Procurement legislation, policy, and procedures not adhered to.	Unsuccessful bidders lodging a legal challenge.	Reputational damage. Interruption of Council service delivery. Financial awards where a contract award is overturned. Staff resources. Low staff morale. Increased scrutiny and pressure on staff.	Treat.	08.01 - Training and awareness raising. 08.02 - Procurement team adequately resourced including additional resource to accompany significant capital projects where applicable. 08.03 – Contract Standing Orders updated in March 2024.

## Risk Title: 8 – Climate Change

<b>Likelihood</b>	3	<b>Impact</b>	4	<b>RAG</b>	High	<b>Current Risk Score</b>	12	<b>Target Risk Score</b>	8
<b>Owner</b>	Head of Corporate Governance						<b>Cluster</b>	Physical / Reputational	

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Council services disrupted due to infrastructure or travel impacted by extreme and unpredictable weather.</p> <p>Communities facing increased frequency of coastal flooding and increased volumes of surface water.</p> <p>Local economic production affected by climate impacts.</p> <p>Transition to support climate response initiatives require significant capital investment.</p>	<p>Extreme and unpredictable sustained weather (lightning, winds, tides) causes increased damage or wear &amp; tear to council infrastructure disrupting service delivery.</p> <p>Increased severity of coastal flooding leads to damage of property in coastal communities, while surface water levels impact transport routes and agricultural activities in the community.</p> <p>Surface water and other climate impacts affect normal activity cycles impacting food production including agriculture.</p> <p>Move to Net Zero requires capital funding and resourcing beyond Council capacity.</p>	<p>Weakened or disrupted delivery of Council services.</p> <p>Reduced economic output in Orkney requires increased Council interventions.</p> <p>Failure to meet targets or reductions in funding of other Council priorities to support initiatives.</p>	<p>Treat.</p>	<p>10.01 - Business continuity plans in place.</p> <p>10.02 - Staff awareness of Council Plan priorities, targets, and milestones.</p> <p>10.03 - Staff awareness of appropriate plans for example Flood Risk Management Plan, Coastal Change Adaption Plan.</p> <p>10.04 - Staff participation in resilience reviews and response to incidents through Incident Management process.</p> <p>10.05 - Staff participation in cross-council Officer Working Group and recognition that Climate Change impacts all Directorates and services.</p> <p>10.06 - Exploration of potential sources of external funding for responding to climate change.</p>

# Corporate Risk Register – November 2025

## Strategic Risks

Cluster.	Risk No.	Risk.	Owner.
Physical.	1.	Transport.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development
Financial.	2.	Economic Sustainability.	Chief Executive and Director of Enterprise and Resources.
Reputational.	3.	Adverse Communications.	Chief Executive.
Physical.	4.	Workforce.	Director of Infrastructure and Organisational Development.
Physical.	5.	Asset Management.	Director of Infrastructure and Organisational Development.
Economic.	6.	Economic.	Director of Enterprise and Resources.
Technological.	7.	Cyber Security.	Chief Executive and Director of Infrastructure and Organisational Development.
Technological.	8.	Connectivity.	Director of Enterprise and Resources.
<del>Partnership.</del>	<del>9.</del>	<del>Partnerships.</del>	<del>Director of Education, Communities and Housing and Chief Executive(tbc).</del>
Legislative.	10.	Procurement.	Chief Executive.
Legislative.	11.	Health and Safety.	Director of Infrastructure and Organisational Development.
Physical.	12.	Climate Change	Director of Infrastructure and Organisational Development.
Financial.	13.	Housing.	Director of Education, Communities and Housing.
Professional.	14.	Childcare Services.	Director of Education, Communities and Housing.
Physical.	15.	Pandemic.	Director of Infrastructure and Organisational Development.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Economic.	17.	Budget Shortfall (UHI).	Director of Education, Communities and Housing.
Reputational.	18.	Additional Support Needs	Director of Education, Communities and Housing.

## Risks by cluster

Cluster.	Risk No.	Risk.	Owner.
Economic.	6.	Economic.	Director of Enterprise and Resources.
Economic.	17.	Budget Shortfall (UHI).	Director of Education, Communities and Housing.
Financial.	2.	Economic Sustainability.	Chief Executive and Director of Enterprise and Resources.
Financial.	13.	Housing.	Director of Education, Communities and Housing.
Legislative.	16.	Children and Young People.	Chief Officer, Orkney Health and Social Care Partnership.
Legislative.	11.	Health and Safety.	Director of Infrastructure and Organisational Development.
Legislative.	10.	Procurement.	Chief Executive.
<del>Partnership.</del>	<del>9.</del>	<del>Partnerships.</del>	<del>Director of Education, Communities and Housing and Chief Executive(tbc).</del>
Physical.	5.	Asset Management.	Director of Infrastructure and Organisational Development.
Physical.	1.	Transport.	Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development
Physical.	15.	Pandemic.	Director of Infrastructure and Organisational Development.
Physical.	4.	Workforce.	Director of Infrastructure and Organisational Development.
Physical.	12.	Climate Change.	Director of Infrastructure and Organisational Development.
Professional.	14.	Childcare Services.	Director of Education, Communities and Housing.
Reputational.	3.	Adverse Communications.	Chief Executive.
Reputational.	18.	Additional Support Needs	Director of Education, Communities and Housing.
Technological	7.	Cyber Security.	Chief Executive and Director of Infrastructure and Organisational Development.
Technological.	8.	Connectivity.	Director of Enterprise and Resources.

## Risks by owner

Owner.	Cluster.	Risk Number.	Risk.
Director of Education, Communities and Housing.	Economic.	17.	Budget Shortfall (UHI).
Director of Education, Communities and Housing.	Reputational.	18.	Additional Support Needs.
Director of Education, Communities and Housing.	Financial.	13.	Housing.
Director of Education, Communities and Housing.	Professional.	14.	Childcare Services.
Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development	Physical.	1.	Transport.
Director of Enterprise and Resources.	Economic.	6.	Economic.
Director of Enterprise and Resources.	Technological.	8.	Connectivity.
Chief Executive and Director of Enterprise and Resources.	Financial.	2.	Economic Sustainability.
Director of Infrastructure and Organisational Development.	Physical.	12.	Climate Change.
Director of Infrastructure and Organisational Development.	Physical.	5.	Asset Management.
Chief Executive and Director of Infrastructure and Organisational Development.	Technological.	7.	Cyber Security.
Director of Infrastructure and Organisational Development.	Legislative.	11.	Health and Safety.
Director of Infrastructure and Organisational Development.	Physical.	15.	Pandemic.
Chief Executive.	Reputational.	3.	Adverse Communications.
Director of Infrastructure and Organisational Development.	Physical.	4.	Workforce.
<del>Director of Education, Communities and Housing and Chief Executive(tbc).</del>	<del>Partnership.</del>	<del>9.</del>	<del>Partnerships.</del>
Chief Executive.	Legislative.	10.	Procurement.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.

## Risks by rating

Owner.	Cluster.	Risk Number.	Risk.	Risk Rating.
Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development	Physical.	1.	Transport.	25.
Chief Executive and Director of Enterprise and Resources.	Financial.	2.	Economic Sustainability.	25.
Director of Enterprise and Resources.	Economic.	6.	Economic.	25.
Director of Infrastructure and Organisational Development.	Physical.	12.	Climate Change	20
Director of Education, Communities and Housing.	Reputational.	18.	Additional Support Needs	20
Director of Infrastructure and Organisational Development.	Physical.	4.	Workforce.	16.
Director of Enterprise and Resources.	Technological.	8.	Connectivity.	16.
Director of Education, Communities and Housing.	Economic.	17.	Budget Shortfall UHI	16.
Director of Infrastructure and Organisational Development.	Physical.	15.	Pandemic.	15.
Chief Executive and Director of Infrastructure and Organisational Development.	Technological.	7.	Cyber Security.	12.
Chief Executive.	Reputational.	3.	Adverse Communications.	12.
Director of Infrastructure and Organisational Development.	Physical.	5.	Asset Management.	12.
Director of Education, Communities and Housing.	Financial.	13.	Housing.	12.
Director of Education, Communities and Housing.	Professional.	14.	Childcare Services.	12.
Chief Executive.	Legislative.	10.	Procurement.	9.
Chief Officer, Orkney Health and Social Care Partnership.	Legislative.	16.	Children and Young People.	8.
Director of Infrastructure and Organisational Development.	Legislative.	11.	Health and Safety.	6.
Director of Education, Communities and Housing and Chief Executive(tbc).	Partnership.	9.	Partnerships.	6.

## 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 Number.		Risk Title.			Cluster.		Owner.		
1.		Transport			Physical.		Chief Executive, Director of Enterprise and Resources, and Director of Infrastructure and Organisational Development		
<b>Likelihood:</b>	5.	<b>Impact:</b>	5.	<b>RAG:</b>	Red.	<b>Current Risk Score:</b>	25.	<b>Target Risk Score:</b>	15 (3x5)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p><b>1a. Internal Ferries.</b></p> <p>Failure to secure agreement with Scottish Government on appropriate funding arrangements to deliver the Scottish Ferries Plan in relation to ferry and terminal replacement for Orkney.</p> <p>Ferry and Terminal replacement programme currently unfunded with ageing infrastructure.</p>	<p><b>Internal Ferries.</b></p> <p>Ferries reach end of service life with no solution in place. High repair costs indicate that buying new would be more cost effective.</p> <p>Deterioration of piers infrastructure.</p> <p>Reductions in lifeline provisions for the community are below Scottish Ferries Plan standards.</p> <p>Services become unaffordable.</p>	<p><b>Internal Ferries.</b></p> <p>Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running. Reduced capacity and flexibility to maintain scheduled services.</p> <p>Excessive running costs of old ferries. No opportunities to achieve expected service levels.</p> <p>Risk of delay in procurement leading to reduced capability to purchase fit for purpose new tonnage. Buying piecemeal also reduces economy of scale; community unrest due to people depopulating the isles due to lack of lifeline transport connectivity.</p>	<p><b>Internal Ferries.</b></p> <p>Treat</p>	<p><b>Internal Ferries.</b></p> <p>Ongoing dialogue with the Scottish Government through the Ferries Taskforce.</p> <p>£3M of funding for development of the business case for vessel replacement was secured from the Scottish Government in 2024/25. A further £10m for connectivity was received in 2025/26.</p>
<p><b>1b. External Ferries.</b></p> <p>Loss of service on the lifeline ferry route.</p>	<p><b>External Ferries.</b></p> <p>Scottish Government announcement of reduction in ferry timetable, ferry replacement, RET or rescheduling of service.</p>	<p><b>External Ferries.</b></p> <p>Reduction in available spaces.</p> <p>Transport disruption.</p> <p>Re-routing of supply import/ export lines.</p> <p>Pressure on non-lifeline ferry.</p>	<p><b>External Ferries.</b></p> <p>Treat.</p>	<p><b>External Ferries.</b></p> <p>Relationship with contract provider.</p> <p>Lobby Scottish Government.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p><b>1c. Air.</b></p> <p>Loss of internal/ external air service currently operated by Loganair. Reduction in services.</p>	<p><b>Air.</b></p> <p>Collapse of business. Tender application for internal air service.</p>	<p><b>Air.</b></p> <p>Increased demand on internal ferries. Lack of transport provision for itinerant service provision. Increased demand for temporary accommodation.</p>	<p><b>Air.</b></p> <p>Tolerate.</p>	<p><b>Air.</b></p> <p>Relationship with contract provider. Lobby Scottish Government. Review of tender specification.</p>
<p><b>1d. Causeways.</b></p> <p>Failure of the Churchill barriers, given their age (now 70+ years old) combined with increasing use of heavier vehicles, especially but not only associated with the freight vehicles using the external ferry service from St Margaret's Hope. Barrier 1 is known to have a degraded surface and the presence of some voids within the structure. Barrier 2 continues to be problematic to cross in adverse weather conditions, specifically where tidal and wind conditions produce overtopping. Closure of the barriers are required to maintain public safety, usually for 2 hours either side of a high tide when certain weather/ tidal conditions prevail.</p>	<p><b>1d. Causeways.</b></p> <p>Failure in substrate leading to road closure.</p>	<p><b>1d. Causeways.</b></p> <p>No alternative route. Disruption for linked south isles residents. Disruption for businesses due to ferry access, displacement of employees, lack of supply routes. Increased freight costs. Ferry availability during peak periods.</p>	<p><b>1d. Causeways.</b></p> <p>Treat.</p>	<p><b>1d. Causeways.</b></p> <p>Engineering studies on Barrier 1 road surface and substrate complete, including an assessment of any voids within the barrier structure. No further action required at this time. Previous studies on Barrier 2 overtopping with suggested engineering control measures widely known. No further action required at this time. Traffic management arrangements are in place. The decision to close the barriers is taken by Police Scotland, in consultation with OIC and HM Coastguard. Implementation of the decision falls to OIC Roads staff. Patching and maintenance of the road surfaces as required. Opportunities to flag concern with Scottish Government are taken, where possible.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>					<b>Cluster.</b>	<b>Owner.</b>		
2.	Economic Sustainability					Financial.	Chief Executive and Director of Enterprise and Resources.		
<b>Likelihood:</b>	5.	<b>Impact:</b>	5.	<b>RAG:</b>	Red.	<b>Current Risk Score:</b>	25.	<b>Target Risk Score:</b>	16 (4x4)

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Reduced funding across Council Services.</p> <p>Reduced income as a result of economic pressures.</p> <p>Increased costs to capital projects.</p> <p>Increased costs to revenue budgets.</p> <p>Increased energy costs.</p> <p>Increased demands to existing services.</p> <p>Lack of capacity to deliver core services.</p> <p>Impacts to supply chain.</p> <p>Increased costs to capital replacement programme.</p> <p>Impacts to Council investments.</p> <p>Inflationary rises.</p>	<p>Increase to energy costs.</p> <p>Increase to CPI/RPI costs.</p> <p>Increase in transportation and delivery costs.</p> <p>Increase to running costs for Council fleet and internal ferries.</p> <p>Increase of salaries due to pay awards.</p> <p>Increase to cost of living.</p> <p>Increase in expectations from community.</p> <p>Increase in rent and Council Tax default.</p> <p>Increase in requests for statutory services.</p> <p>Reduction in grant from Scottish Government.</p> <p>Reduction in requests for Council paid services.</p> <p>Reduction in capacity to deliver services.</p> <p>Reduction in investments.</p> <p>Expectations outstrip capacity to deliver.</p> <p>The Scottish Government fails to provide sufficient funding for essential services.</p>	<p>Community unrest.</p> <p>Unhappy service users.</p> <p>Elected members unable to meet need.</p> <p>Loss of credibility of Council.</p> <p>Inability to deliver the range of services expected and legal challenge.</p> <p>Capital projects are delivered late or not at all leading to increased costs and difficulties in delivering services.</p> <p>Local economy adversely impacted by labour shortages and high price of materials.</p> <p>Non-payment of rent and Council Tax.</p> <p>Inability to pay for Council services.</p> <p>Increased demand on Food Banks, free school meals, school clothing grants, crisis grants, Scottish Welfare Fund.</p> <p>Financial pressures impacting adversely on mental wellbeing, and</p>	<p>Treat.</p>	<p>Ownership of the Budget Setting Process by the Corporate Leadership Team / Extended Corporate Leadership Team with openness and transparency around the identification of potential areas for re-provisioning of services.</p> <p>Development of a range of actions (savings and other budget improvement measures) to address whatever financial environment the Council faces to inform future business and budget planning.</p> <p>A strategy on the use of Reserves.</p> <p>Delivery of budget savings will be monitored within Services and reported to the Policy and Resources Committee.</p> <p>There must be an acknowledgement of reality with the focus on continuation of the delivery of minimum Statutory Provision versus Statutory with Discretion, Non-Statutory but Essential or Discretionary Expenditure whilst having regard to the Council Priorities.</p> <p>Improved project planning with much longer lead in times.</p> <p>Additional staff capacity in Infrastructure and Organisational Development to manage the capital programme.</p> <p>The Child Poverty Action Plan.</p> <p>Signposting to financial advice.</p> <p>Exploration of market supplements.</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Council tax levy during period.</p> <p>Impact on staffing recruitment and retention.</p> <p>Availability of key products.</p>	<p>UK Government fails to provide funding equivalent to shortfall consequent from loss of EU Funding following UK exit from European Union.</p> <p>Government movement to energy cost caps.</p>	<p>relationships leading to increased demand on Council wellbeing services.</p> <p>Strike action on pay leading to disruption in the delivery of Council services.</p> <p>Inability to recruit or retain staff.</p> <p>Community expectations are not reduced due to a failure to communicate and engage effectively with communities.</p> <p>Failure to demonstrate the value of the Council's ongoing services to the public.</p> <p>Living costs outstrip available income as a result of pay awards, benefits and other income receipts not keeping up with inflation leading to inability to meet household outgoings.</p>		<p>Promotion in the reduction of energy usage and access to funding for energy improvements to domestic and commercial properties e.g. Warmer Homes Scotland</p> <p>Hybrid working policy.</p> <p>Reduction in heating and utilities usage for offices.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
3.	Adverse reactions in communications with staff, the public and stakeholders including social media.				Reputational.	Chief Executive.			
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	9. (3x3)

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>The Council's resources made available by Government will continue to reduce or remain static over the next few years despite growing need and demand. The Council is increasingly reliant on the use of its General Fund and Strategic Reserve Fund resources to maintain services whilst areas for savings / efficiencies and income generation are progressed. The Council must ensure that communities continue to be appropriately engaged about the efficiency measures and inevitable transformation / service changes and are proactively informed so that customer expectations are realistic.</p> <p>There is the potential that staff do not feel engaged in the inevitable change processes or valued as active contributors to corporate change, service realignments or developments.</p>	<p>Customers have unrealistic expectations of what Council services can deliver.</p> <p>Customers do not understand the reasons for the changes and blame the Council.</p> <p>Good ideas are not harvested from effective community consultation.</p> <p>Failure to demonstrate the value of the Council's on-going services to the public.</p> <p>Council is unable to demonstrate the ability to work corporately.</p> <p>Staff are not given the opportunity to engage with and contribute to service transformation / redesign or reductions; staff become disengaged in essential change processes.</p> <p>The Council does not maintain an effective presence on social media as a communication tool.</p> <p>The opportunity for reasonable debate, scrutiny and discourse of Council work is replaced by aggressive and abusive comment on issues and activities, reducing the quality and effectiveness of information to drive decision</p>	<p>Reputational risk.</p> <p>Misplaced criticism.</p> <p>Good ideas lost.</p> <p>Confusion about what the Council's priorities are.</p> <p>More difficult to align resources to priorities.</p> <p>Lack of understanding of what the Council wants to achieve.</p> <p>Changes are not achieved.</p> <p>Staff morale is adversely affected.</p> <p>Customers may not get a joined-up service.</p> <p>Inter-service tensions undermine corporate achievements.</p> <p>Legal implications.</p> <p>Exclusion of sectors of the community.</p>	Treat.	<p>A Communications and Engagement Strategy 2024-2028 was approved by the Council in December 2024.</p> <p>Supporting Delivery Plans have been developed.</p> <p>A Communications Plan (Internal and External) for the budget setting process – which will include a public survey – will be developed ahead of the Scottish Government's Draft Budget announcement, due to be delivered in January 2026. There is also a specific action within the External Communications Delivery Plan around exploring the use of explainer videos to communicate budget information and messaging to the public.</p> <p>In addition, work continues to publicise the Council's objectives and priorities, existing services and service change to ensure that communities are engaged.</p> <p>There is continuing use of digital communications, including the increased use of social media as a platform and tool for community engagement.</p> <p>A review of community engagement methods is underway as part of the Communications and Engagement Strategy 2024-2028. Feedback from public consultations such as Orkney Matters 2 will be fed into this process.</p> <p>Proactive press releases and campaigns are prepared and released to promote positive</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>There is potential that the Council fails to manage how we respond to social media - both to take advantage of the potential benefits of social media and additionally to mitigate the misuse of social media including online abuse and the unchecked propagation of disinformation that can circulate online creating negative discourse.</p>	<p>making, community fragmentation and disenfranchisement.</p>			<p>stories about the services provided by the Council.</p>

Risk Number.		Risk Title.				Cluster.	Owner.		
4.		Workforce planning – lack of skills, experience and capacity.				Physical.	Director of Infrastructure and Organisational Development.		
Likelihood:	4.	Impact:	4.	RAG:	Amber.	Current Risk Score:	16.	Target Risk Score:	6. (3x2)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Insufficient workforce planning actions underway to shape future workforce through redeployment, succession planning, recruitment, training etc. Capacity issues make it difficult for the service to realise its priorities.</p> <p>Increasingly limited and competitive market for recruitment of key leadership and professional roles.</p>	<p>Council staff become overstretched.</p> <p>Council staff become demoralised.</p> <p>The Council does not have the right staff, in the right place, at the right time, to deliver set priorities and / or statutory functions.</p> <p>The Council is unable to meet its statutory obligations.</p> <p>Statutory officers are unable to discharge their statutory functions adequately.</p> <p>EU nationals unable to gain Visas to work in the UK or unwilling to move to the UK under a more challenging post Brexit process.</p>	<p>Council cannot manage within its resources.</p> <p>Existing workforce becomes overstretched.</p> <p>Key pieces of work are not able to be undertaken.</p> <p>Service standards drop and vulnerable people are placed at risk.</p> <p>Council is reactive rather than proactive.</p> <p>An increased risk in legal challenges and complaints.</p> <p>Risk of financial penalties.</p> <p>Recruitment taking place from a smaller pool of potential staff.</p>	<p>Treat.</p>	<p>Review of staffing model seeking to increase staffing resource where possible in pressure areas has been completed and implemented.</p> <p>New corporate People Plan has been developed to identify and address strategic workforce challenges.</p> <p>Projects within the Council Plan and Directorate Delivery Plans are in planned to target improvements in Transforming Our Council including workforce planning, culture and performance.</p> <p>More proactive approach to recruitment, succession planning and attraction of people to live and work in Orkney.</p> <p>Adoption of Investors in People in 2022.</p> <p>Leadership Development programme to grow / upskill leaders.</p> <p>Development of programmes around youth employment, attracting young people into the workforce and improving career pathways.</p> <p>Continued use and development of remote and flexible working will encourage improved working methods and retention of key staff.</p> <p>Inclusion of staff in re-design of operations.</p> <p>Social Work Traineeship introduced to 'grow our own workforce' and reduce the need for agency staff.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Care at Home posts regraded to recognise the increased complexity of the role and make the salary more attractive to those considering a career in care.</p> <p>Joint initiative with UHI Orkney to create a 6-week 'Introduction to Care' taster course. Guaranteed interviews for participants who complete the course.</p> <p>Increased commitment to proactive communications particularly related to staff and trade unions.</p> <p>Regular monthly Trade Union meeting at corporate level.</p> <p>Formal Consultation protocol as agreed with the Trade Unions and approved by Council in 2023.</p> <p>Regular staff / Trade Union meetings at Service level, when required.</p> <p>Change in emphasis of staff engagement to include the process of change.</p>

<b>Title</b>					<b>Cluster</b>		<b>Owner</b>		
5 Failure to ensure we obtain and retain maximum benefit from Council's assets.					Physical		Chief Executive		
<b>Likelihood</b>	4	<b>Impact</b>	3	<b>RAG</b>	Amber	<b>Current Risk Score</b>	12	<b>Target Risk Score</b>	<b>9 (3x3)</b>

<b>Vulnerability</b>	<b>Trigger</b>	<b>Consequences</b>	<b>Options</b>	<b>Mitigating Actions</b>
<p>The Council may not have enough funds to sustain assets, replace ageing assets and develop key assets (also see Risk 1 which is particularly significant).</p> <p>Essential buildings and infrastructure for travel, communications etc must be maintained to ensure property and roads, IT, telecoms and other infrastructure continue to be able to support the Council's services.</p>	<p>The Council cannot maintain or develop its essential assets to provide public services.</p> <p>The Council cannot implement an asset management strategy.</p> <p>The public is unable to communicate with services.</p> <p>Professionals are unable to communicate with each other to provide effective services.</p>	<p>Roads and buildings deteriorate.</p> <p>IT infrastructure cannot support services.</p> <p>Unused / surplus buildings.</p> <p>Services are not delivered.</p> <p>Lifeline routes compromised.</p> <p>Risk of accident and potential claim.</p> <p>Vulnerable people are at risk.</p> <p>Communication is not possible between agencies to co-ordinate services.</p> <p>Council's reputation is at risk.</p>	Treat	<p>The Corporate Asset Management Plan 2026-2031 has been updated and will be considered by Asset Management Sub-committee in November 2025. The plan overarches multiple subsidiary asset management plans and strategies including property, fleet and plant, waste, ICT, open spaces, harbours and housing.</p> <p>Property Asset Management Plan 2024 to 2029 considered by Asset Management Sub-committee in September 2024.</p> <p>ICT &amp; Cybersecurity Strategy 2025-2029 was considered by Asset Management Sub-committee in 2025 while the existing ICT Asset Management Plan 2021-2026 last updated in 2021 will be reviewed in 2026.</p> <p>The Plant and Vehicle Asset replacement programme is a 3-year rolling programme which is reviewed January/February of each year.</p> <p>Asset Management for Open Spaces and Play Areas is informed by the Physical Activity and Wellbeing Strategy (2025) and the Play Area Strategy (2021), led by Active Communities.</p>

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
				<p>Asset Management of Roads is set out in the Roads Asset Management Plan 2023-2028 and the associated Roads Management and Maintenance Plan 2023-2028.</p> <p>The Fleet Asset Management Plan is out of date and requires to be updated. This will be completed by the end of financial year 2025/26.</p> <p>All asset replacement programmes (budgets) for roads, fleet and property (revenue repairs and capital improvements), are monitored in detail to ensure planned, cyclical, reactive and emergency works are completed in context of significant budget pressures (efficiencies).</p> <p>Where works exceed the capacity of the annual budget, these are escalated to the Capital Project Appraisal (CPA) process.</p> <p>The Capital Programme Board (CLT) has executive ownership of the CPA process and Capital Programme and approves and endorses Capital projects before CPA1 approval at Service Committee and CPA2 approval at Policy and Resources Committee.</p> <p>The Capital Programme Advisory Board meets on a 6-monthly basis and provides a forum for member oversight and comment outwith the formal Committee Process.</p>

Risk Number.		Risk Title.				Cluster.		Owner.	
6.		Inability to sustain and enhance economic opportunities.				Economic.		Director of Enterprise and Resources.	
<b>Likelihood:</b>	5.	<b>Impact:</b>	5.	<b>RAG:</b>	Red.	<b>Current Risk Score:</b>	25.	<b>Target Risk Score:</b>	20. (5x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Commercial sectors are vulnerable to market forces and changing national and international economic circumstances.</p> <p>Orkney's population is also ageing, leading to a range of challenges and opportunities in managing the impact of this demographic shift in terms of service provision.</p> <p>Deliverability of key project and political agendas including the Islands Deal, Harbours Masterplan, Grid and Digital Connectivity, Shared Prosperity Fund, Ferry Replacement, Arctic Strategy and Innovation Freeport concepts.</p> <p>COVID 19 Recovery and Response challenges.</p> <p>Insolvency of or desertion by private companies with Section 75 obligations revert those responsibilities to Council</p>	<p>The Council fails to support a diverse economy.</p> <p>Decline in farming and other traditional industries.</p> <p>External market forces and economic factors lead to increasing pressure on local businesses.</p> <p>Cost of transportation threatens travel of goods and people to and from Orkney.</p> <p>The Council fails to support emerging industries.</p> <p>The Council fails to ensure community benefits arise from developing industries.</p> <p>The Council fails to secure long term benefits from Renewables sector.</p> <p>Increasing pressure on services for older people.</p> <p>Reducing work age.</p> <p>Government fails to deliver on or support economic opportunities and regulatory change or an appropriately designed and timed Shared Prosperity Fund.</p>	<p>Local economy struggles pushing additional responsibilities onto the public sector.</p> <p>Council budgets become increasingly pressed.</p> <p>Staffing shortages.</p> <p>Loss of jobs, increase in unemployment, reduced economic performance.</p> <p>Council is left with burdens of site remediation.</p>	<p>Treat.</p>	<p>The budgets for revenue repairs and capital improvements are reviewed annually as part of the Council's budget process.</p> <p>Seek to identify additional options for delivery of the maintenance programmes.</p> <p>Where unavoidable pressures are identified these are managed through an allocated 'contingency' or capacity within the Enterprise and Sustainable Regeneration Directorate given positive trading performance.</p> <p>To ensure the delivery of approved plans is achieved, there has been additional investment in people resources in roads, waste, fleet and soon to be the quarry and property teams (as part of workload analysis and mini restructuring).</p> <p>Political engagement and lobbying at UK and Scottish Government levels.</p> <p>Establishment of Crown Estate Economic Development Fund to support local business.</p>

<b>Title</b>					<b>Cluster</b>		<b>Owner</b>		
7 Inadequate information security and management, and inadequate cyber security					Technological		Chief Executive		
<b>Likelihood</b>	3	<b>Impact</b>	4	<b>RAG</b>	High Risk	<b>Current Risk Score</b>	12	<b>Target Risk Score</b>	6 (2x3)

<b>Vulnerability</b>	<b>Trigger</b>	<b>Consequences</b>	<b>Options</b>	<b>Mitigating Actions</b>
<p>The Council fails to maintain an adequate audit trail of all information created.</p> <p>The Council does not handle, share and release all of its data adequately.</p> <p>The Data Protection Act 2018 has introduced new duties for the Council.</p> <p>Failure to implement and maintain suitable cyber controls to protect assets.</p> <p>Wider cybersecurity incidents in the private and public sector have major impacts on Orkney's supply chains, food security or transport</p>	<p>Inappropriate disclosure, sharing, retention or loss of data.</p> <p>Failure to comply with information governance legislation including the Data Protection Act 2018.</p> <p>Unauthorised access to systems, loss or theft of a device containing sensitive data, phishing or credential harvesting, accidental disclosure, or system misconfiguration.</p> <p>Internal process failures, such as inappropriate data sharing, weak password enforcement, or expired certificates.</p> <p>External cybersecurity incidents in key organisations concerned in the supply of goods and materials inhibits the delivery and distribution of food, fuel or other key resources to locations such as Orkney.</p>	<p>Customer distress and harm.</p> <p>Financial and legal implications.</p> <p>Reputational risk.</p> <p>Inability to access information when required.</p> <p>Failure to deliver services.</p> <p>Failure to share information leading to duplication of effort.</p> <p>Not responding to information requests on time.</p> <p>Complaints against the Council.</p>	Treat	<p>The Records Management Improvement Plan sets out further actions required to ensure the Council maintains compliance with its legal responsibilities, including the Data Protection Act 2018.</p> <p>Senior Management leadership is in place regarding delivery of the Records Management Improvement Plan. In order to support key elements of the Plan, the Council has implemented an Electronic Document and Records Management System (EDRMS) through the use of the Microsoft 365 platform, with full implementation achieved across the Council in March 2025.</p> <p>PSN reaccreditation is achieved via a major penetration testing and vulnerability scanning exercise and is in date.</p> <p>IT Security is managed proactively and there is an ongoing programme of patching / updating the hardware and software in operation across the Council.</p> <p>As part of the Council's resilience planning, it has completed cybersecurity exercises designed by</p>

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
				<p>the National Cyber Security Centre and adapted by officers, focused on a Cybersecurity Ransomware attack with attendance from all Council services and reported to Corporate Leadership Team.</p> <p>Ongoing work on business continuity actions, aligned to Cyber Scotland incident response planning.</p> <p>The Council has implemented a multi-site infrastructure to host its on-premises services and data and immutable backup and disaster recovery.</p> <p>Services as assessed by the Information Security Officer with providers required to complete a questionnaire to provide assurance that their arrangements are satisfactory.</p> <p>The Council participates in and supports national cybersecurity and resilience partnerships to ensure good communication and promotion of cybersecurity cyber-resilience and business continuity in the Council, in the community and across sectors.</p>

Risk Number.		Risk Title.			Cluster.	Owner.			
8.		Inadequate availability and reliability of ultrafast and mobile connectivity across Orkney.			Technological.	Director of Enterprise and Resources.			
<b>Likelihood:</b>	4.	<b>Impact:</b>	4.	<b>RAG:</b>	Amber.	<b>Current Risk Score:</b>	16.	<b>Target Risk Score:</b>	8. (2x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Failure to lobby Governments to address the current digital divide and put in place infrastructure to ensure a step change in speeds.</p> <p>Lack of mobile coverage.</p> <p>Failure to press the Government to deliver a longer-term plan to ensure that there are the right mechanisms, partnerships and commercial models in place.</p> <p>Limited subsea backhaul constrains network speeds while failures leave homes and business at risk of disruption.</p>	<p>Orkney fails to secure maximum and equitable geographic coverage of availability and reliability of ultrafast broadband and mobile connectivity across Orkney, and the required improvements to Broadband services and mobile network across the islands are not delivered.</p> <p>Orkney is unable to attract inward investment and sustain fragile communities.</p> <p>Educational infrastructure disadvantaged by lack of service.</p> <p>Critical links to the Scottish Mainland fail leaving Orkney with poor or no digital connectivity.</p>	<p>Failure to attract inward investment.</p> <p>Failure to attract skilled employees.</p> <p>Digital isolation across age groups.</p> <p>Failure to realise opportunities in respect of Telehealth, Telecare, mobile working and tele-learning.</p> <p>Poor online public service access including welfare benefits, etc.</p> <p>Disruption to homes and business operations.</p>	<p>Treat.</p>	<p>Continue to support political lobbying and seek opportunities to progress policy.</p> <p>Support the Scottish Government in the roll out of R100 infrastructure in Orkney, including improvements to subsea backhaul.</p> <p>Support development and introduction of alternative commercial models, including 5G infrastructure.</p> <p>The Council has commissioned development of a digital strategy for Orkney which presents options for enhancing digital connectivity provision. Leveraging the benefits of the Council's membership of SWAN2 and the additional infrastructure delivered to support this.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
9.	Lack of development of effective partnerships.				Partnership.	Director of Education, Communities and Housing and Chief Executive(tbc).			
<b>Likelihood:</b>	3.	<b>Impact:</b>	2.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	9.	<b>Target Risk Score:</b>	6.

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>The Council must develop partnership working to maximise use of the cumulative resource and impact on outcomes for the Community Planning Partnership.</p> <p>Resource and key staffing constraints may affect the success of partnerships.</p> <p>Changing ministerial roles in UK Government or Scottish Government which delay progress with key issues.</p> <p>The Scottish Government has started to explore the feasibility of the Single Authority Model Public Service Reform.</p> <p>Engagement with the National initiatives to ensure proposals do not create unintended consequences which may hinder partners' ability to deliver best outcomes for Orkney.</p> <p>Potential for a Scottish Government Independence referendum may cause further instability and delays in decision making.</p>	<p>The Council does not implement a robust and effective framework for managing its key partnerships.</p> <p>The resource and key staffing pressures on the parent bodies affect the reputation of the partnership.</p> <p>National developments relating to the redesign of adult care services may not take account of the unique requirements of delivering effective care services in remote and rural areas.</p> <p>Ministers in governments change role/ remit.</p>	<p>Impact upon service delivery.</p> <p>Loss of reputation due to inability to meet statutory requirements.</p> <p>Efficiencies not achieved.</p> <p>Reduced ability to deliver on important projects for vulnerable people and their families.</p> <p>Reduced ability to support and protect individuals and families by delivering effective care services within Orkney.</p> <p>Dialogue with ministerial colleagues prolonged and repeated thus delaying progress.</p>	<p>Treat.</p>	<p>The Council will continue to work closely with partners under current frameworks which are monitored closely to ensure they are robust, effective and deliver good governance.</p> <p>The Council will continue to review existing partnerships and explore new ones as opportunities arise to suit Orkney as a whole.</p> <p>Engagement with Scottish Ministers in respect of the Local Governance review and Single Islands Authority feasibility Public Service Reform.</p> <p>Engage with the Scottish Government through COSLA.</p> <p>As a separate legal entity, the Integration Joint Board (IJB) will consider its own actions relating to this risk on the IJB's risk register.</p> <p>Engagement with UK Ministers will continue.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
10.	Inadequate procurement compliance and sustainable communities.				Legislative.	Chief Executive.			
<b>Likelihood:</b>	3.	<b>Impact:</b>	3.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	9.	<b>Target Risk Score:</b>	6.(2x3)

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Financial and non-financial savings not fully achieved. Procurement Legislation, Policy and Procedures not adhered to.</p> <p>Ongoing engagement to be maintained to support local businesses to help them participate in procurement opportunities, building on the Meet the Buyer events which are held as required to highlight contract specific tendering opportunities.</p>	<p>Legal challenge is a possibility unless the Procurement Regulations are complied with and processes followed.</p> <p>Officers fail to understand the limitations that the Procurement Regulations place on the Council.</p> <p>Officers do not follow due process and tendering must be repeated.</p> <p>Anticipated savings may not be fully realised through collaborative contracts.</p> <p>The local economy may not be as well supported as it could be.</p> <p>Member / officer disharmony due to lack of understanding of responsibilities.</p>	<p>Financial loss due to legal challenge.</p> <p>Reputational harm.</p> <p>Delays in services being procured due to re-tendering or court action.</p> <p>Loss to the local economy.</p> <p>Loss of effectiveness and efficiency.</p> <p>Lost opportunity in terms of savings.</p>	<p>Treat.</p>	<p>Procurement Consultative Group comprising Elected Members and Officers is in place and meets when required.</p> <p>Procurement Working Group (Officers with delegated procurement authority) set up to provide training, support and a corporate approach to procurement exercises and priorities.</p> <p>Frequent communication with this group is in place, with information provided by email, and training on the use of the updated Contract Standing Orders and Procurement Plan was provided by the Procurement Team in April 2024.</p> <p>Procurement Improvement Plan developed and kept under review.</p> <p>A new Procurement Strategy, to align with the Council Plan 2023-2028, was consulted upon over Summer 2023 and was adopted by the Council in December 2023.</p> <p>An updated Sustainable Procurement Policy, to align with the Council's Climate Change Strategy and Action Plan, was approved by the Council in December 2024.</p> <p>The Procurement Manual was reviewed and updated in April 2025.</p> <p>Procurement and Commercial Improvement Programme (PCIP) assessment by Scotland Excel was undertaken in March 2024 and feedback received.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>Meet the Buyer events held successfully as required e.g. for the operation of a new nursery in June 2024.</p> <p>Contracts Register is now updated continuously with reference to the Procurement Plan, and the importance of the Contracts Register is stressed to all staff who are making purchasing decisions.</p> <p>Proactive work with the Corporate Administration Group to look at the creation and use of local Framework Agreements, for example, a local framework for stationery.</p> <p>Contract Standing Orders under regular review, with the last formal review carried out in February 2024 and updated Contract Standing Orders formally approved by Council in March 2024.</p>

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
11.	Health and Safety non-conformance.				Legislative.	Director of Infrastructure and Organisational Development.			
<b>Likelihood:</b>	3.	<b>Impact:</b>	2.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	6.	<b>Target Risk Score:</b>	4. (2x2)

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Non-compliance with health and safety policies, rules and procedures by employees, members of the public, contractors etc.	Reportable accidents, work related ill health and dangerous occurrences.	<p>Staff exposed to unnecessary risk or harm.</p> <p>Increase in staff absence or sickness.</p> <p>Reduction in staff morale.</p> <p>Enforcement action from the Health and Safety Executive. This may include improvement and prohibition notices and prosecution.</p> <p>Material breaches, if identified, are subject to cost recovery by way of 'fees for intervention'.</p> <p>Civil action resulting in the payment of compensation for injury or damage etc.</p>	Treat.	<p>Frequency of Safety Committee meetings increased including a review of adverse events.</p> <p>Corporate Leadership Team to promote a positive health and safety culture.</p> <p>Occupational Health, Safety and Welfare Policy updated in February 2025 and approved by Council. Significant focus on Health and Safety incident reporting including increased incident and near miss reporting and proactive engagement with services as detailed in reports to Safety Committee and in Annual Report.</p> <p>Proactive health and safety to feature as a standing item in Senior Management meetings as appropriate.</p> <p>IOSH 'Leading Safely' training has been refreshed for the majority of Corporate Leadership Team and Extended Corporate Leadership Team members. Assessment of training needs for new members to be completed and training to be held in person. This will be complemented with resilience training as part of a review to be put into a programme, with a view to commencing the offering once finalised by December 2025.</p> <p>Ongoing increased levels in corporate reporting of incidents via focussed Service engagement across the organisation.</p> <p>Proactive Health and Safety campaigns organised and promoted to all Council employees.</p>

<b>Risk Number.</b>		<b>Risk Title.</b>				<b>Cluster.</b>		<b>Owner.</b>		
12.		Climate Change				Physical.		Director of Infrastructure and Organisational Development		
<b>Likelihood:</b>	4	<b>Impact:</b>	5	<b>RAG:</b>	Red	<b>Current Risk Score:</b>		20	<b>Target Risk Score:</b>	12 (3x4)

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>Council infrastructure impacted by extreme and unpredictable weather, resulting in increased costs of maintenance and weakened or disrupted delivery of services including travel disruption.</p> <p>Communities facing increased frequency of coastal flooding and increased volumes of surface water.</p> <p>Local economic production affected by climate impacts.</p> <p>Transition to support climate response initiatives require significant capital investment.</p> <p>Climate impacts on food security – both production and supply chain.</p>	<p>Extreme and unpredictable sustained weather (lightning, winds, tides) causes increased damage or wear and tear to Council infrastructure.</p> <p>Increased severity of coastal flooding leads to damage of property in coastal communities, while surface water levels impact transport routes and agricultural activities in the community.</p> <p>Surface water and other climate impacts affect normal activity cycles impacting food production including agriculture.</p> <p>Move to Net Zero requires capital funding and resourcing beyond Council capacity.</p> <p>Climate impacts the production and supply of essential goods</p>	<p>Weakened or disrupted delivery of Council services including transport, roads maintenance, property access and digital services.</p> <p>Increased costs of service delivery reduce capacity due to constraints in budgets.</p> <p>Reduced economic output in Orkney requires increased Council interventions.</p> <p>Failure to meet targets or reductions in funding of other Council Priorities to support initiatives.</p> <p>Key aspects of food supply to Orkney disrupted and not sufficient due to “just-in-time” nature of supply chain in this area.</p>	<p>Treat.</p>	<p>Declaration of Climate Emergency.</p> <p>Council Plan has specific climate related goals including Net Zero.</p> <p>Local Heat and Energy Efficiency Strategy</p> <p>Flood Risk Management Plan 2022 – 2028.</p> <p>Coastal Change Adaptation Plan approved by Council, and consultation events underway (Autumn 2025). Action plans to be set up, delivery will be dependent on funding. LIDAR work is complete, data is available to be used as part of the development of local plans.</p> <p>Resilience review and response to SEPA Flood Warnings as an Incident Management process.</p> <p>Baseline energy strategic review due to complete early 2026; with first phase final reporting to Policy and Resources Committee in November 2025.</p> <p>Work with Community partners on developing Orkney’s food resilience has commenced following the seminar on food security and resilience.</p>

Risk Number.		Risk Title.				Cluster.	Owner.		
13.		House Build Programme – Risk of being unable to fully utilise Affordable Housing Supply Programme funding from the Scottish Government.				Financial.	Director of Education, Communities and Housing.		
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	9.(3x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>A range of factors are affecting the Council's ability to spend the Affordable Housing Supply Programme's funding, in partnership with relevant delivery partners. These factors include:</p> <p>Contractors are currently under significant pressure with substantial amounts of work and limited resources.</p> <p>The Housing Revenue Account holds a relatively high level of debt, and debt repayments are substantial.</p> <p>The cost of meeting the Scottish Social Housing Net Zero Standard which is expected to be required by 2032 is serving to exacerbate Housing Revenue Account challenges. Similar challenges exist for other delivery partners.</p> <p>Price rises impacting on materials and labour, coupled with supply issues, will impact on the affordability of the house build programme</p>	<p>Inability to commit to fully utilising the funding that the Scottish Government allocate to Orkney each financial year.</p>	<p>Loss of funding that is essential to Orkney meeting need for social / affordable housing.</p> <p>Rising pressure as more applicants further increase pressure on the Council's growing housing waiting list.</p> <p>Difficulties in the Council meeting its statutory homelessness requirements through placing households into permanent accommodation.</p> <p>Barriers to implementing the Rapid Rehousing Transition Plan. Inflationary impact on other housing sectors, particularly the private rented sector.</p> <p>Negative impact on local economy if economically active households or those requiring to live and work in Orkney cannot secure affordable housing in the area.</p> <p>Orkney residents including families are increasingly</p>	<p>Treat.</p>	<p>Hub North/Indigo House assisted the Council to undertake key strategic work including the Housing Needs and Demand Assessment (including analysis of need amongst essential workers), Local Housing Strategy, Strategic Housing Investment Plan and Housing Revenue Account Business Plan.</p> <p>The Housing Supply Target for Orkney has been determined to be 1,040 properties over a 10-year term with a 60/40 affordable split.</p> <p>Housing Market Partnership established with a range of key partners. All parties involved in seeking to deliver house build in partnership. These include Housing, Infrastructure and Organisational Development (Environmental, Property Development and Planning), NHS Orkney, Orkney Housing Association Ltd, Scottish Government, Scottish Water etc.</p> <p>Also looking at processes around house build so we can move this forward. This includes looking at potentially bringing in an alternative provider.</p> <p>Working in partnership with Scottish Government and other delivery partners to deliver projects.</p> <p>Off the shelf purchases are being undertaken (while considering the ability for the properties concerned to be brought up to the energy efficiency standards required by the Council</p>

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
<p>and more generally on the Housing Revenue Account. The impact of the above on the level of affordability of rents for tenants, given that a small Housing Revenue Account suffers from limited economies of scale. Orkney generally has rents which are within the highest six in Scotland.</p> <p>There is a lack of resource across all partner agencies (and the construction sector) which places limitations on responsiveness to additional demands.</p>		<p>being priced out of the private rented sector, cannot secure a suitable mortgage and / or are not high enough up the priority list to secure social rented housing. The frustration this causes can increase the likelihood that some of these households leave Orkney, resulting in further inhibition to the social fabric and economy of Orkney.</p>		<p>where relevant). Currently house prices are such that the number of off the shelf purchases is likely to be low.</p> <p>The Council is working through its role as housing enabler to seek to bring in an additional housing association with development capacity.</p>

Risk Number.		Risk Title.				Cluster.	Owner.		
14.		Early Learning and Childcare Expansion Plan.				Reputational.	Director of Education, Communities and Housing.		
<b>Likelihood:</b>	4.	<b>Impact:</b>	3.	<b>RAG:</b>	Amber	<b>Current Risk Score:</b>	12.	<b>Target Risk Score:</b>	9. (3x3)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Leadership capacity.	Failure to recruit high quality candidates.	Lack of leadership in settings.	Treat.	Refocus the Leadership pathway to develop leadership capacity within the workforce.
Insufficient number of high quality and / or qualified practitioners.	Failure to recruit high quality candidates.	Vacant posts and repeated recruitment. Impact on quality and outcomes for children. Failure to meet quality requirements and National Standard.		Support practitioners to gain qualifications relevant to their role, including SVQs and degrees Continue head teacher training to support development of pedagogical leadership capacity. Work with UHI Orkney to review the availability and quality of courses on offer.
Insufficient budget to meet emerging demands of Scottish Government and regulatory bodies.	New legislation/policy insufficiently funded for the local context (e.g. discretionary deferrals, nursery milk and snack, safe staffing ).	Budget overspend.		Ensure Orkney attendance at national meetings / forums to ensure the remote and rural voice is heard. Ensure Elected Members and the Corporate Leadership Team are well briefed prior to national meetings.
Financial model for 0-3 service becomes unviable.	Inability to appoint adequate numbers of practitioners to ensure maximum ratio and maximum income.	Greater than acceptable losses. Service failure in workplaces due to lack of childcare available.		Carefully monitor occupancy, staff ratios and fee payment to ensure the setting is running as efficiently as possible.

<b>Title</b>					<b>Cluster</b>			<b>Owner</b>	
15 Pandemic					Pandemic			Chief Executive	
<b>Likelihood</b>	3	<b>Impact</b>	5	<b>RAG</b>	High Risk	<b>Current Risk Score</b>	15	<b>Target Risk Score</b>	9 (3x3)

<b>Vulnerability</b>	<b>Trigger</b>	<b>Consequences</b>	<b>Options</b>	<b>Mitigating Actions</b>
<p>A pandemic or similar incident regarding widespread health infection and illness would present a major challenge to the community and the Council with impacts including both immediate health and wellbeing and also to the continuity of core services and ways of life, if organisational structures, workforce arrangements, or service dependencies are not sufficiently resilient to widespread disruption of people, supply chains, or operational environments.</p> <p>This may include high reliance on physical presence, limited capacity for remote working, inadequate infection control measures, or dependence on single</p>	<p>In the event of a declaration of a global pandemic by World Health Organisation which leads to the declaration of a Major Emergency and temporary amendments to Standing Orders.</p> <p>Confirmed infection within the workforce, mandated lockdown or travel restrictions, non-availability of key personnel, interruption to supply chains, or the rapid escalation of public health measures affecting operations.</p> <p>Changes in demand, government policy, or public behaviour that significantly alter service delivery patterns.</p>	<p>Service Delivery:</p> <p>Failure to carry out statutory duties - demand outstrips capacity.</p> <p>Cessation of non-urgent and elective work.</p> <p>Unable to provide certain services.</p> <p>Delays to capital programmes.</p> <p>Ability to successfully resolve emergency incidents.</p> <p>Deterioration in staff experience adversely affecting team performance.</p> <p>Financial management and budgetary impact:</p> <p>Incurring additional unbudgeted spend</p> <p>Increased costs, reduced income, impact on capital projects etc.</p> <p>Appropriate governance.</p> <p>Ability to pay staff.</p> <p>Legacy financial impact.</p> <p>Impact on Strategic Reserve Fund.</p> <p>Health and Safety:</p>	<p>Treat</p>	<p>Learning points and outcomes from Covid-19 pandemic and current participation in the national resilience Exercise Pegasus (on a global pandemic) will lead to further reform and update of Pandemic Mitigating Actions including Business Continuity planning,</p> <p>Staff Deployment Considerations, Risk Assessments, Communications covering response and recovery.</p>

Vulnerability	Trigger	Consequences	Options	Mitigating Actions
<p>suppliers for critical goods and services.</p> <p>Insufficient business continuity planning, unclear communication protocols, or lack of cross-training to cover essential roles.</p> <p>These weaknesses reduce the organisation's ability to maintain continuity of service, protect staff, and adapt quickly to sustained disruption.</p>		<p>Failure to provide appropriate PPE.</p> <p>Ability to carry out statutory duties and support frontline response.</p> <p>Exposure to virus, potential spreading and related absences.</p> <p>Potential harm to critical service users and providers.</p> <p>Demand outstrips supply for business-as-usual supplies.</p> <p>Demand outstrips supply for PPE.</p> <p>If the organisation does not seek to maintain and improve officer and staff wellbeing during the response to Pandemic, there is a risk of increased absences, loss of discretionary effort and overall decrease in operational capacity.</p> <p>Lack of scrutiny surrounding Council functions.</p> <p>Mandatory duties of the Council – schooling, social services.</p> <p>Permissive duties of the Council – education and economic development.</p> <p>Regulatory powers – trading standards, environmental health and licensing.</p> <p>Joint working arrangements.</p>		

<b>Risk Number.</b>	<b>Risk Title.</b>				<b>Cluster.</b>	<b>Owner.</b>			
16.	Inability to deliver core protection and support services for children and young people.				Legislative.	Chief Officer, Orkney HSCP.			
<b>Likelihood:</b>	2.	<b>Impact:</b>	4.	<b>RAG:</b>	Yellow.	<b>Current Risk Score:</b>	8.	<b>Target Risk Score:</b>	6. (2x3)

<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Options.</b>	<b>Mitigating Actions.</b>
Children and young people are vulnerable due to the Council's need to improve policies, procedures and services as part of multi-agency child protection and support services, highlighted in the 'Report of a joint inspection of services for children and young people in need of care and protection in Orkney', February 2020.	Children and young people in need of protection and/or support do not have their needs met by the multi-agency team.	Children and young people are exposed to harm; children and young people are not provided with the best chances in early life; children and young people are not supported in closing the opportunity gap.  When performance shortfalls are highlighted in inspection reports, this clearly drives improvement. However, a collateral consequence can be that it makes it more difficult to attract permanent good quality staff to work in Orkney children's and young people's social work and social care services, exacerbating vulnerabilities.	Treat.	<p>Comprehensive multi-agency improvement plan has been developed which addresses all areas for improvement.</p> <p>Progress with this plan is closely monitored by the Chief Officers' Group and the relevant partner governance bodies.</p> <p>A follow-up inspection was undertaken by the Care Inspectorate and reported in August 2021. The findings indicated we have made significant progress and there was still considerable work to be done. Findings were mainly consistent with our own view of where we are in children's services improvement from a self-evaluation perspective which was positive.</p> <p>The findings have been reported to Council and IJB and the Improvement Plan has been adjusted to reprioritise key actions.</p> <p>The Second Progress Review was undertaken by the Care Inspectorate and reported in May 2022. The findings indicated that considerable further work had been completed since the first Progress Review and key improvement areas were progressed.</p> <p>Inspections in Summer 2024 across four regulated Services in Children &amp; Families have all reflected significant notable improvement in performance with grades moving to good. This reflects a significant lift with consistency across the grades which evidences improvement</p> <p>The Care Inspectorate will not require a further Progress Review</p>

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.			
Risk Number.		Risk Title.				Cluster.		Owner.		
17.		UHI Orkney (previously known as Orkney College UHI) Budget Shortfall				Economic		Director of Education, Communities and Housing.		
Likelihood:	4.	Impact:	4	RAG:	Amber	Current Risk Score:		16.	Target Risk Score:	9 (3x3)

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.		
<p>UHI Orkney fails to achieve zero budget.</p> <p>UHI Orkney requires financial support from the Council to continue to operate in a sustainable manner.</p> <p>Curriculum and/or staffing cuts are required to balance budget.</p>		<p>Flat/capped funding from Scottish Funding Council in Further Education (FE) sector.</p> <p>Challenges in recruiting sufficient Higher Education (HE) students and subsequent shortfall in activity-based funding.</p> <p>Demand for student support services significantly above budgeted provision and rising.</p> <p>Signing up to the National Recognition and Procedure Agreement for Scotland's Colleges.</p> <p>Staff costs at 70% of budget; Distant Islands Allowance not funded by Scottish Funding Council.</p> <p>Rising costs (see Risk 2 which is particularly significant).</p> <p>Expenditure on staff costs insufficiently offset by grant, fee, credit and commercial income.</p> <p>Insufficient funding to sustain aging property assets, which are self-financed by UHI Orkney.</p>		<p>UHI Orkney cannot manage within its resources.</p> <p>Falling student satisfaction.</p> <p>Student Support expenditure above budget and/or needs go unmet meaning vulnerable students are placed at risk, increased risk in course delivery and practice, additional pressure and strain on teaching staff or refusal/ inability to accommodate some students.</p> <p>Reputational damage, increased complaints against the College and legal challenge.</p> <p>Staff exposed to unnecessary risk or harm.</p> <p>Increase in staff absence or sickness.</p> <p>Reduction in staff morale.</p> <p>Lack of skills, experience and capacity (link to Risk 4).</p> <p>Growth potential lost.</p> <p>Reduced curriculum leads to skill shortages in the local economy and restricts economic growth for Orkney.</p>		Treat.	<p>Advance from loans fund approved to balance 2024/25 budget and to set balanced budget for 2025/26</p> <p>Officer Task Force instigated, reporting to Education, Leisure and Housing Committee in November 2025 and February 2026.</p> <p>Improve and reinforce budget monitoring.</p> <p>Work with budget holders collaboratively to understand the budget as a whole and take collective responsibility for balancing income and expenditure across the College.</p> <p>Ensure appropriate budget profiling and timely invoicing to support budget monitoring.</p> <p>Implement common course viability assessments ensuring all teaching staff resource is directed to income-generating activity, or less viable but locally significant delivery is offset by income elsewhere.</p> <p>Increase corporate training via UHI Orkney for OIC staff training.</p> <p>Work with Island Colleagues to request unions to push for Distant Islands Allowance to be incorporated into national pay bargaining for academic staff.</p> <p>Capitalise on the rebranding of the College and strongly promote the strengths of UHI Orkney.</p>		

Vulnerability.		Trigger.		Consequences.		Options.	Mitigating Actions.		
Risk Number.		Risk Title.				Cluster.		Owner.	
18		Support for Learning and Inclusion – Catering for additional support needs in schools and nurseries				Reputational		Director of Education, Communities and Housing.	
<b>Likelihood:</b>	4	<b>Impact:</b>	5	<b>RAG:</b>	RED	<b>Current Risk Score:</b>	20	<b>Target Risk Score:</b>	12 (3x4)

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Data from the last 6 years indicates significant growth in the number of children and young people in Orkney with additional support needs. In 2017 31% of our children and young people were considered to have additional support needs. In 2022 the number was 41%. This includes 50.5% of our young people in secondary school.</p> <p>The number of support staff in schools has not increased in line with growth need.</p> <p>Due to rising costs in other areas and changes in funding in others, the baseline funding for support staff in school is no longer sufficient to maintain the current level of staffing.</p> <p>Due to the above circumstances, we have a growing level of unmet need across our schools and nurseries which poses significant risk to the local authority.</p>	<p>Growing needs in schools and insufficient funding.</p>	<p>Due to the increasing level of unmet need, the Education service risks failing to meet their statutory duty in meeting the needs of all children and young people. If challenged on a specific case, we could be taken to tribunal.</p> <p>The growing need and lack of support staff puts increasing pressure on existing staff structures which makes recruitment and retention difficult and adds to our high rates of sickness absence.</p> <p>A lack of capacity for early intervention means problems become more complex before they are addressed. This requires more resource and a greater cost as a result. Without support at an early stage, long term outcomes for young people in our community become poorer.</p> <p>Unmet needs in the classroom place more pressure on teaching staff and the ability to make improvements in overall attainment and progress for all children and young people suffers as a result.</p> <p>Social, emotional and behavioural needs are increasing rapidly and we are seeing a rise in serious incidents, including incidents of violent behaviour in schools.</p>	<p>Treat.</p>	<p>Creating early intervention pathways to ensure support is in place for children, young people and their families at the earliest possible stage.</p> <p>Work with colleagues in CLD&amp;E to extend the work of the Pupil Equity Team to put in place support at the earliest possible stage for children, young people and families.</p> <p>Investing in the current workforce through training and professional learning to increase existing capacity.</p> <p>Centralising the resource to enable dynamic and targeted staffing and reducing the number of temporary short-term contracts.</p>