Shetland
Islands Council

REPORT

Post Reinspection Report on Shetland Islands Council's Building Standards Service

1   Introduction

1.1   An external audit of the Building Standards Service was carried out on 23-24 February 2009 which resulted in a number of shortcomings being reported to Audit and Scrutiny Committee in May 2009 (Min Ref. 08/09).

1.2   This report provides details of the work that has been carried out subsequent to that audit to address the concerns noted by the auditors as measured against each of the five perspectives contained within the Balanced Scorecard.

1.3   Reinspection of the Service was carried out on the 11 December 2009 by Messrs Bill Dodds and Mark Rae from the Building Standards Division of the Directorate for the Built Environment (BSD).

1.4   As part of the preamble to the reinspection Bill Dodds confirmed that, such were the concerns for the viability of the building standards service within Shetland, the BSD had considered the question 'To which of the neighbouring Local Authorities might the verification responsibility for the Shetland Islands Council region be devolved?'.

2   Link to Council Priorities

2.1   The enforcement of the Building (Scotland) Act 2003 and allied legislation is in line with the objective contained within the Corporate Plan '*to maintain and improve the quality of life experienced by people in Shetland*.'

2.2   The work done within the Building Standards Service impinges on all four strands of 'Sustainability' listed in the Corporate Plan Viz '*economy, society, environment and organisation.*'

3 Background

3.1 The former Scottish Building Standards Agency (SBSA) identified 5 main indicators that could be used to determine how effectively and efficiently the verification process was being conducted in each of the 32 Scottish Council areas.

3.2 This audit was the 22nd carried out by the audit team since the audit of Scottish Building Standards Services began in 2006. Evidence was collected by means of examination of recorded statistical evidence and policies established since the introduction of the revised procedures introduced in association with the new Building Regulations which came into force on 1 May 2005 under the Building (Scotland) Act 2003 and allied legislation. Evidence was also taken via individual and group interviews with the audit team. All existing full time and contractual members of the Building Standards staff, together with senior management, provided information to the audit team.

The 5 perspectives under which assessment took place were as follows: *Public Interest, Private Customer, Internal Business, Continuous Improvement, and Finance*.

- The Public Interest perspective concerned the establishment of risk management protocols that determine the management of work on building warrants and completion certificates.

- The Private Customer perspective required the adoption of the principles of good customer care.

- The Internal Business perspective required that a formal business (service) plan be developed.

- The Continuous Improvement perspective required that a three-year strategy be in place to demonstrate how the Service would evolve to meet customers' needs.

- The Finance perspective considered how costs related to verification were recorded and managed.

4 Continuous Improvement

4.1 Since the issue of the audit findings on 25 March 2009 work has been underway to address the weaknesses found.

4.2 A list of the work undertaken to date to improve the service delivery is attached at Appendix 1.

4.3 Our new Customer Charter has been published in paper and electronic formats; a copy is included at Appendix 2.

4.4 A new spreadsheet based time recording system was introduced in April 2009 and analysis shows that, on average, almost 78% of our time has been spent on the core activity of verification of Building Warrant applications and Completion Certificates.

4.5 This represents excellent value for money for the applicant and demonstrates that the Building Standards Service is actively engaged in its core function.

4.6 Shetland Islands Council has been represented at National level since February 2009 by officers attending meetings of the Northern Area Consortium of Building Standards Areas (NAC), formerly the Grampian Liaison Group, and by attendance at the Scottish Association of Building Standards Managers (SABSM) general / Futures Group panel meetings.

4.7 Peer review of the SIC Building Standards function, in so far as work on internal applications for building warrants and submission of completion certificates is concerned, took place at a meeting of the NAC in Aberdeen on 25 August 2009. The review found that all internal applications were dealt with in an impartial manner and this evidence was submitted to the Building Standards Division for their information.

4.8 The Building Standards Focus Group, comprising members of the professions linked to the construction industry and representatives from the emergency services and consultative bodies, met at Islesburgh Community Centre for the inaugural meeting on 10 November 2009. Positive feedback has been received for this initiative from the group members. The make-up of the group ensures that the widest possible access by the community to the interaction between building standards and our professional customers. The next meeting is scheduled for mid 2010.

5 Financial Implications

5.1 The original audit report advised that 'Should Shetland Islands Council Building Standards Service fail to achieve the necessary standard after the follow up audit Scottish Ministers will consider its role as verifier'.

5.2 It should be noted that Scottish Ministers may appoint individuals or bodies, either public or private, to verify applications for building warrants and completion certificate submissions. At present the only bodies appointed as verifiers are the 32 Scottish local authorities. This is currently under scrutiny through research commissioned by the Building Standards Division.

5.3 Failure to retain the verification status would result in the loss of income from building warrant fees. Building warrant fee income for the past three years has been circa £230,000 per annum.

5.4 Whilst training carried out to date has been within budget it is anticipated that the training budget will need to be increased by approximately £3000 for years 2010-2011 to allow for the furtherance of degree level studies in accordance with the ongoing policy of growing our own staff through the Employee Development and Review Scheme.

5.5 On completion of the Single Status Team's (SST) review of the Monitoring and Liaison Officers post, a joint initiative between the Building Standards Service and the Development Control Service, this post will augment the existing staff structure and provide a higher visibility to the services than has hitherto been the case. This is a temporary post with approved funding (Min Ref: 54/09) for 2010/11 only.

5.6 Work to reconfigure the job profile, person specification, and career grade scheme for all Building Standards Surveyors was concluded in early December 2009. The Single Status Quality Control team has agreed to the payment of additional back pay for 2 officers whose qualifications merited same under the revised career grading, the operational date of which was backdated to 5 October 2009. At the time of writing the exact cost was not available from HR but is expected to represent a very small proportion of the overall service budget.

5.7 It is the intention of the Service to advertise for the present vacancies (1 full time and 1 part time) for the post of Building Standards Surveyor early in 2010. These posts are already contained within the proposed Service budget for 2010 -2011.

6   Policy & Delegated Authority

6.1 The role of Audit and Scrutiny Committee is to carry out a corporate scrutiny role to evaluate the effectiveness of the Council as an organisation and ensure that effectiveness is actively monitored and measured, as detailed in Section 10 of the Scheme of Delegation.

7   Conclusion

7.1 In the past eight months there have been many changes within the Building Standards Service. Staff members, both existing and new, have had to come to terms with changes in structure and responsibilities and learn to consider new ways of working.

7.2 Given the position that the Service was in at the time of the audit it was inevitable that changes would have to be made. Some changes have been gradual, others more immediate, and all the while the changes have had to be managed to reduce the negative impact which accompanies any change from the status-quo.

7.3 The changes so far have allowed officers to integrate into the decision making process, something which was not formerly encouraged.

7.4 We are currently three quarters of the way through the financial year and much has been accomplished already. Internally staff morale seems to have improved; each officer now has a defined geographical area of responsibility and implied 'ownership' of his area. Externally the standard of applications appears to have improved following a period where it was made clear to agents that poor plans were unacceptable.

7.5 Following review of the information supplied during our Peer Review activity with the Northern Area Consortium the Building Standards Division has acknowledged that sufficient risk protocols are in place for the Council's Building Standards Service to assess the Council's own projects for compliance with the Building Standards. (See 4.7)

7.6 The newly established Focus Group met in November 2009 and provided another example of how we are serving the local community. It provided an opportunity to reinforce what the various customers and stakeholders can do to assist us, as a team, to provide an enhanced Building Standards Service for the people of Shetland.

7.7 Following review of the progress demonstrated in each of the 5 perspectives of the balanced scorecard the auditors expressed their satisfaction with the dramatic change they had observed within the Service since their original audit in February 2009.

7.8 The Executive Director of Infrastructure Services and Head of Planning Service, were both apprised of the auditors' satisfaction with the type and rate of change demonstrated through analysis of the evidence presented to them during their visit.

7.9 The auditors were also quick to praise those on the Building Standards team who were available for their contributions to achieving the enhanced levels of service outlined in the Service Plan introduced in May 2009.

7.10 The role of verifier was granted by appointment by the Scottish Ministers for the initial period of 6 years commencing on the 1 May 2005 and ceasing on the 30 April 2011.

7.11 During the course of his discussion with the BSD auditors the Executive Director confirmed the intention of the Shetland Islands Council to seek re-appointment as Verifier of the Building Standards function within the Shetland Islands Council region when the present appointment ceases on the 30 April 2011.

8   Recommendations

8.1 I recommend that the Audit and Scrutiny Committee note the content and conclusions of this report on the re-inspection of Shetland Islands Council's Building Standards Service.

Report No: PL-01-10-F

Improvements made to SIC Building Standards Service since February 2009

Following the external audit by the BSD Audit Team over 23-24 February 2009 work has been underway to address the issues raised.

Examples of work carried out are noted below against the respective Balanced Scorecard perspectives:

Public Interest

- Research into methodology of Service Plans of other Councils
- Service plan written, presented to Council, and published for 2009-2011
- Press release written for the local press
- Press interviews
    - Radio (BBC Radio Shetland)
    - Newspaper (The Shetland Times)

- Review of quality of applications
- Actions to improve quality of applications
    - Use of 42 day letter where information is outstanding
    - Explanation of the areas considered weak in content
    - Pre-consultation exercises –free of charge at present
    - Advice to use professional agents/architects
    - Explanation of the Structural Engineers Registration process
    - Explanation of the Structural Annexes to Technical Handbooks

- Assessment of staff competency
    - Employee Review and Development Scheme (ERDS) carried out
    - Reviews signed off by Head of Service and Director

- Providing staff with autonomy over the assessment of warrants to approval, subject to monitoring and separate assessment by Senior staff
- Providing staff with autonomy regarding the acceptance of completion certificates, subject to monitoring and separate assessment by Senior staff
- Monitoring of workloads
    - Plans allocated sequentially
    - Team effort on major applications

- Monitoring of letter content and phrasing
- Review of inspection of works on site
    - Appointment booking
    - Contact information recorded
    - Health and Safety risk assessment

- Closer connections to our partners in the Planning Service

Private Customer

- Development of the Customer Charter
    - Use of internal resources for assessing draft charter for readability and plain English
- Accessibility of staff to deal with enquiries
    - Joined up response with reception desk/ development management
- Expressions of interest sought for membership of future Focus Group
- Expressions of intent to be a member of future Focus Group
- Performance measures reported to Council via Planning Committee
- Reorganisation of processes to reduce the time taken to process warrant applications
- Warrant application assessed by BSM for correctness of fees during registration process
- Invalid applications dealt with through 42 day letter route
- Officers deal with applications within own area of responsibility
- Officers sign off on acceptance of completion certificates
- This involves staff accepting more responsibility for their actions

Internal Business

- Service Plan - Report to Audit and Scrutiny Committee – 6 May 2009
- Service Plan - Report to the Planning Board – 4 May 2009
- Identifying areas where change is required
- Internal protocols and procedures handbook produced
    - Risk management of warrant assessments
    - Staff profiles
    - Building warrant applications
    - Technical observations
    - Site inspections
    - Recommendations
    - Inspections
    - Late Submissions
    - Enforcement

- Regular Team Meetings
    - Agenda
    - Minutes recorded

- Management of change
- Management of resistance to change
- Staff appraisals – (Employee Development and Review Assessment) carried out
- Staff retention
- Staff development and training
    - Time Management
    - First Aid at Work
    - Full HNC qualifications (2 courses of study) attained by Alan Goudie (Building Standards Surveyor) Awarded the McGregor Construction Cup for his remarkable achievement of full merit passes in all subjects

- o Encouragement for all remaining staff to achieve full Professional Membership of a recognised body such as:
  - Association of Building Engineers (ABE)
  - Royal Institute of Chartered Surveyors (RICS)
  - Chartered Institute of Builders (CIOB)
  - Chartered Institute of Architectural Technicians (CIAT)

- o Energy course with BRE to provide internal capability to verify under Section 6 –Energy. Accreditation achieved by Stewart Douglas
- o Post grad diploma in Accessibility in the Build Environment 2008-2009 leading to MSc in same field 2009-2010 achieved by Stewart Douglas

- Linkage to Planning Service colleagues
  - o Joint Monitoring and Liaison Officer position established - awaiting clearance by Single Status Unit
  - o Funding available from increased financial resources obtained by Director
  - o HR input required to work up new job descriptions for all staff and at all levels

- Single Status matters
  - o Review of professional career grade scheme undertaken and completed
  - o Review of job profile and person specification for Building Standards Surveyors completed
- Marketing and reputation
  - o Answering phones as per Corporate requirements
  - o Responding to requests for information
  - o Encouraging a collaborative effort from the team including those external to the Council
  - o Logging of telephone enquiries requesting information

- External networking through membership of SABSM and the Northern Consortium
  - o Benchmarking
  - o Peer review carried out August 2009
  - o Voice on the Futures Working Group for reappointment of 32 Local Authorities as verifiers for their own regions

- Membership of the Shetland Islands Access Panel through Disability Shetland

- Replacement of current computer system
  - o Work on assessment of what is required now and in the future
  - o Modification of report formats to align with the requirements of the Scottish Ministers

- Work with elected members to improve understanding of Building Standards
- Work with Development Management to assist in one stop Local Authority function

- Inspection Booking-out/ Return register kept to acknowledge management responsibilities regarding Health and Safety at Work.
- Team Building away days (3No) to help map the way ahead together

Continuous Improvement

- Assessing level of customer interaction and satisfaction
  - Feedback collated from the last Developers' workshop
  - Further Workshops arranged for July 2009 and December 2009
- Introducing change/ Managing change/ acknowledging resistance to change/overcoming the obstacles to change
- Adoption of Scottish Building Standards as opposed to the assumed 'Shetland Standards'
  - Consistency of assessment
  - Internal team meetings provide forum for debate/ consensus/ agreement
  - Attendance at BSD Timberframe Workshop – Livingston
  - Attendance at SABSM Futures Group Workshop - Stirling

- Improving customer relations
- Feedback from customers
- Evidence received that we are moving in the right direction
  - Improvement in drawing standards and specifications
  - More engagement and discussion with agents/ architects and builders

- Advance promotion of changes in legislation via Developers meetings
- Re-establish contact with mainland Building Standards infrastructure and BSD
- Learning from experience
  - The collective staff have approx 80 years experience of the Building Regulations throughout the UK

- Registration for Customer Service Excellence
  - BSM nominated as coordinator
- Attendance at the Green Fair at the Clickimin Centre on 9 May 2009 to advertise the matter of Energy Performance Certificates
- Attendance at the Schools Career evening on 1 October 2009 to highlight the career opportunities available to our local school leavers within Building Standards

- Formation of Building Standards Focus Group –first meeting held on 11 November 2009 – 17 responses from a total of 53 invitations to submit an expression of interest – 12 persons selected from across the industry to sit on the Focus Group for 12 months.

- Continuing Professional Development through in-house presentations made by representatives from KNAUF insulation, the SELECT electrical registration body and Proctors Insulation Products

- Improved presentation of information through:

- o New application forms
- o A new LCD screen information point display at the Grantfield reception
  - Available to all service providers within the building
  - Potential for use in conjunction with pre-consultation data relating to planning and building standards applications

Finance

- Implementation of Time Sheet to measure Verification costs
  - o Data collected from April 2009
  - o An average of 77.82 % of total officers time has been spent on Verification duties since time recording of Verification/non-verification work commenced on 01 April 2009

- Budget control
  - o Use of Integra Financial software
  - o Better Time Management
  - o Travelling monitored
  - o Use of in-house resources where possible
  - o Replacement computer back-office system (Fastsuite) is at an advanced Stage
    - Tenders have been returned and assessed for compliance with stated requirements
    - Software presentations attended and evaluated by all building standards staff
  - o Considering areas where income may be supplemented
    - Increased fees for Letters of Comfort and property certificates
    - Charges for extensive pre-consultation (beyond 30 minutes)

Customer Service Charter for the Building Standards Service

Introduction

This customer charter is intended to be a statement, which informs you of who we are, what we do, and outlines the service standards we aim to achieve. It explains how you can help us achieve our aims, and how you can help us to improve our service in the future.

Who are we?

We are the Building Standards Service (also known as a "Verifier") of Shetland Islands Council and have been appointed by the Scottish Government to provide the Verification service throughout Shetland. We are located at the Council Offices in Grantfield, Lerwick, and are part of the Infrastructure Services Department coming under the remit of the Executive Director, the Head of Planning and the Building Standards Manager.

What do we do?

Our main role as a Verifier is to protect the public interest by ensuring that building work meets reasonable building standards as required by the Scottish Government. We do this by carrying out an independent check of proposed building work, by issuing building warrants, and by carrying out inspections during construction work and on completion to discourage the avoidance of the Building Regulations.

Our Service Standards

Our aim is to provide a positive and responsive customer orientated service, which is efficient, cost effective and achieves the highest possible level of service. The Building Standards team aims to be approachable, impartial, not to discriminate, and to deal with you in a courteous, helpful and friendly manner.

We have set ourselves important key performance targets. These targets are monitored and published on a regular basis to ensure a high level of performance is being achieved. Our key performance targets are: -

- ✓ A member of the Building Standards team will provide advice and guidance at our offices at Grantfield, Lerwick, from 9am and 10:30am on weekdays.
- ✓ A member of staff available will accept telephone calls during normal office hours.
- ✓ We will endeavour to provide a response to any letters or e-mail enquiries within 3 working days.
- ✓ We will confirm acceptance or conditional acceptance of a building warrant application by post within a period of 10 working days from receipt.
- ✓ We will carry out a technical check for compliance with the building regulations, and approve, or issue a "first report letter" (whichever is deemed appropriate), for at least 80% of all accepted building warrant applications, within a period of 20 working days from submission and are constantly working to reduce this figure to the minimum consistent with ensuring that you and your application receive all due care and attention.
- ✓ We will accept, reject, or agree to a time frame for the consideration of, a Completion Certificate submission within a period of 10 working days from receipt.

What we need you to do

In order to deliver a high standard and level of service we need you to:-
- ✓ treat us in a courteous and respectful manner.
- ✓ respond promptly to any request we make for further information.
- ✓ ensure all information submitted to us is clear, intelligible, complete and contains sufficient detail and information to allow us to carry out our detailed technical checks
- ✓ ensure we are notified when your project has started and has reached the various stages specified on your building warrant approval documentation

Help us improve our service

You can help us to improve the way we deliver our service by telling us what you think of your experience in dealing with us. You may be delighted and wish to

compliment us, have comments/suggestions on how we can improve, or you may be dissatisfied to the extent that you feel the need to complain. Whatever your experience, please let us know – unless you tell us we will not know how well or how poorly we are performing. Our contact details are given below.

Building Standards Service

Infrastructure Services Department

Shetland Islands Council

Grantfield

LERWICK

ZE1 0NT

Telephone: 01595 744 800   Fax: 01595 744 804

e-mail: building.standards@sic.shetland.gov.uk

If you need this information in large print, on tape, in Braille or in a different language please contact the number or e-mail address given above

Shetland
Islands Council

REPORT

To: **Audit & Scrutiny Committee**   **18 January 2010**

From: **Head of Environment & Building Services**
Infrastructure Services Department

LEAN

1   Introduction

1.1   This report is in response to a request from Audit and Scrutiny Committee for more information on the LEAN project. Given that it has been nearly a year since the initial pilot project it is regarded as an appropriate time to evaluate the data and service improvements in the organisation.

1.2   LEAN (also called Lean systems thinking) is defined as 'a philosophy and practice of ongoing identification and elimination of waste in the delivery of customer value, by everyone in the organisation'. It can be applied in all organisations and on all business processes.

1.3   Lean Systems Thinking was developed by Taachi Ohno of Toyota and is known as the Toyota Production System. The approach was cascaded throughout the Toyota supply chain during the 1970s and 1980s.

1.4   The report provides a brief background to the pilot project; a description of the procedure; the findings and finally the conclusions.

2   Link to Council Priorities

2.1   The Lean process of continuous improvement and striving to eliminate waste clearly has a direct link to the Council priority to 'ensure that we are being efficient in everything we do'.

3   Background

3.1   The Council took part in a national efficiencies project managed by the Improvement Service in the spring of 2008. The Improvement Service collated comparative data from Councils across Scotland and highlighted areas for each Local Authority to take a closer look at. This

prompted the Council to consider how best to improve efficiency within the organisation and get some tangible outcomes for the funding we were allocated.

3.2 Training sessions to raise awareness of the concepts of LEAN was chosen as one area to focus on because a number of managers had expressed an interest in this management philosophy and technique. Alexander Consulting were engaged to provide two training days in September 2008. The Executive Management Team decided that the best way to take forward the development of LEAN on a corporate basis was to try out the concept in a few areas, evaluate these and then decide whether to widen this out to other service areas.

3.3 Building Services volunteered to be one of the three 'proof of concept' projects and provided a Project Mandate back to the Policy Section who were co-ordinating this corporately. The Project Mandate set 'the process of carrying out responsive maintenance work from initial repair request to satisfactory completion of the work' as the area to be focused on.

4 Procedure

4.1 The Policy Section arranged for Liz Freeman of Alexander Consulting to meet the people leading the projects and scope out the issues to be covered in the rapid improvement events called 'Kaizen Blitz' and provide advice on who to include in the team. It was also agreed that Liz Freeman would deliver training to potential LEAN facilitators to develop an in-house capability to run Kaizen Blitz events in future.

4.2 The team to take part in the Kaizen Blitz were carefully selected to get the correct mix of people. A list of the team participants are shown in Appendix A. The team was then given training in the tools they would use during the session. It was equally important to set the management goals for the project so that they provided a win for the front-line staff delivering the service; a win for the customers of the service and a win for management bringing about the service improvement.

4.3 A room at Train Shetland was identified as a suitable venue and the week long Kaizen Blitz event took place from 19 to 23 January 2009. The team were shown the management goals and were given the opportunity to raise any concerns directly with the senior managers leading the project on the Monday morning. The team were then given an introduction to the value stream mapping process before going on site visits in groups to see what actually happened from start to finish of a maintenance job. The value stream maps were developed on the Tuesday afternoon before opportunities were identified and the team goals set. The process re-design was produced on the Wednesday and presented to an open session later in the afternoon. The Thursday morning was used for site visits to get buy-in and the afternoon to produce the action plan and quantify the benefits. A storyboard was produced on the Friday morning before the team presented this at an open session. Several Councillors, the Chief Executive, several Heads

of Service and Service Managers as well as the team's work colleagues attended the open session. This was a very intense week of activity by the team supported by the facilitator.

4.4 Immediately after the event the team took forward the implementation plan they had produced. Tasks were shared out among the team members or sub groups and they took responsibility for the tasks. The managers took a secondary role in this and were used primarily to remove obstacles to the plan. The team held weekly meetings to monitor progress against the action plan and these meetings were used to update the Project Leaders and seek their help with anything that was holding up progress.

4.5 A range of indicators were selected to measure performance against the revised targets that the team had set and these were presented in the form of graphs to give a clear display of progress. The graphs were pinned up on the wall with the storyboard and the process redesign that had been developed during the Kaizen Blitz session for everyone to see. The indicators were updated weekly.

5 Findings

5.1 There is strong evidence from the performance indicators and customer survey that the use of the LEAN principles and the Kaizen Blitz rapid improvement event did bring both 'hard' and 'soft' improvements in the service. The 'hard', more tangible, improvements shown in Appendix B demonstrate improvements in all areas of responsive and planned work. In addition we have also seen a decrease of about 4% in fuel usage since the LEAN exercise.

5.2 The 'soft' benefits, which are much harder to quantify, take the form of a change in attitudes by both the front-line staff and managers to the means of bringing about service improvements. Front-line staff recognise the contribution they can make to improve the service and appreciate how this can help their own job satisfaction and even self-esteem. Managers see that the traditional command and control style of management is not the most effective way of bringing about change and does not access the extensive knowledge and ideas for improvements that front-line staff have. Tracy Jack, Help Desk Administrator on behalf of the team summarised the project and the changes that were implemented, see Appendix C.

5.3 As part of the Continuous Improvement Process and as a follow on from the LEAN project, it was considered very important that Building Services (BS) carry out a client satisfaction survey to determine how well the unit was performing from the customer perspective. An executive summary of the survey results are shown in Appendix D with the full report available on the Council's intranet site. (http://www.sic.gov.uk/services/buildingservices/maintenance/CustomerSatisfactionSurvey.asp)

5.4 The Kaizen Blitz was extremely effective in identifying improvements and bringing about change far more quickly than would otherwise have been the case. There were several fringe benefits as a result of the event. Some like a better working relationship between the various trades, stores and helpdesk staff involved. Others like the production of a limited colour card for the paint used redecorating council buildings to reduce waste paint.

5.5 While the benefits that this particular Kaizen Blitz event brought about are impressive, it has to be recognised that the circumstances have to be right for this to be a success and the event also takes a great deal of organising; stage direction and effort behind the scenes to make it happen.

6 Financial Implications

6.1 The consultants who carried out awareness training; facilitator training and acted as facilitators during the Kaizen Blitz events were paid for from the funds received from Scottish Government. Staff time and sundry costs were absorbed in existing revenue budgets.

6.2 While there are no direct financial savings identified from the exercise, there has been a direct improvement in service delivery to our customers.

7 Policy & Delegated Authority

7.1 The role of Audit and Scrutiny Committee is to carry out a corporate scrutiny role to evaluate the effectiveness of the Council as an organisation and ensure that effectiveness is actively monitored and measured, as detailed in Section 10 of the Scheme of Delegation.

8 Conclusion

8.1 It is clear that this exercise has had a positive impact on service delivery as well as staff moral. However it is recognised that we have to build on this success with a focus on better planning, improving communication and consultation within the section and with customers.

8.2 It should be recognised that this approach to delivering service improvements is not applicable in all cases. Success is dependant on identifying a need where processes would benefit from re-engineering; thorough and specific planning; a good team and team leader to lead the LEAN process and a commitment for management to support the team and implement the changes. Given the right circumstances however it can prove to be very useful and could be replicated within other areas of the Council.

9 Recommendations

I recommend that the Committee note the contents of this report.

Report No: ES-01-10-F

THE LEAN TEAM

The team members:

First Name	Surname	Post
Alistair	Colvin	Joiner
David	Hunter	Foreman Electrician
Tracy	Jack	Helpdesk Assistant
Darren	Johnson	Adult Trainee Electrician
John	Leask	Apprentice Plumber
John	Nicolson	Painter
David	Nodroum	Storeman
Ieuan	Reynalds	Apprentice Technician
John	Robertson	Foreman

The table below sumarises the improvement in performance in completing work:

Priority	Period for completion	Target	Actual 2008/9	Actual YTD 2009/10
Emergency	24 hours	98%	95.2%	97.2%
Urgent	3 working days	90%	90.1%	95.9%
General	20 working days	80%	69.3%	74.6%
Planned	60 days	90%	44.3%	61.1%

The graphs below detail the performance monthly for 2008/09 and 2009/10 to December

Emergency & Urgent Work

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Emergency 2009/10	93.8%	98.2%	98.2%	97.9%	97.8%	98.6%	100.0%	95.7%				
Urgent 2009/10	93.7%	96.0%	98.9%	100.0%	98.7%	97.8%	92.0%	96.2%				
Emergency 2008/09	91.8%	92.7%	97.4%	92.3%	81.3%	93.3%	97.8%	98.6%	100.0%	96.2%	98.6%	94.6%
Urgent 2008/09	92.6%	93.4%	89.7%	87.5%	84.2%	83.0%	89.1%	91.6%	93.1%	95.6%	90.1%	94.2%

General & Planned Work

	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
General 2009/10	92.5%	82.8%	80.5%	71.1%	55.0%	68.8%	63.1%	72.7%				
Planned 2009/10	79.0%	82.6%	84.1%	82.5%	43.6%	32.1%	37.1%	66.4%				
General 2008/09	71.4%	78.3%	80.0%	51.5%	36.4%	45.5%	62.3%	70.3%	90.0%	65.3%	69.1%	82.7%
Planned 2008/09	45.7%	65.8%	60.3%	52.1%	34.6%	29.6%	37.6%	45.5%	45.5%	28.2%	44.0%	53.1%

POSITIVELY LEAN

The Lean process has been quite a positive experience in a variety of ways. It was a wonderful experience being part of a team and getting to know the other team members. I'd seen most of the other Team Members around the office but didn't really know who they were and what they did. Putting names to faces is an important part of communication and realising who does what.

Our communication in Building Services has improved substantially. Before the process we didn't always realise who needed what information, this has helped change this. We do still have room for improvement but it has highlighted not to assume that working colleagues have access to the same information. As communication has improved we all work together more as a team instead of individuals pulling their own way.

With more information being passed on from the Helpdesk to the Tradesmen this has helped to save time. When a tradesman is going to a job he knows who the contact is and the contact number. In the past when arriving at a job he would not always know who to speak to and the people in the building were not always aware of what had been reported etc. The Helpdesk is also requesting more information from Customers so that Tradesmen and outside contractors have more details available before going to the job, e.g. what make of dishwasher etc.

During the Lean week it was refreshing to have a change of attitude, i.e. instead of the usual why is something done a certain way – the usual response being, "because we've always done it this way". This gave us all a boost and encouraged our creativity in finding solutions. It is surprising given the opportunity how enterprising we can all be! Lean is about taking a different approach to problem areas, instead of Management enforcing change the actual workforce takes responsibility for change and improvement.

With the introduction of the Emergency Response Team, jobs that are emergencies and urgents are being to attended to in good time. Tradesmen are getting more varied experience instead of sticking to a certain type of job (usually what they were good at doing). In the long run this is improving their skills. Customer feedback is good as they are being informed of who is attending to the job and when they will be arriving – this enabling tradesmen to have better access on site.

The Emergency Response Team carry a stock of materials in their vans which has contributed to less driving back and forth and a saving in time and fuel.

With the Emergency Response Team in place tradesmen are no longer having to be taken off the job that they are doing therefore can complete jobs quicker with less disruptions.

Paperwork has been reduced, this includes a new time tracker sheet which the tradesmen fill in as they go instead of writing up duplicate information on the individual job tickets. The vehicle maintenance sheet has also been incorporated into the time tracker. Overtime request forms have been done away with. Also the Foremen Weekly allocation sheets been done away with.

The Helpdesk has been texting the Tradesmen with the Emergency and Urgent job numbers which has meant that if they do need something from Stores or an outside supplier they have a job number immediately which has reduced paperwork. This has also contributed to making the Helpdesk more accessible to tradesmen if they do require further information on the job.

Painters when going to local suppliers would normally get a note of what they were purchasing but these needed to then be signed off and then a local order produced for these. Painters now get materials on a local order straight away without having to tie up documents at a later date. A paint colour chart of 20 colours has been professionally produced, so that paint can be stocked reducing waste which occurs when too a bigger variety of colours is available.

Local Order Books - every tradesman has been issued with a local order book this has reduced the amount of traffic in the Stores and Stores paperwork. Tradesmen are also reducing driving back and forth as they have a local order book instead of having to drive back to Gremista just for a bit of paper. This has also reduced work for the Foremen as they are writing out less local orders and no longer having to sit trying to tie up paperwork for this.

The Stores obtained a credit card which helps to order from suppliers where there is no account and also for ordering online. Ordering online is the future!

The Building Maintenance Officers have a reduced amount of phone calls freeing their time so that they can carry out their building surveys and can get on with putting on job tickets.

A contact list of all Building Managers and Building Contacts was drawn up which has proved to be highly beneficial, so much so that Safety and Risk requested a copy for Health and Safety uses.

All tradesmen now have mobile phones so they can be contacted and can phone or text Stores for supplies etc. Mobile phones have the camera facility available so if a tradesman is on site and needs further advice or guidance he can take a photo and send to the Foremen or Building Maintenance Officer.

Lean is a new way of working and as a team we all have a new awareness of how to look at what we do and what improvements we can make to cut out waste. It's healthy to continually explore options to see what can work better instead of accepting that's the way it's always been done!

However Management need to realise that it is the Lean Team who have been tasked to implement changes and the Team should not be coerced into changing their recommendations because Management do not think it will work.

1 Executive summary

As part of the Continuous Improvement Process and as a follow on from the LEAN project, it was considered very important that Building Services (BS) carry out a client satisfaction survey to determine how well the unit was performing from the customer perspective.

The survey was divided into four sections to clearly compile feedback from every stage of the process - initial report, work and planning, delivery and on completion.

Each respondent received an email which included a link to the survey and details of the job the survey related to.

The survey was sent to 125 carefully selected participants and divided equally between the high, medium and low priority jobs, to identify individual weaknesses in each of the job categories. This was done to break down the analyses so any issues raised could be identified back to a particular job.

Generally the survey was a success. Response was above the average response rate and all client categories participated. The results were mainly positive and reflected a dependable, efficient service. Overall the results show the main area of concern is with the planning stage of the process. The craftsmanship and customer service provided by BS received very high praise.

Overall the main points of concern were communication, planning and a lack of consultation. These issues should be resolved as project management efforts strengthen, along with the computer aided facilities management system 'TF Facility' going live in the near future which will allow clients to track jobs.

The overall satisfaction rates were:

Reporting	**97.2%** rate the helpdesk as good or very good
Planning	**92.3%** are satisfied or very satisfied with the service
Delivery	**89.5%** rate the standard of work between 5 and 10
Completion	**50%** of respondents indicated they have noticed an improvement since LEAN

Shetland
Islands Council

REPORT

To: Audit and Scrutiny Committee   **18 January 2010**

From: Head of Housing Service

Report No: HS-18-09

Housing Statutory Performance Indicators (SPI's) And Links To Scottish Housing Quality Standard (SHQS) – Update Report

1   Introduction

1.1   At the Audit & Scrutiny committee on the 7 October 2009 (Min ref 36/09). Members asked for an update on housing related Statutory Performance Indicators (SPI's) and the Scottish Housing Quality Standard (SHQS).

1.2   This report provides an update on SPI'S & SHQS as of the 18 December 2009.

2   Links to Corporate Priorities

2.1   This report does not directly contribute to the priority areas set out in the Council's Corporate Plan 2008-11. However, the audit and scrutiny function is an important part of ensuring that the Council is challenging itself and delivering continuous improvement.

2.2   There are no known risk implications from this report. However, there are political, social and economic risks associated with any sustained reductions in performance.

3   Background

3.1   In common with all local authorities and all departments within the council, there are a set of SPI's to cover most areas of council activity.

3.2   These SPI's are set by central government to provide a set of key performance indicators against which the performance of all councils can be measured. These indicators are not determined locally to meet local targets and outputs.

3.3 Each SPI can be compared with previous years to give an indication whether the indicator is improving, getting worse or staying broadly the same.

3.4 As national indicators these SPI's are general in nature and do not take into account any factors that are different at a local level.

3.5 A list of the current SPI's for housing and the previous year is attached as Appendix A. The cut off date for these figures is 18 December 2009. The key points to draw from these indicators are as follows:

3.5.1 Indicators and how they are to be calculated change from time to time;

3.5.2 Overall, there is steady improvement. The Council, Audit & Scrutiny Committee and the Housing Service have already identified areas for improvement and already have monitoring procedures in place to ensure targets are met;

3.5.3 Staff are still working towards targets and these figures may change before the end of the financial year and the final summary:

3.6 The Scottish Government as part of the Housing (Scotland) Act 2001, introduced a set of standards for all social housing that had to be met by 2015. This is known as the SHQS. These standards cover both the internal and external elements of the house and relate to the condition of each part. A full set of the requirements of the SHQS are attached as Appendix B.

3.7 The total cost of bringing SIC council housing up to the SHQS by 2015 is £12.9m. A breakdown of the cost each year is provided as a summary at Appendix C. Members should note that this is expected to be funded through the HRA capital programme. This level of activity is no greater than previous years and so should be achievable within expected resource levels.

3.8 However, as with all resource issues within the Council, it does require proper budgetary provision and the Council will have to ensure sufficient HRA resources are available before calling upon HRA resources for other housing activity such as new build housing.

3.9 Members should also note that (as stated in 3.7) the Council was anticipating spending sums of this size in any event to meet the Council's ongoing aspiration to steadily improve the condition of all its properties. Therefore, this intended SIC activity goes beyond the minimum requirements of the SHQS.

3.10 It is recommended the Audit & Scrutiny committee continue to monitor expenditure against existing targets to ensure that the Council meets its obligations to meet as much of the SHQS as possible by 2015.

3.11 In accordance with Scottish Executive instructions the revised, updated and consolidated SHQS requirements were passed to the Scottish Government on the 10th September 2009. Since that time we have answered any queries and questions raised by their staff. We await their final comment.

4   Further Improvements

4.1   Despite the improved performance, the importance of ensuring continuous improvement in this area is recognised and this is reflected in performance targets for the Housing Service.

5   Financial Implications

5.1   There are no financial implications arising from this report.

6   Policy and Delegated Authority

6.1   As outlined in Section 10 of the Council's Scheme of Delegations, the remit of the Audit and Scrutiny Committee includes reviewing Council performance information.

7   Conclusion

7.1   This report is being produced to allow the Audit and Scrutiny Committee to review progress in an area that it previously investigated, to see whether any further improvements have been made.

7.2   It's clear from the latest data that overall there have been ongoing improvements and the housing management team continue to strive for further improvements.

8   Recommendations

8.1   I recommend that the Committee notes that significant improvements have continued to be made in this area and that work to ensure ongoing improvement is planned.

Appendix A

1 RESPONSE REPAIRS

Category 1 - Emergencies

		2008/2009		2009/2010 YTD (Apr-Nov)		
i.	Target response time for this category	**24 hours**	**% Completed on Time**	**24 hours**	**% Completed on Time**	
ii.	Number of repairs in this category	1,638		784		
iii.	Number completed within target time	1,599	98%	775	99%	▲

Category 2 - Urgents

i.	Target response time for this category	**3 days**	**% Completed on Time**	**3 days**	**% Completed on Time**	
ii.	Number of repairs in this category	1,891		1128		
iii.	Number completed within target time	1,687	89%	1032	91%	▲

Category 3 - Routines

i.	Target response time for this category	**28 days**	**% Completed on Time**	**28 days**	**% Completed on Time**	
ii.	Number of repairs in this category	3,953		2639		
iii.	Number completed within target time	2,488	63%	2059	78%	▲

Category 4 - 3 Month

i.	Target response time for this category	**3 months**	**% Completed on Time**	**3 months**	**% Completed on Time**	
ii.	Number of repairs in this category	566		325		
iii.	Number completed within target time	360	64%	230	71%	▲

All categories

d) i.	Total number of response repairs	8,048	**% Completed on Time**	5,272	**% Completed on Time**	
ii.	Number of housing response repairs completed within target	6,134	76%	4,405	84%	▲

Housing Quality

2		The number and proportion of the council's housing stock being brought up to the Scottish Houisng Quality Standard by criteria					
			March 2009 Snapshot		December 2009 Snapshot		
		Number of council dwellings	1,780		1,774.00		
	i.	Tolerable standard	1,439	100%	1,510.00	100%	▲
	ii.	Free from serious disrepair	1,780	100%	1,774.00	100%	
	iii.	Energy efficient	1,564	88%	1,710.00	96%	
	iv.	Modern facilities and services	1,772	100%	1,766.00	100%	
	v.	Healthy, safe and secure	1,669	94%	1,625.00	92%	
	vi.	Total dwellings meeting SHQS	1,439	81%	1,510.00	85%	

MANAGING TENANCY CHANGES

			2008/2009	2009/2010 YTD (Apr-Dec)	
3	a)	Percentage of rent due in the year that was lost due to voids	2.3%	2.4%	▼
	b)	Amount of rent loss due to voids	122,248.00	88,540.74	
	c)	Gross annual rent debit (rent due in the year)	5,258,207.39	3,750,936.57	

4   a)   Dwellings which are **not low demand**

Number of houses re-let that took:

			2008/2009		2009/2010 YTD (Apr-Nov)		
	i.	less than 2 weeks	36	26%	20	22%	
	ii.	2-4 weeks	35	26%	33	37%	
	iii.	5-8 weeks	35	26%	11	12%	
	iv.	9-16 weeks	15	11%	21	24%	
	v.	More than 16 weeks	16	12%	4	4%	
	vi.	Total number of houses re-let	137	100%	89	100%	
	vii.	Total number of days to re-let houses	6,520		3,596		
	viii.	Average time to re-let houses	48		40		▲

   b)   Dwellings which are **low demand**

Housing Statutory Performance Indicators 2008/2009 and 2009/2010 YTD

	Number of houses re-let that took:	2008/2009		2009/2010 YTD (Apr-Nov)		
i.	less than 2 weeks	1	2%	0	0%	
ii.	2-4 weeks	4	9%	3	17%	
iii.	5-8 weeks	6	13%	3	17%	
iv.	9-16 weeks	9	20%	4	22%	
v.	17-32 weeks	16	36%	1	6%	
vi.	33-52 weeks	8	18%	2	11%	
vii.	More than 52 weeks	1	2%	5	28%	
viii.	Total number of houses re-let	45	100%	18	100%	
ix.	Total number of days to re-let houses	7,182		4,652		
x.	Average time to re-let houses	160		258		▼

			March 2009 Snapshot		December 2009 Snapshot		
c)	i.	Number of low demand houses remaining un-let at year end	20		10		▲
	ii.	Number of days and average time that these houses had been un-let at year end	10,791 days		2,103		
d)		Number of dwellings considered to be low demand at year end	52		n/a		
e)		The number at d) above considered to be low demand at the start of the year	26		n/a		
f)		The number at d) above that were not actively being re-let because they were subject to a disposal strategy	1		1		

RENT MANAGEMENT

			2008/2009		2009/2010 YTD (Apr-Dec)		
5	a)	i.	Amount of current tenants' rent arrears	137,317		125,747	
		ii.	Net annual rent debit	3,457,543		3,508,573	
		iii.	Current tenants' arrears as a percentage of net rent due	4.0%		3.6%	▲
	b)	i.	Number of current tenants	2,153		2,160	
		ii.	Number of current tenants owing more than 13 weeks rent excluding those owing less than £250.	92		85	
		iii.	Percentage of current tenants owing more than 13 weeks rent excluding those owing less than £250.	4.3%		3.9%	▲

			2008/2009		2009/2010 YTD (Apr-Dec)	
c)	i.	Number of tenants giving up their tenancy during the year	230		217	
	ii.	The number and proportion of those tenants that were in rent arrears	96		115	
d)	i.	Average weekly rent	54.93		56.98	
	ii.	Total debt owed by tenants leaving their tenancies with arrears	48,987		48,604	
	iii.	Average debt owed by tenants leaving their tenancies with arrears	510		423	
	iv.	Average number of weeks rent owed by tenants leaving in arrears			7.4 weeks	
e)	i.	Amount of former tenant arrears	104,105		Only available at year end	
	ii.	Amount and percentage of former tenant arrears written off or collected during the year	40,262		Only available at year end	

COUNCIL HOUSE SALES

			2008/2009		2009/2010 YTD (Apr-Dec)		
6		The number and percentage of house sales completed within 26 weeks	1	2.70%	4	30.77%	▲
	a)	Total council house sales	37		13		
	b)	Total time to sell houses	1,692		482		
	c)	Average time to sell houses	46 weeks		37 weeks		▲

HOMELESSNESS

			2008/2009		2009/2010 YTD (Apr-Oct)	
7	a)	**Permanent accomodation**				
	i.	Number of households assessed during the year	100		46	
	ii.	Number and percentage of decision notifications issued within 28 days of date of initial presentation	72	72%	46	100%
	iii.	Number and percentage who are housed	29		4	
	iv.	Number of cases reassessed within 12 months of completion of duty	21		7	
		Number of cases assessed during the year	100		46	
		% of cases reassessed	21%		15%	

Housing Statutory Performance Indicators 2008/2009 and 2009/2010 YTD

Temporary accomodation			2008/2009		2009/2010 YTD (Apr-Oct)	
v.	Number of households assessed during the year		152		94	
vi.	Number and percentage of decision notifications issued within 28 days of date of initial presentation		124	82%	66	70%
vii.	Number of cases reassessed within 12 months of completion of duty		18		1	
	Number of cases assessed during the year		152		94	
	% of cases reassessed		12%		1%	
b)	The proportion of those provided with permanent accommodation in council stock who maintained their tenancy for at least 12 months.		38 / 40		30 / 33	

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Development Department
Social Housing, Strategy and Finance Division

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Chief Executives-Local Authorities
Directors of Housing/
Chief Housing Officers-Local Authorities
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http://www.scotland.gov.uk

Your ref:
Our ref:

28 July 2004

Dear Colleague

SCOTTISH HOUSING QUALITY STANDARD (SHQS)

I refer to Mike Neilson's letter of 4 February regarding the Scottish Housing Quality Standard, a copy of which is available on the Scottish Executive website
http://www.scotland.gov.uk/consultations/housing/msshletter.pdf

I am now writing with some further clarification of certain elements of the criteria in the Standard. This is set out in the attached note of clarification. We have also enclosed an Annex of suggested indicators for safe and secure elements.

We hope you find this guidance helpful. If you have any queries on the Standard, please contact Mary MacDonald (tel 0131 244 5569) (e-mail mary.macdonald@scotland.gsi.gov.uk).

Yours sincerely

pp HELEN JONES

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Scottish Housing Quality Standard: Note of Clarification

Housing Quality Criteria	Criteria Elements as detailed in 4 February letter	Clarification
Free from Serious Disrepair	**Primary Building Elements** Single element failure. **Secondary Building Elements** Failure by 2 or more elements.	1. The 'Free from Serious Disrepair' category identifies both Primary and Secondary elements. For the avoidance of doubt, if the property has: • One of the range of Primary Building Elements failing, with or without a Secondary Element failure then it is deemed to fail. • One of the range of Secondary Building Element failing it does not fail. • Two Secondary Element failures then it fails. • None or one Secondary Building Element failure and one failure in any of the categories for Energy Efficient, Modern Facilities and Services and Health Safe and Secure will fail. 2. In blocks of flats where there are shared building elements, all flats need to meet the criteria for primary/ secondary building elements for the block to meet the Standard. The block also needs to meet the Standard in terms of those shared building elements for each of the flats within it to comply with the Standard.
Free from Serious Disrepair	**Primary and Secondary Building Elements** An element fails where it requires repair or replacement of more than 20%.	This failure figure refers to the percentage of the item in question which is in disrepair for each individual dwelling and is based on the methodology employed in the House Condition Surveys. The calculation has a different basis depending on the nature of the element in question. For example, disrepair to a roof covering is an area-based measure and the approach taken is to identify dwellings where 20% or more of the surface area of the roof is in disrepair. In contrast, disrepair to chimneystacks is assessed by identifying disrepair to each component of the chimney stack (cope, structure, finish, pots) and weighting the results to arrive at an overall repair score for the chimney, which again would be 20% or more to trigger item failure. Landlords may wish to refer to the Local House Condition Survey Guidance www.shcs.gov.uk/lhcs/index.htm or Appendix 12.5 of the SHCS Main Report (November 2003).

Scottish Housing Quality Standard: Note of Clarification

Housing Quality Criteria	Criteria Elements as detailed in 4 February letter	Clarification
Energy Efficient	**Efficient Heating** Full house central heating system that has an acceptable efficiency rating or similarly efficient heating system that is developed in the future.	1. Definition of "full" house central heating: whole dwelling or rooms representing more than 50% of the floor area of the dwelling with heating controlled from a single point. 2. Heating must be fixed heating appliances or distribution network. Portable heating should not be taken into account in defining a full house central heating system.
	Definitions of inefficient central heating systems (footnote 3),	3. Direct appliances eg direct room heaters will be deemed inefficient if more than 20 years old. 4. A gravity or semi-gravity heating system *using any fuel* will be deemed inefficient if it is more than 20 years old. 5. For advice additional to footnote 3 on the efficiency of boilers, landlords may wish to refer to the SEDBUK (Seasonal Efficiency of Domestic Boilers in the UK) ratings.
	Additional energy efficiency measures, where technically feasible[1], necessary to achieving a minimum NHER rating of 5 or SAP rating of 50.	6. We have revised the SAP equivalency rating to 50 for mains gas central heating systems and 60 for all other heating systems.
Energy Efficient	**Effective Insulation** 100mm loft insulation where appropriate.	1. Where insulation is being installed, it must meet the standard required by the building regulations, as calculated by using the elemental method. 2. It is recognised that loft insulation will be subject to settlement over time but the original insulation is required to meet the minimum 100mm quality standard.
	Insulation of hot water pipes.	3. Insulation is required except where the exposed pipe will always contribute to the heating requirement of the room or space in which it is situated.

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[1] Such measures might include coated double or even triple glazing. It is recognised that it will not always be technically feasible, without disproportionate costs, to bring certain houses up to the minimum thermal efficiency standard. Standards may be relaxed if it is not reasonably practical to meet the minimum standards.

3

INVESTOR IN PEOPLE

Scottish Housing Quality Standard: Note of Clarification

Scottish Housing Quality Standard: Note of Clarification

Housing Quality Criteria	Criteria Elements as detailed in 4 February letter	Clarification
Modern Facilities and Services	**Kitchen Facilities** Safe kitchen working arrangements, including worktop space on at least one side of, and at least the same width as, the cooker.	Additional requirements are: the worktop space should be at least the same width ***and at the least the same depth as the cooker;*** and the sink and cooker should not be adjacent.
	Adequate kitchen storage to current building standards where practical ($1m^3$ within or adjacent to the kitchen)	An additional requirement is that there should be adequate enclosed kitchen storage.
Health, Safe and Secure	**Healthy** Adequate noise insulation[1] where there are problems with external noise from eg traffic or factories.	The need for noise insulation will depend on the nature of the problem and the occupier's perception of noise level. The noise measure techniques used in relation to roads and airports may help. 1. Planning Advice Note 56 – Planning and Noise 1999.[2] 2. The Executive has also commissioned consultants to produce a Scottish Noise Management Guide by October 2004 which will include best practice on all aspects of noise control. 3. The European Parliament and Council Directive[3] relating to the Assessment and Management of Environmental Noise 2002/49EC (more commonly referred to as the Environmental Noise Directive (END)) was published in the official Journal of the EU in July 2002. END refers to the requirement to noise map major roads, railways, airports and industry by 2007 and then produce Action Plans for areas exceeding set levels. The Scottish Executive will be consulting on the implementation of the Directive later in 2004.
	Internal pipe work lead-free.	No lead piping and no lead in water storage tank.

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[1] In most cases, the noise insulation will be provided through double or triple glazing.

[2] http://www.scotland.gov.uk/about/Planning/pan56noiseand plann.aspx

[3] http://www.scotland.gov.uk/about/ERADEN/ACEU-AQT/00017553/PAGE69295203.aspx

Scottish Housing Quality Standard: Note of Clarification

Scottish Housing Quality Standard: Note of Clarification

Housing Quality Criteria	Criteria Elements as detailed in 4 February letter	Clarification
Healthy, Safe and Secure (continued)	**Safe** Safe electrical, gas and oil systems and appliances.	Suggested indicators for unsafe electrical and gas systems are included in the attached Annex at Section 1.
	Common stairwells, lifts, lobbies, courts, laundry and drying areas, refuse chutes and bin stores, where provided, in good and safe order: failure assessed by single element failure.	The failure requirement has been clarified. Properties will fail where individual elements require repair or replacement of more than 20%.
	Adequate lighting in common internal and external areas within the curtilage of the house.	Suggested indicators for adequate lighting are: • Lighting present in entrance and every landing level and passageway. • Failure level –more than 20% disrepair.
	Secure Secure front and rear access doors. Front door entry systems and secure rear access to enclosed common areas – single element failure.	Indicators for safe front and rear access doors are listed in the Annex at Section 2. This requirement has been revised. Durable front door entry systems – failure assessed as entry system not fully operational. Secure rear access to enclosed common areas.

This Annex should be read in conjunction with Mike Neilson's letter of 4 February 2004 and Helen Jones' letter of 28 July 2004.

SUGGESTED INDICATORS FOR SAFE AND SECURE ELEMENTS

SECTION 1

Suggested Indicators for Safe Electrical and Gas Systems are:

Safe electrical systems

A dangerous electrical power system will be indicated by:

- Broken casings and damaged power socket boxes
- Exposed wiring
- Other obvious signs of damage, disrepair or unauthorised alterations

Alternatively, landlords may wish to consider an inspection and risk assessment by a qualified electrician

Safe gas systems

An unsafe gas system will be indicated by:

- Wall mounted boilers in danger of detachment
- Rusted boilers or tanks
- Leaking oil tanks or pipes
- Holes in gas flues
- Balanced flues with unsafe guards
- Balanced flues with incorrectly positioned guards
- Smell of gas/oil around boiler

Alternatively, landlords may wish to consider an inspection and risk assessment by an appropriately qualified gas fitter

SECTION2

Suggested Indicators for Secure Front and Rear Access Doors are:

All external doors should have adequate locks. Suggested security measures are:

For single doors:

- Mortice lock
- Rim type deadlock
- Key operated multi-point lock

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For double doors (including French doors):

- Mortice lock with 2 key operated security bolts shooting into the frame, fitted top and bottom
- Rim type deadlock with 2 key operated security bolts shooting into the frame, fitted top and bottom of each opening door
- Key operated multi-point lock

For patio entrance doors:

- Key operated multi-point lock
- One key operated patio door lock plus 2 key operated security bolts (fitted top and bottom of each opening door), shooting into either the frame or the door (it is likely that the 2 key operated security bolts will have been retrospectively fitted)
- One key operated patio door lock plus an anti-theft device preventing the lifting of sliding patio doors from their frames

For rear access doors:

- Mortice lock
- Rim type mortice lock
- Yale lock
- One or more substantial bolts secured from the inside

7

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Meeting SHQS
& Planned Maintenance Projections

Introduction

The Council continues to maintain a regime of ongoing condition surveys
to ensure that the planned maintenance programme is current, both in terms
of short term work programmes, but also long term investment requirements.

Mindful of the need to meet the requirements of SHQS by the year 2015,
the Council has ensured that areas of potential failure are integrated into
the short term planned maintenance programme.

It should be noted that, in any case, the majority of likely failures have
already been identified as due for replacement anyway.

The following programme will ensure that this Council meets the objectives
of the SHQS within the prescribed time-scale.

The data is based purely on the information contained within the property data base and has been verified as accurate.
The Council is currently reviewing the phasing of works, with due regard to the required dates, to ensure that work
programmes are feasible, both finaancially and in terms of managebility. (i.e. smoothing)

Programme of Works, including SHQS to 2015

Element	2010	2011	2012	2013	2014	2015
Entrance Door	£ 9,500	£ 16,150	£ 1,900	£ 1,900	£ -	£ 6,650
Rear Door	£ 15,200	£ 22,800	£ 1,900	£ 15,200	£ 30,400	£ 1,900
Windows	£ 12,000	£ 38,000	£ 6,000	£ -	£ -	£ 2,000
Rooflights	£ 12,000	£ 21,000	£ 91,500	£ 4,500	£ 103,500	£ 133,500
Wall finish	£ 636,500	£ 409,500	£ 351,000	£ 82,500	£ 337,500	£ 511,500
Roof finish	£ 328,425	£ 144,900	£ 438,000	£ 90,900	£ 363,750	£ 891,225
Rainwater goods	£ 28,600	£ 37,700	£ 89,050	£ 11,700	£ 74,100	£ 141,050
Kitchen	£ 803,200	£ 236,800	£ 681,600	£ 44,800	£ 64,000	£ 105,600
Bathroom	£ 120,000	£ 51,000	£ 60,000	£ 3,000	£ 1,500	£ 21,000
Plumbing Installation	£ 36,000	£ 27,000	£ 133,200	£ 156,600	£ 68,400	£ 163,800
Electrical Installation	£ 70,000	£ 6,200	£ 64,000	£ -	£ 30,000	£ -
Electrical components	£ 70,000	£ -	£ -	£ -	£ -	£ -
Heating System	£ 370,300	£ 133,000	£ 154,500	£ -	£ 93,500	£ 79,500
External Works				£ 156,000	£ 95,000	£ 50,000
Crudens rebuilds etc	£ 820,000	£ 1,100,000	£ 950,000	£ -		
Specific SHQS Items						
Heating upgrades , SHQS		£ 30,000	£ 30,000	£ 30,000		
Energy rating works/upgrades	£ 45,000	£ 55,000	£ 45,000	£ 45,000	£ 45,000	£ 35,000
TOTS	£ 3,376,725	£ 2,329,050	£ 3,097,650	£ 642,100	£ 1,306,650	£ 2,142,725

Shetland
Islands Council

REPORT

To: **Audit and Scrutiny Committee**   **18 January 2010**

From: **Policy Manager**
      Executive Services

CE-02-F

2008-09 Statutory Performance Indicators – Comparative analysis

1   Introduction

1.1   Each year Audit Scotland collates the Statutory Performance Indicators for Councils across Scotland and publishes these on their internet site. Although these indicators are not always a good measure of a small rural Council's performance, they are nonetheless, a way of benchmarking performance with other Councils in Scotland.

2   Background

2.1   The SPIs are picked up in audits such as the Best Value audit. The Audit and Scrutiny Committee have already had 2 reports in October and November which looked in more detail at this Council's performance. However, now that the national data is available, this report seeks to put that into context.

2.2   A comparison has been provided with Orkney Islands Council, so that Members can see how this Council compared with a Council that is also small and in a rural setting.

2.3   We have also provided the figures behind the percentages, taking on board the feedback from this Committee. This will help Members see what the percentage has been made up of, and also assess whether small numbers are skewing figures.

3   Link to Corporate Priorities

3.1 The Corporate Plan 2008-11 commits the Council to being efficient in everything that we do. This report provides some key performance information which can help to show how this Council is performing in a national context.

3.2 The risks associated with the content of this report fall into the "performance/governance" category. Lack of scrutiny and continuing poor performance on SPIs could be taken as an indication of a poor performing Council and is something that would be picked up in the Best Value 2 audit.

4 High level overview

4.1 The Audit Scotland analysis shows that this Council is:-

- in the top 10 Councils in Scotland on 36 of the 106 indicators;

- best performing Council on 16 of the indicators;

- in the bottom 10 Councils in Scotland on 48 of the 106 indicators and

- poorest performing Council on 7 of the indicators.

4.2 The Council managed to provide all of the data required by Audit Scotland within their timescales and to meet their stringent requirements. As a result, the Council received no "Failures to report" or Unreliable data" classifications. This reflects the ongoing commitment and goodwill shown by officers across the Council.

4.3 It would have been useful in identifying trends to compare this year's data with that of previous years. Unfortunately, with changes in the way the data is calculated over the years, it is not really something that would be very meaningful. The full set of data, together with that of all other Scottish Councils is available at www.audit-scotland.gov.uk/performance/council.

4.4 In comparison to Orkney Islands Council, the analysis shows that:

- this Council performed better than Orkney on 49 indicators;

- Orkney performed better than this Council on 44 indicators; and

- the Councils performed the same on 8 indicators.

5 Financial Implications

5.1 There are no financial implications arising from this report.

6. Policy and Delegated Authority

6.1 The remit of the Audit and Scrutiny Committee includes the co-ordination of policy and planning, as well as service performance, evaluation and reviews. It is therefore within its remit to review comparative SPI data and make any recommendations considered necessary to the Council.

7. Conclusions

7.1 This report has sought to outline the Council's performance through the Statutory Performance indicators at a national level.

7.2 The analysis has shown that the SIC was ranked in the top 10 Councils on 36 of the 106 indicators and is top Council in Scotland on 16.

7.3 It has also shown that the SIC is ranked in the bottom 10 Councils in Scotland on 48 indicators and is poorest performing Council on 7.

8. Recommendations

8.1 I recommend that the Committee discusses the information in this report and comments on the performance of this Council, seeking further information as considered appropriate.

Date: 07 January 2010 Report No: CE-02-F
Ref: PP

Analysis of 2008-09 Statutory Performance Indicators

Indicators where the Council is top Council in Scotland

Performance Measure	SIC rank (1st-32nd) In 2008-09	SIC rank in 2007-08	Orkney rank in 2008-09
No. of occupied council places for older people that have en suite facilities	1st (117 places)	1st	12th (63 places)
No. of voluntary sector places for older people that have en-suite facilities	1st (15 places)	-	1st (1 place)
Total number of homecare hours provided for people aged 65+, per 1,000 population	1st (802 hours)	3rd	18th (440.6 hours)
Number of respite nights provided for people aged 65+, per 1,000 population	1st (1,475.7 nights)	1st	3rd (608.1 nights)
Number of respite nights provided for people aged 18-64, per 1,000 population	1st (149.8 nights)	1st	12th (50.2 nights)
Proportion of social enquiry reports submitted to courts by due date	1st (100% - 125 reports)	14th	1st (100% - 100 reports)
Attendances at swimming pools per 1,000 population	1st (12,105 attendances)	1st	3rd (6,062 attendances)
Attendances at indoor facilities per 1,000 population	1st (14,718 attendances)	1st	4th (9,444 attendances)
No. of additions per 1,000 population to children and teenager's stock	1st (249 items)	1st	3rd (125 items)
No. of borrowers as % of resident population	1st (7509 borrowers)	1st	3rd (6,130 borrowers)
Percentage of children subject to a supervision requirement seen by a supervising officer within 15 days	1st (15 children)	-	1st (8 children)
Percentage of 16 or 17 year olds ceasing to be looked after attaining at least 1 SCQF level 3 in any subject	1st (100% - 1 child)	-	6th (5 children)
Number of overnight respite nights provided per 1,000 population aged 0-17	1st (196.4 nights)	1st	2nd (135.9 nights)

Number of hours daytime respite provided per 1,000 population aged 0-17	1st (2,388 hours)	2nd	6th (1,299.5 hours)
Proportion of street lighting columns over 30 years old	1st (1.2% - 42)	1st	8th (491)

Indicators where the Council is in the Bottom Three Councils in Scotland

Performance Measure	SIC rank (1st-32nd) In 2008-09	SIC rank in 2007-08	Orkney rank in 2008-09
Number of people aged 65+ receiving homecare	30th (423 people)	30th	31st (242 people)
Total number of homecare hours provided	30th (2807 hours)	-	31st (1629 hours)
Number of homecare clients receiving personal care	31st (221 clients)	-	30th (227 clients)
Percentage of homecare clients receiving personal care	30th (52.2%)	-	9th (93.8%)
Number of homecare clients receiving a service during evening/overnight	30th (104 clients)	-	30th (104 clients)
Number of homecare clients receiving a service at weekends	30th (184 clients)	-	30th (184 clients)
Percentage of homecare clients receiving a service at weekends	30th (43.5%)	-	5th (76%)
Number of daytime respite hours provided not in a day centre	30th (510 hours)	21st	17th (12,014 hours)
Number of social enquiry reports submitted to courts during the year	30th (125)	-	31st (100)
Number of new probationers seen by a supervising officer within one week	30th (32)	-	31st (26)
Total community orders completed during the year	31st (24)	-	32nd (22)
Percentage of council employees in top 2% of earners that are women	32nd (12.7% - 7 out of 55)	32nd	17th (35.7% - 10 out of 28)
Percentage of council employees in top 5% of earners that are women	32nd (21.2% - 29 out of 137)	32nd	29th (31.9% - 23 out of 72)
Percentage of householder planning applications dealt with within 2 months	32nd (50.5% - 53 applications)	32nd	4th (91.3% - 94 applications)

Percentage of non-householder applications dealt with within 2 months	30th (31.6% - 84 applications)	30th	3rd (63.1% - 258 applications)
Percentage of all applications dealt with within 2 months	32nd (36.9% - 137 applications)	32nd	11th (68.8% - 352 applications)
Percentage of secondary school head and deputy head teachers that are women	30th (27.8% - 5 out of 18 teachers)	-	1st (63.6% - 7 out of 11 teachers)
Percentage of all head and deputy head teachers that are women	32nd (60.9% - 28 out of 46 teachers)	-	17th (71.4% - 20 out of 28 teachers)
Percentage of secondary school teachers that are women	32nd (53% - 105 out of 198 teachers)	-	27th (57.1% - 88 out of 154 teachers)
Percentage of primary school teachers that are women	31st (89.2% - 165 out of 185 teachers)	-	32nd (88.1% - 140 out of 159 teachers)
Percentage of teachers that are women	32nd (70.5% - 270 out of 383 teachers)		31st (72.8% - 228 out of 313 teachers)
Percentage of all traffic light repairs completed within 48 hours	30th (3.4% - 1 repair)	31st	No Service
Percentage of municipal waste recycled	30th (22.6% - 2078 tonnes)	31st	27th (29.5% - 2425 tonnes)

Shetland
Islands Council

REPORT

To: **Audit and Scrutiny Committee**   **18 January 2010**

From: **Head of Organisational Development**

Report No: CE-01-F

Sustaining Shetland 2009

1 Introduction

1.1   Sustaining Shetland measures Shetland's quality of life and sustainability by providing up to date social, economic, environmental and cultural data for Shetland. This report provides the 2009 update.

2 Link to Corporate Priorities

2.1   The Corporate Plan 2008-11 includes an aim to "base all our decisions on evidence". This report, which sets out key trends in data on the quality and sustainability of life in Shetland, contributes significantly to that aim.

2.2   The risks associated with this report are linked to performance / governance. If the trends that are identified are not taken into account by public service deliverers across Shetland, there is a risk that, over time, the quality of life in Shetland will be affected. Therefore, it's important that the data in the Appendix is analysed and shared with our community planning partners.

3 Background

3.1   This document provides trending and comparative information set out against the ten indicators: 1) Population; 2) Health; 3) Education; 4) Housing; 5) Transport & Communications; 6) Natural Resources; 7) Economy; 8) Social Welfare; 9) Community; and 10) Crime. A sustainability gauge provides an indication of current sustainability in Shetland. The three categories 'Better', 'Worse' and 'Stable' correspond to the most recent information available, and provide a simple assessment on the changes seen in different indicators.

3.2 This document will be shared with all partner organisations and staff within the Council, during January 2010, in order to assist in the planning and delivery of services across Shetland.

3.3 In addition to the release of Sustaining Shetland 2009, a list of Data and Research for Strategic Planning has been created with contact details for the lead officers responsible for each source. This is available through the policy section of the SIC website and forms part of our continued efforts to improve sharing of information within the Council and between the SIC and partner organisations.

4 Financial Implications

4.1 There are no financial implications arising from this report.

5 Policy and Delegated Authority

5.1 As outlined in Section 10 of the Council's Scheme of Delegations, the remit of the Audit and Scrutiny Committee includes reviewing Council performance information.

6 Conclusion

6.1 This set of information helps to observe whether certain sustainability indicators are improving or getting worse over time. It allows comparison and contrast of the situation in Shetland with Scotland as a whole. These trends help to inform policy and decision-making and provide a picture of the effects of policy and decision on the islands.

7 Recommendations

7.1 I recommend that members of the Audit and Scrutiny Committee review the attached Sustaining Shetland 2009 document, and make comment as considered appropriate.

Date: 23 December 2010   Report No: CE-01-F
Ref: LG/PP

SUSTAINING SHETLAND

Fourth Annual Monitoring of Social, Economic, Environmental and Cultural Trends

Winter 2009

CONTENTS

Cover photograph by Elizabeth Laurenson

INTRODUCTION

Sustaining Shetland 2009 measures Shetland's quality of life and sustainability by providing up to date social, economic, environmental and cultural data for Shetland.

The Shetland Resolution was developed as part of the Long Range Forecast project in Shetland in late 2004. This was a first attempt at gathering the views of the Shetland public on the future of the islands for the next 20 or 30 years or so. This analysis will help public agencies in Shetland to work with business and communities towards that future.

Shetland Resolution

We shall work together for a future that's better and brighter. In particular, we aim to create a secure livelihood, look after our stunning environment and care well for our people and our culture.

We recognise that we can only succeed in any of these aims by succeeding in all of them.

In our economy,
- We want to be known for carefully crafted products and excellent service.
- We shall nurture creativity, build skills and encourage enterprise.
- We'll promote fine quality and unique origin because they're vital to our customers.
- We'll seek to create fulfilling, well-paid jobs for all, whatever their talent.
- We'll use the natural resources at our disposal responsibly and seek more control over them.
- Public sector resources will be used to stimulate a stronger private sector.

In our environment, we shall…
- Take pride in our heritage, natural or manmade, and respect it for its own sake;
- Recognise that our livelihood depends on our environment;
- Work with nature in all its diversity, not against it;
- Restore our environment where it has been damaged;
- Use the gifts of nature responsibly; and
- Play our part as responsible members of the world community.

In our community, we shall…
- Cherish and promote our traditions and our values;
- Keep Shetland's people safe and encourage them to be healthier;
- Foster confident, thriving communities across Shetland;
- Welcome visitors and new Shetlanders from wherever they may come;
- Promote justice and equality, here and overseas; and
- Expand knowledge, extend opportunities and improve access.

And…
We may be a small place, but if we're clever we can be more successful.

We may have few people, but we can welcome more.

We may be modest, but we can take pride in our achievements.

We may be remote, but we can be distinctive.

But in everything we do, we must seek excellence.

The Resolution is a statement about quality of life and sustainability to which Shetland can aspire. In order to ensure the words are used to guide policy

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development in Shetland, data is collated on an annual basis in order to measure and evaluate progress towards this aspiration.
This document provides baseline data, and, where possible, highlights trends. This set of information should help us observe whether things are improving or getting worse over time in certain areas and help us to compare and contrast the situation in Shetland with other places. These trends will help to inform policy and decision-making and provide Shetland with an informed picture of the effects of policy and decision on the islands.

Indicators exist in ten key areas:

	Measure	Indicators
1	Population	Population Size & Structure
2	Health	Avoidable Deaths, Life Expectancy, Drug and Alcohol Use
3	Education	Opportunity, Participation, Attainment
4	Housing	Quantity, Quality, Appropriateness and Affordability
5	Transport & Communications	Access to Services, Social Facilities, Employment and ICT
6	Natural Resources	Resource Usage and Impact
7	Economy	Economic Activity, Employment & Business Performance
8	Social Welfare	Income Levels and Costs of Living
9	Community	Breadth and Depth of involvement
10	Crime	Incidents of Crime and Fear of Crime

These indicators are updated on an annual basis and the type of data available is improved, where possible, each year. Autumn 2006 was the first year in which data was collected in this format:
www.shetland.gov.uk/communityplanning

A sustainability gauge provides an indication of current sustainability in Shetland. The three categories 'Better', 'Worse' and 'Stable' correspond to the most recent information available, and provide a simple assessment on the changes seen in different indicators:

Some indicators are new and lack time series data needed to see if change has occurred, whilst some changes are difficult to interpret as 'better' or 'worse.' A 'Don't Know' gauge represents these areas.

Information covering the same ten key areas has been collected at a more local level, and communities are being involved to incorporate their views. These community profiles cover the following seven localities:
- North Isles
- Whalsay and Skerries
- North Mainland
- West Mainland
- Central
- Lerwick and Bressay
- South

And are available at

Thanks to all those involved in the development of these indicators and production of this year's report.

OVERVIEW

The Shetland Islands are the most northerly local authority area in the UK, 298 miles north of Edinburgh and 211 miles north of Aberdeen. Our closest neighbours are Orkney, the nearest part of which lies some 25 miles from Fair Isle and about 50 miles from the Shetland mainland. Shetland is only 228 miles from Torshavn in Faroe and a similar distance from Bergen in Norway. Shetland comprises more than 100 islands, 15 of which are inhabited, and the total population is around 22,000. We lie further north than Moscow and southern Greenland.

Population

- Over the last 20 years, the population of Shetland has declined by 3%. The Shetland resident population currently stands at 21,980[1].
- The trend towards centralisation of the population towards Lerwick and a 15-20 minute commute of Lerwick continues. Around 41% of the population now live in Lerwick.
- In the next 25 years, Shetland will experience a 50.7% increase in the number of islanders of pensionable age, while the working-age population will decrease by 20.7%[2]. This is due to increasing life expectancy and older people moving to Shetland for an improved quality of life[3].
- In the period 2001/02 to 2007/08 there has been a negative net migration from Shetland of 129 people[4], but the number of National Insurance registrations has steadily increased, particularly for individuals from EU accession and EEA states. The birth rate has been consistently higher than the death rate, which is the opposite to that of mainland Scotland.

Health of Shetland Citizens

- Shetland's overall life expectancy continues to increase. Current estimates state that life expectancy at birth is 75.0 for men and 81.5 for women[5]. This is above the Scottish and EU average.
- Levels of avoidable deaths have improved in recent years. Mortality caused by coronary heart disease, road accidents, and suicides has reduced, and cerebrovascular mortality has remained stable. Cancer is the only cause of death that has continued to increase[6].
- Drug misuse is increasing, with a rise in use of more dangerous drugs such as heroin and cocaine, while the age of starting drug use is lower. The numbers of young people presenting with self-harm is increasing.

Education

- Student rolls in both primary and secondary schools have declined. Shetland College enrolments have increased, and NAFC enrolments have remained stable.
- Attainment levels in schools are high and well above the Scottish average, with 50% of pupils going on to higher or further education and a similar number into employment and training.

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- In Shetland, the percentage of S4 group achieving 5+ awards at SCQF level 4 (Standard Grade General or better) declined from 90% to 88% from 2003 to 2006 but has increased once more to 89% in 2008[7]. This remains above the 2008 Scottish average of 77%.
- An estimated 2500 working age adults in Shetland have low levels of literacy. For those without suitable skills for employment, barriers to learning include: access; lack of childcare; and cost.
- In the year 2008/09, 1,766 people took part in the SIC Adult Learning Classes (an increase of 90 on the previous year)[8].
- The number of school leavers, leaving for a positive destination has remained relatively stable[53].

Housing
- Demand for housing of all tenures continues to increase in Shetland.
- Demand for social rented housing continues to increase despite the local Housing Association's development programme. Planning applications for private houses are also continuing at a high level and the housing market has not yet shown significant signs of the national economic downturn.
- Concerns around the availability and affordability of housing across all tenures continue.
- Homeless presentations continue to raise further raising concerns around the housing supply available to meet needs.

Transport and Communications
- Bus passenger numbers have risen steadily. Recorded passenger numbers on Shetland's inter-island ferries has seen an increase of 8.9% between 2007 and 2008. Vehicle numbers on inter-island ferries has seen a 2.7% decrease during the same period.
- Both internal and external air passenger numbers, flying to Scottish airports, have remained relatively stable in recent years.
- The cost of fares for all internal and external forms of transport has increased.
- Shetland has a high uptake of SDL and ADSL Internet connection.

Natural Resources
- Existing data available to measure the quality of the environment in Shetland, such as air and water quality, paint a good picture. However, further measures are required to ensure the situation is fully understood.
- Recycling opportunities continue to expand and diversify and new renewable energy possibilities are being explored.
- The carbon footprint for Shetland and Shetland Islands Councils is currently being established.

Economy
- The Gross Regional Domestic Product per capita of Shetland is lower than that for the UK as a whole. Fisheries output, oil and the public sector remain the three largest sectors in the economy, considerably higher than agriculture, tourism and knitwear.
- 87.5% of the working age population is currently economically active, with the public sector dominating all employment.
- The average wage per week increased by ~£60 between 2005 and 2009
- Shetland has a job density of 1.08 compared to 0.84 in Scotland. The density figures represent the ratio of total jobs to working-age population.

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- Despite a recent rise in unemployment rate, Shetland continues to have one of the lowest unemployment rates in the country.
- The number of new business start-ups has increased from 2007 – 2008.
- The number of cruise liner passengers has increased by 40% between 2008 and 2009, following a 12% increase in the number of cruise liners visiting Shetland.

Social Welfare
- The cost of living is higher, particularly for essential items. This makes it particularly difficult for those on low income and/or national benefits.
- The uptake of national benefits remains stable, but is felt to be lower than entitlement.
- The Scottish Index of Multiple Deprivation (SIMD) 2009 shows that 10.6% of the Shetland population (2,315 individuals) are income deprived, an increase from 8.8% in SIMD '06[9].
- There is a lack of registered childminders throughout Shetland and there are still gaps in provision, which restricts parents' access to learning and employment opportunities.
- Fuel poverty remains high.

Community
- The total Community Council electorate in Shetland has increased from 17,168 to 17,331 between 2006 and 2008.
- Community groups and volunteering continue to flourish, with an increase in the number of grants awarded in 2008/09.
- There are signs of decreased involvement in sport and leisure activities, and use of library and learning centre facilities.
- Work continues on community inclusion, focusing on specific target groups. Enrolment in the English for Speakers of Other Languages (ESOL) classes has increased.

Crime
- Both reported offences and registered offences have been slowly decreasing over the past few years. There were a total of 2009 criminal offences this year (08/09) a reduction of 200 from 05/06. Overall detection/clear up rate is 70% (one of the highest in the UK).
- Between 95 and 99% of people feel the area they live in is safe or very safe. The proportion of people worried about becoming a victim of crime is lower in Shetland (30%) than the Northern constabulary area as a whole (47%).

POPULATION

> **Over the last 20 years, the population of Shetland has declined by 3%. The Shetland resident population currently stands at 21,980[1].**
>
> **The trend towards centralisation of the population towards Lerwick, and a 15-20 minute commute of Lerwick, continues. Around 41% of the population now live in Lerwick.**
>
> **In the next 25 years, Shetland will experience a 50.7% increase in the number of islanders of pensionable age, while the working-age population will decrease by 20.7%[2]. This is due to increasing life expectancy and older people moving to Shetland for an improved quality of life[3].**
>
> **In the period 2001/02 to 2007/08 there has been a negative net migration from Shetland of 129 people[4], but the number of National Insurance registrations has steadily increased, particularly for individuals from EU accession and EEA states. The birth rate has been consistently higher than the death rate, which is the opposite of mainland Scotland.**

What is measured [10]

- The total number of people resident in Shetland
- Age Profile
- Population of areas of Shetland
- The ethnic population

The total population of Shetland is a function of the number of births minus the number of deaths (the natural increase) and the difference between immigration and emigration (the net migration)[11].


Stable
Sustainability
Gauge

Shetland's population level (See Figure 1)

The current population of Shetland is estimated to be 21,980[1].

- Since the 1860s, when the population of Shetland peaked at around 30,000, it has been falling steadily until the 1970s when it hit the historically low level of 17,000. After 1971, there was a significant increase, and in 10 years the population of the islands rose by over a third, to 22,766[12].
- The increases in the 1860s and in the 1970s can be attributed to new economic opportunities. For example, the huge boom in herring drift-net fishing in the late 19th Century, and oil industry development from 1971.
- Over the last 20 years, the overall population of Shetland has declined by 3%[12].

Figure 1: Shetland Population Trend 2001-2008[12]
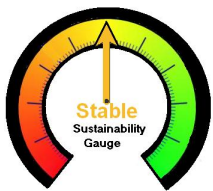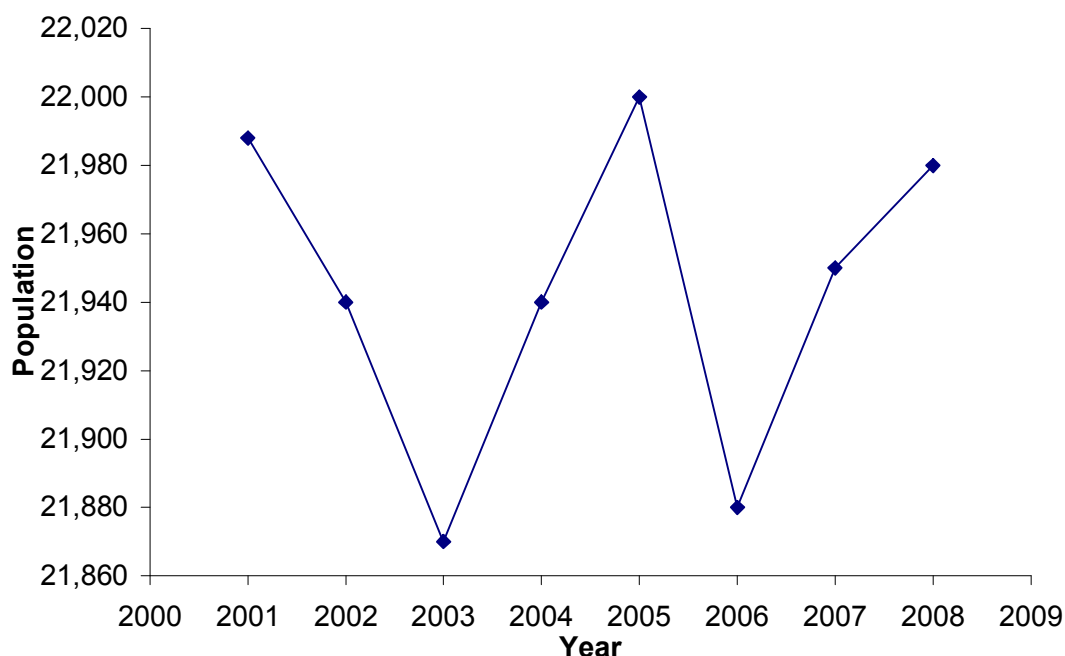
Population density of Shetland

- Shetland has a fairly constant average population density of 15 people per square kilometre. It is less densely populated than Orkney (at 20) but more dense than the Highlands at an average of 9 people per square kilometre[13].
- Shetland's population density is substantially lower than that of Scotland as a whole at 65 people per square kilometre.
- The density of population within Shetland varies from 1,571 people per square kilometre in Scalloway[14] and 1,328 in Lerwick to 5 in the North Isles, 6 in the North Mainland and 7 in the West Side[22].

Shetland's Population by Area (see Figure 2)

Figure 2: Estimated Population Change 2001 to 2007 by Area[15]
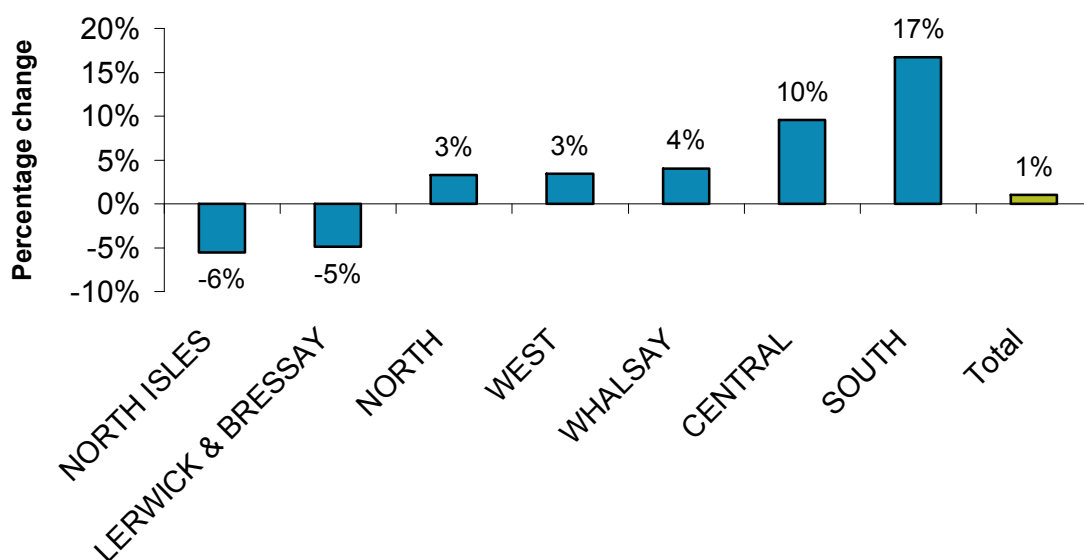
- The centralisation of the population continues, with substantial increases in population in Quarff, Gulberwick, Tingwall, Trondra and Sandwick/Cunningsburgh.
- The recent decline in population in Lerwick and Bressay is likely to be due to limited sites for new housing within the main town, which has led to major house-building focusing on the Cunningsburgh / Quarff area and in Scalloway.
- There were also moderate population increases in the North and West Mainland and on Whalsay.
- There has been a shift in overall population from outlying areas (particularly the North Isles of Yell, Unst and Fetlar) to the areas within commuting distance (15 – 20 minutes) of Lerwick.

Age Breakdown of the Shetland Population (See Figure 3)

- Since 1991 there has been a gradual increase in the proportion of older people relative to younger people within the Shetland population; a trend that is replicated across Scotland.

Figure 3: Current Shetland Population Level, by Age Group (and the percentages of total population made up by each age group)[1]
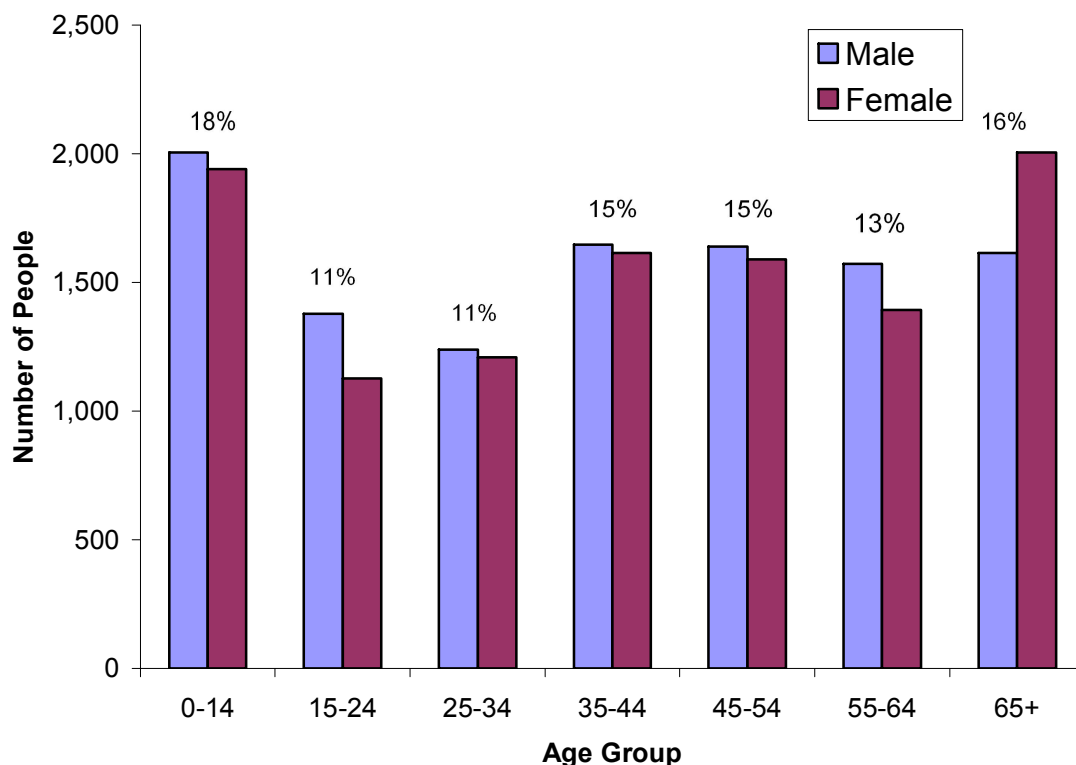

Gender Breakdown of the Shetland Population (See Figure 3)

- From September 2009 there were a total of 11,099 males and 10,881 females in Shetland[16]. This is a shift in a fairly even ratio with 10,976 males (50.16% of the total population) and 10,904 females (49.84% of the total population) in 2007[16].
- The male/female imbalance is more pronounced in Shetland than for Scotland overall[16].

Future Projections (see Figure 4)

- It has been estimated that, in the next 25 years, Shetland will experience a 50.7% increase in the number of pensionable age residents, while the working-age population will decrease by 20.7%[2].
- As well as this shift in age profile across Shetland, there is an estimated decline in overall population to 19,783 by 2031. These projections assume both negative natural change (of -2.7%) and negative net migration (of -6.9%)[2].
- Birth rates are determined by the fertility rate and the number of women who are of childbearing age (15 to 44), within the population. This is forecast to fall sharply until 2020 and then to level off at around 3,400 between 2020 and 2030. This will have a direct affect on the number of births and on the natural population change[16].
- The number of women of childbearing age has been the main indicator of population growth in Shetland.

Figure 4: Population Age Profile at the 2006 baseline and projected figures in 2030[3]
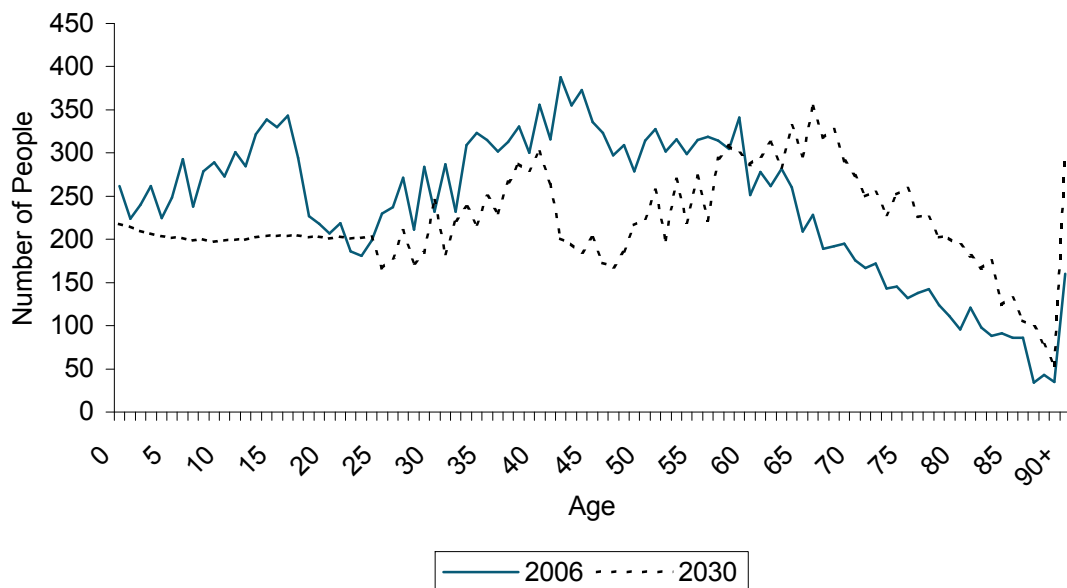

Births, Deaths and Natural Population Increase

- Shetland's birth rate is steadily higher than the death rate.
- From January - December 2008 there was a total of 278 births in Shetland and 211 deaths, and a natural population increase of 67[16].
- From January – December 2007 there were a total of 244 births in Shetland and 209 deaths, and a natural population increase of 35[16].
- However, population projections estimate a decline in overall population by 2031[2]. This change in population is largely due to emigration and loss of women of childbearing age.
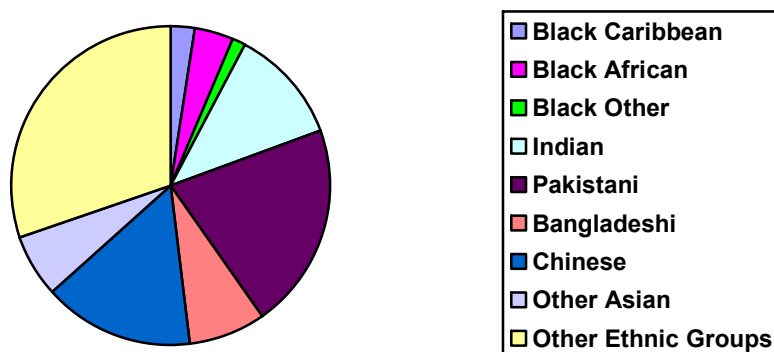
Immigration and Emigration

◆ In the period 2001/02 to 2007/08 there has been a negative net migration from Shetland of 129 people[4]. Orkney, on the other hand, had a positive net migration of 946 in the same period.

◆ The net loss of 10 individuals of the Shetland population in 2007/08 is worse than the net gain of 27 individuals found the year before. Emigration now exceeds immigration[4].

◆ The data suggests that locals and UK citizens are moving away but incoming EU accession and EEA citizens are keeping population numbers higher than they would have been otherwise[17].

◆ Jobcentre Plus in Shetland has kept records, since 2006, of the country of origin of individuals applying for National Insurance (NI) Numbers[18]:

- Almost 75% of people applying for new NI numbers in Shetland since 2006 have been from A8 countries[19].
- The greatest number has been issued to Polish (34%), or Hungarian nationals (19%), and 21.5% have been issued to people from the either the Czech Republic, Lithuania, Estonia, Latvia or Slovakia.
- There has been a small, but consistent quantity of National Insurance numbers being issued to individuals of Bangladeshi, Chinese, Indian, Nepalese, Pakistani and Thai origin

◆ It is important to note that NI figures only apply to those migrant workers for whom Shetland is their first place of work in the UK. Migrant workers registered in other local authorities who subsequently move to Shetland for work will not be included in these figures.
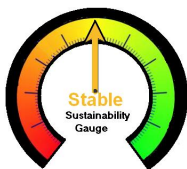
Population Ethnicity (see Figure 5)

◆ Data from the 2001 census shows Shetland has a very low black and ethnic minority population, 1%. During the 10 years between 1991 and 2001 the population of Shetland decreased, but the black and ethnic minority population doubled.

◆ When the census 2001 figures are broken down by ethnic group, it can be seen that although low numbers are involved, Shetland has a diverse black and ethnic minority population, with all census categories represented.

◆ An indicator for population ethnicity can also be seen in Shetland's primary and secondary schools. In 2009, a total of 72 pupils were registered in Shetland as having a main home language other than English, an increase from 47 in 2007 and 39 in 2006[20].

Figure 5: Shetland's Black and Ethnic Minority Population[21]

- Black Caribbean
- Black African
- Black Other
- Indian
- Pakistani
- Bangladeshi
- Chinese
- Other Asian
- Other Ethnic Groups

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HEALTH OF SHETLAND CITIZENS (HEALTHIER)

> **Shetland's overall life expectancy continues to increase. Current estimates state that life expectancy at birth is 75.0 for men and 81.5 for women[5]. This is above the Scottish and EU average.**
>
> **Levels of avoidable deaths have improved in recent years. Mortality caused by coronary heart disease, road accidents, and suicides has reduced, and cerebrovascular mortality has remained stable. Cancer is the only cause of death that has continued to increase[6].**
>
> **Drug misuse is increasing, with a rise in use of more dangerous drugs such as heroin and cocaine, while the age of starting drug use is lower. The numbers of young people presenting with self-harm is increasing.**

What is measured?

The General Register Office for Scotland measures average life expectancy for men and women.

Rates of avoidable death are measured. Deaths considered as avoidable (from NHS Shetland) are:

- Cancer;
- Coronary heart disease;
- Stroke; and
- Suicide.

The Northern Constabulary measures deaths resulting from road accidents.

Indicators of other health issues, such as drug and alcohol misuse include registration to the clinic at SCDT (Shetland Community and Drugs Team) and hospital admissions.

Life expectancy
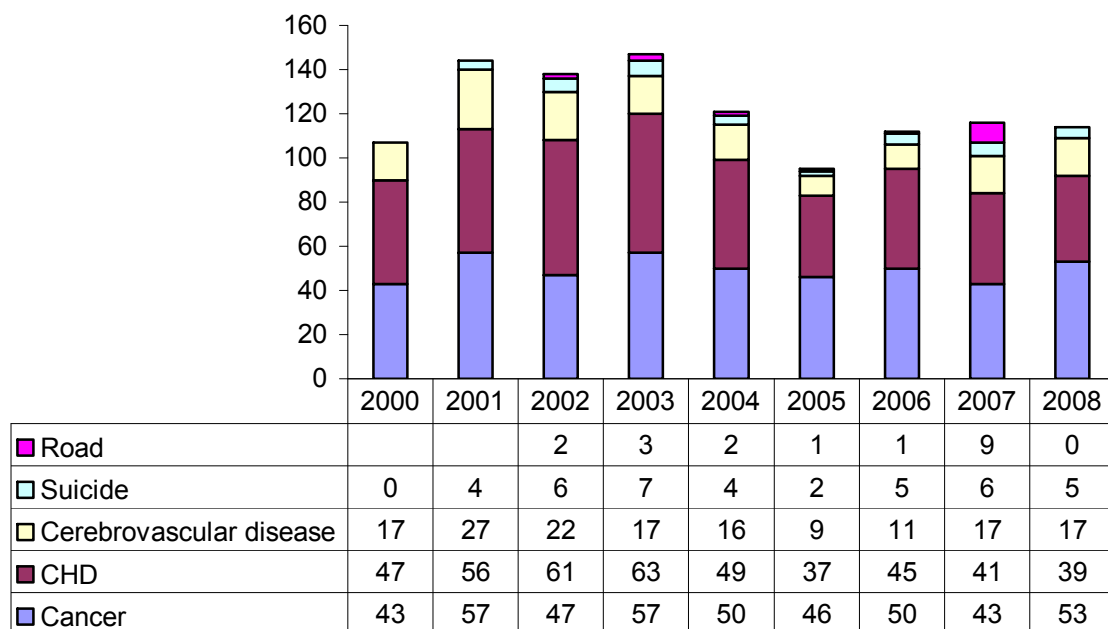

- Shetland's overall life expectancy continues to increase. Current estimates state that life expectancy at birth is 75.0 for men and 81.5 for women[5].
- This is above the Scottish average of 79.9 for women but equals that for men at 75.0, and is above the Orkney averages of 74.9 for men and 81.5 for women.
- The overall life expectancy for all people in Shetland is 78.1 years.
- Shetland's life expectancy remains below the EU average of 78.7, but above countries such as Bulgaria (73.1) and Latvia (72.2), and just below Finland (79.0), Germany (79.3) and Iceland (81.2)[22].

Rates of Avoidable Deaths (see Figure 6)[23]

- Levels of avoidable deaths have improved in recent years. Mortality caused by coronary heart disease, road accidents, and suicides has reduced, and cerebrovascular mortality has remained stable. Cancer has been the only cause of death that has continued to increase[6].

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	2000	2001	2002	2003	2004	2005	2006	2007	2008
■ Road			2	3	2	1	1	9	0
□ Suicide	0	4	6	7	4	2	5	6	5
□ Cerebrovascular disease	17	27	22	17	16	9	11	17	17
■ CHD	47	56	61	63	49	37	45	41	39
■ Cancer	43	57	47	57	50	46	50	43	53

Coronary Heart Disease (CHD)

◆ CHD mortality rate in Shetland has been falling since 2001, and stands at 39 deaths in 2008.

◆ Current data has shown that deaths caused by CHD are greater in males than females[24].

◆ In 2008, CHD accounted for 18.4% of total deaths in Shetland, lower than the Scottish average of 20.4%[24].

Cerebrovascular Disease

◆ Cerebrovascular disease mortality (for both sexes and all ages) has fallen since 2001 but now remains stable at 17 deaths per year. Before 2001 the mortality rate was greater for females, but following 2001 it has been fairly equal for both sexes, until 2007 where there were more than twice as many deaths in females than males[25].

◆ Cerebrovascular disease accounted for 8.1% of total deaths in Shetland in 2008 (a rise of 2.7% from the previous year)[26].

Cancer

◆ The number of deaths caused by cancer has increased in recent years.

◆ It is estimated that 1 in 3 people in Scotland will develop some form of cancer during their lifetime, and that around 1 in 9 males and 1 in 7 females will develop some form of cancer before the age of 65. Having survived to age 65 without cancer, the risk of getting cancer subsequently is 1 in 3 for males and 1 in 4 for females[27].

◆ In 2008/09, cancers accounted for 25.1% of all deaths in Shetland, while in Scotland the figure was higher at 27.3%[28].

◆ The crude mortality rate (per 100,000 population) for 2008 was 270.3 for males and 211.4 for females. Both the Shetland male and female rate is below the Scottish average of 307.6 for males and 281.8 for females[29].

Road Accidents/Casualties[30]

- The number of people who have died as a result of a car accident in Shetland, has previously remained fairly stable, between one and two people per year.
- However in 2007 there was an increase to nine deaths out of a total of 86 road accidents.
- In 2008 there was 23 reportable road accidents where injury occurred. Four individuals suffered serious injury and 19 suffered slight injury, but there were no fatalities.

Suicide in Shetland

- There were five reported suicides in 2009 [31].
- In Shetland, the suicide rate (percent of total population) is twice as high as the Scottish average (~2% for Shetland and only ~1% for Scotland as a whole)[31].
- Suicide rates typically increase with increased deprivation, with rates in the most deprived areas of Scotland significantly higher than average[32].

Drug and Alcohol Misuse
Illegal Drugs

- From 2005 – 2008 there was a total of 41 drug related hospital admissions, on average 13.7 admissions per year[33].
- There is evidence that drug use in Shetland is on the increase. The number of new drug users registering with the clinic with Shetland Community Drugs Team (SCDT) has increased from 22 in 2004/05, to 50 in 2006/07. In 2008/09 there were 49 new drug users registered with the SCDT[34].
- Of the 49 new registered drug users in 08/09, 41 of them regarded heroin as their main problem drug, the others used amphetamine and cannabis[34].
- In recent years more dangerous drugs have become more widespread. There has been an increase in the use of heroin, cocaine, crack and methamphetamine, while there has been a decrease in the use of cannabis, ecstasy and valium. During 2007, the Shetland Community Drugs Team saw a drop in the use Cannabis by a third[35].
- The average age clients start using is falling. The SCDT found a trend present in drug use for females; they tend to start using drugs at a younger age[35]. However, these individuals tend to present themselves for help at a lower age.
- The average age of SCDT clients in 2008/09 was 30, up from 26 the previous year. However, the average age of newly registered clients tends to be much younger[35].

Alcohol

- From 2005-2008 there were 625 admissions directly related to alcohol in Shetland (an average of 208 admissions per year)[36].
- From 2003-2008, there have been 22 deaths directly relating to alcohol (an average of four deaths per year)[33].
- A recent survey of young people in Shetland found a significant increase in female non-drinkers[37], while the number of male non-drinkers has stayed consistent.

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◆ The Spring 2009 'Your Voice' survey reported that around two thirds of respondents felt that alcohol consumption had increased in the past 10 years[38].

Smoking

◆ In 2008, 22.5% (4,923) of the Shetland population were estimated to smoke. This is below the Scottish average of 27.3%[33].
◆ The smoking rate varies between different areas of Shetland. Brae and Lerwick have the highest rate at 29%, and Whalsay the lowest at 15%.
◆ With the introduction of the smoking ban, the number of clients attending the drop in clinics in Lerwick has increased rapidly[32].
◆ The percentage of secondary school pupils who regularly smoke tends to from S1 to S4. However, there remain a much greater percentage of pupils that have never smoked[37].
◆ In 2006, at the Scottish level it was estimated that 4% of boys and 16% of girls regularly smoke[39]. This is a decrease amongst boys compared with 2002, but figures remain stable amongst girls.

Obesity

◆ 2009 data showed that 1,941 patients are currently registered as being obese with the 10 GP practices in Shetland, and raw prevalence rate (per 100 people) stands at 11.47[40].
◆ This is an improvement on 2008 data, where 2,019 patients were registered as being obese in Shetland, and raw prevalence rate (per 100 people) stood at 12.31.
◆ NHS Shetland estimate that over half the population of Shetland are at risk from the effects of being overweight and obese[41].

Mental Health

◆ In Shetland, 1, 281 people (5.9% of the population) prescribed drugs for anxiety, depression or psychosis in Shetland. The current available data suggests there is 1,479 (6.8%) people who have self assessed their well being as "not good"[36].
◆ Recent research into deprivation and social exclusion found that 75% of respondents who were deprived and/or socially excluded experienced anxiety and depression. This was found to be a result of the daily pressures of making ends meet and feelings of isolation. Some living with deprivation were reaching crisis point, with serious mental health issues, suicidal thoughts and/or a dependency[42].

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EDUCATION (SMARTER)

> **Student rolls in both primary and secondary schools have declined. Shetland College enrolments have increased, and NAFC enrolments have remained stable.**
>
> **Attainment levels in schools are high and well above the Scottish average, with 50% of pupils going on to higher or further education and a similar number into employment and training.**
>
> **In Shetland, the percentage of S4 group achieving 5+ awards at SCQF level 4 (Standard Grade General or better) has increased to 89% in 2008[7]. This remains above the 2008 Scottish average of 77%.**
>
> **An estimated 2500 working age adults in Shetland have low levels of literacy. For those without suitable skills for employment, barriers to learning include: access; lack of childcare; and cost.**
>
> **In the year 2008/09, 1,766 people took part in the SIC Adult Learning Classes (an increase of 90 on the previous year)[43].**
>
> **The number of school leavers, leaving for a positive destination has remained relatively stable[53].**

What is measured?
The current indicators used to measure the level of education in Shetland is,
- Opportunity (availability of different types of education);
- Participation rates;
- Attainment of school pupils;
- Estimates of the number of adults with low levels of literacy and desire to access educational opportunities (from a survey of learning of 55 respondents from across Shetland); and
- Number of people leaving for positive destinations after school.

Opportunity
Early Years
- The following childcare options are available in Shetland 2009[44]:
  - 27 registered Childminders
  - 1 Playgroup (non-commissioned), Whalsay
  - 6 Day Care; Unst, Mossbank, Scalloway, Sandwick, and 2 in Lerwick (one of those is Blyde Haven which is a partner provider)
  - 5 Partner Providers; Girlsta (Little Tykes), Scalloway, Burra, Lerwick Pre-School, Lerwick (Blyde Haven)
  - 21 Nursery Classes
  - 1 Out of Nursery Care, Peerie Foxes (private, provides day care and out of hours)
  - 5 Out of School Clubs: Central Private, Ness, Mossbank, Isleburgh and Unst

Primary Rolls (see Figure 7)

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- There are 32 primary schools. 3.1% have a ratio of pupils to available places of over 100%[45].
- After major population growth in the late 1970's, primarily due to the oil developments at Sullom Voe, school rolls increased.
- However, since the peak in 1981, primary school rolls have declined in most parts of Shetland; the overall primary school roll peaked at 2,730 in 1981 and has declined slowly to 1809 in 2009[46].

Figure 7: Total Primary School Rolls[46]
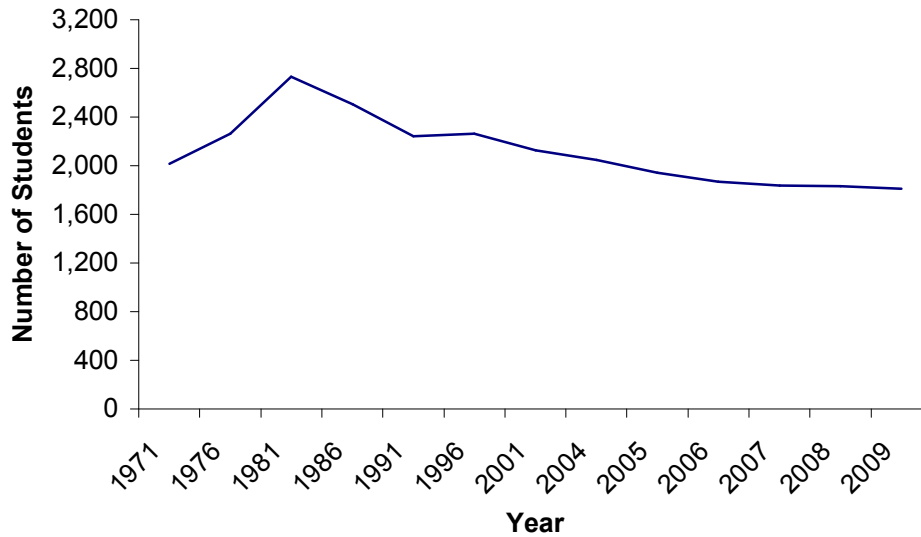
Secondary Rolls (see figure 8)

- There are nine secondary schools in Shetland[45].
- The secondary school roll has remained relatively stable over the last 20 years, however for the first time in 27 years numbers have dropped below the 1981 figure. Total secondary rolls currently stands at 1550[46].

Figure 8: Total Secondary School Rolls[46]
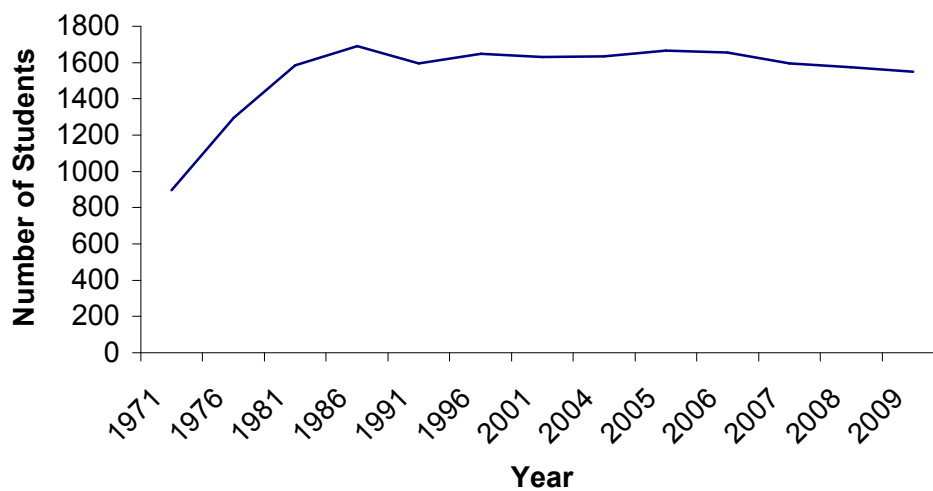
Further Education (see Figure 9 & 10)

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- ◆ There are two further education colleges, Shetland College and the North Atlantic Marine Centre.
- ◆ Shetland College has seen an increase in student enrolments in recent years, particularly in part-time courses.
- ◆ However, from 2006/07 to end of June 2009 there has been a slight decrease in the number of people enrolling in the full-time higher education courses.

Figure 9: Student Enrolment at Shetland College 2002- end of June 2009[47]
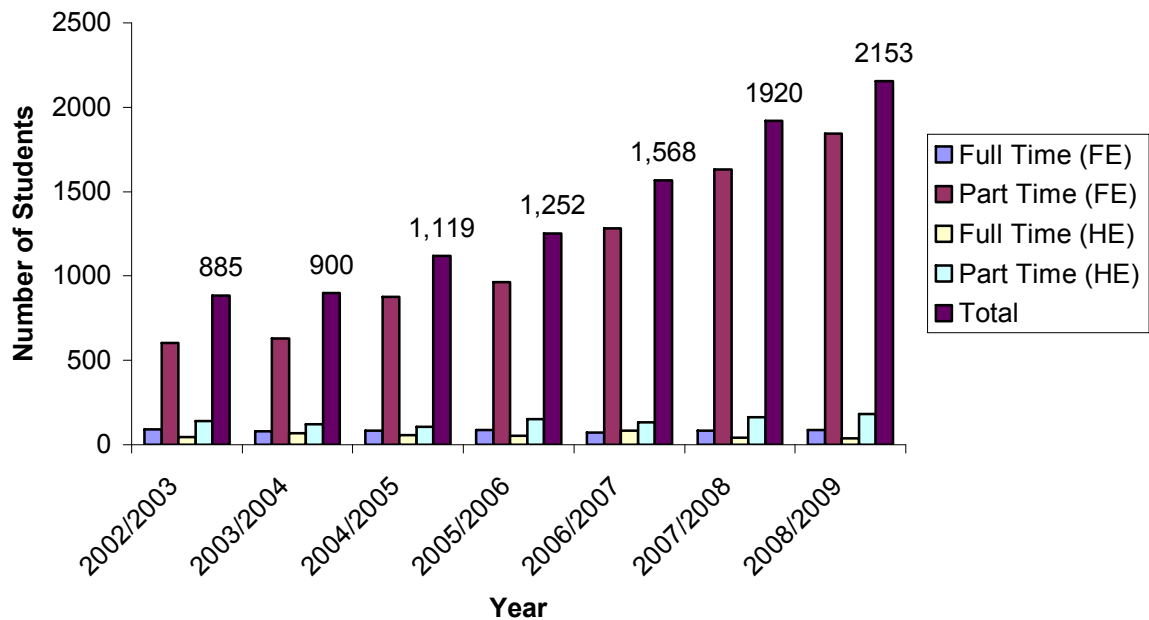
- ◆ The total number of students enrolling in the NAFC marine Centre has remained relatively stable over the last 10 years.
- ◆ Student enrolment, 2008/09, in Maritime Courses, Third Party courses and Marine Engineering make up 98% of the total student enrolment.

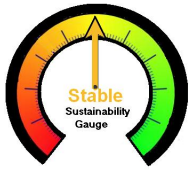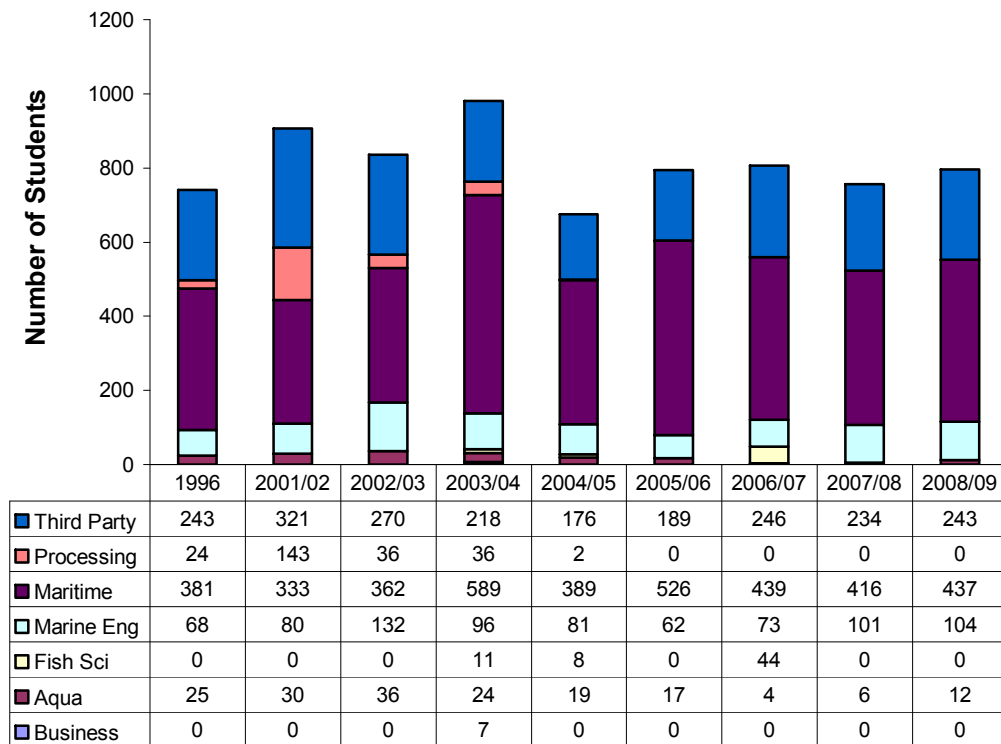|	1996	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
Third Party	243	321	270	218	176	189	246	234	243
Processing	24	143	36	36	2	0	0	0	0
Maritime	381	333	362	589	389	526	439	416	437
Marine Eng	68	80	132	96	81	62	73	101	104
Fish Sci	0	0	0	11	8	0	44	0	0
Aqua	25	30	36	24	19	17	4	6	12
Business	0	0	0	7	0	0	0	0	0

Adult Opportunity

- The Adult Literacy Partnership estimates that approximately 2500 working age adults in Shetland may have low levels of literacy.
- In the year 2008/09, 1,766 people took part in the SIC Adult Learning Classes (an increase of 90 on the previous year)[49]. There are currently 15 volunteer literacy tutors and 75 evening class tutors[50].
- From 2006 – 09 there has been a steady increase in the number of people enrolling in SIC Adult Learning Classes. There has also been an increase in the number of evening class tutors, but a decrease in the number of volunteer literacy tutors[50].

Young People Attainment

- In Shetland, the percentage of S4 group achieving 5 or more awards at SCQF level 4 (Standard Grade General or better) is currently 89%[7]. This is an increase from 88% in 2006, and remains above the 2008 Scottish average of 77%.
- The number of S4 pupils achieving 5 or more awards at SCQF level 5 (Standard Grade Credit or better) currently stands at 45%. Previous figures have remained fairly consistent, between 43% and 45% for the years 2003-2008[7]. This remains above the 2008 Scottish average of 35%.
- For those attaining the minimum qualifications of English and Maths at SCQF level 3 (e.g. Standard Grade Foundation) or better was 96% in 2009, a steady increase on previous years[7].
- Compared with 2008, the number of presentations at Higher Grade increased by 45 in 2009.

- Shetland candidates continued to perform very well with 56% of individuals achieving a Credit award at Standard Grade and 79% of candidates achieving a C or better at Higher level[51].
- The number of presentations at Standard Grade is down by 206 in 2009. The drop in Standard Grade results appears to be related to a drop over the last year in school rolls and the fact that a number of candidates are presented for Intermediate qualifications as an alternative to Standard Grade[51].

Positive Destinations[52]

- The percentage of leavers entering a positive destination is 91.7%, a fall of 0.7% on last year but well above the national result of 85.7%[53]. The breakdown of destinations (for Shetland) is as follows[53]:

Destination	2005/06 (% of all school leavers)	2006/07 (%of all school leavers)	2007/08 (%of all school leavers)	2008/09 (%of all school leavers)
Higher Education	34	28	33	29
Further Education	11	11	17	17
Training	2	3	1	2
Employment	41	48	41	43
Other/not known	10	10	8	9

- 34 students have enrolled in the Student Bridges Programme for 2009/10[54].

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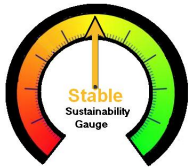
HOUSING (STRONGER)

> **Demand for housing of all tenures continues to increase in Shetland.**
>
> **Demand for social rented housing continues to increase despite the local Housing Association's development programme. Planning applications for private houses are also continuing at a high level and the housing market has not yet shown significant signs of the national economic downturn.**
>
> **Concerns around the availability and affordability of housing across all tenures continue.**
>
> **Homeless presentations continue to raise further raising concerns around the housing supply available to meet needs.**

What is measured?
Current indicators used to measure trends within Housing are,
- Quantity of housing available in Shetland (the number of homes and type);
- Quality of housing (from both the National and Local Housing Condition Survey;
- Appropriateness of housing
- Affordability of housing (cost of private housing and local authority rents, compared to average income; the supply versus demand ratio and Shetland wide homelessness statistics).

Quantity & Ownership of Housing (see Figure 11)

- In the financial year 2006/07 142 new properties were built throughout Shetland. 34 of these were Hjlatland Housing Association builds. Of the 108 private builds, the majority were in Council bands D, E and F.
- In the financial year 2007/08 114 new properties were built throughout Shetland. 91 of which were private and 23 of which were Hjaltland/SIC.
- In the year 2008/09 169 new properties were built throughout Shetland. 110 of which were private and 59 of which were Hjaltland/SIC[55].
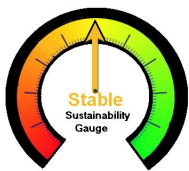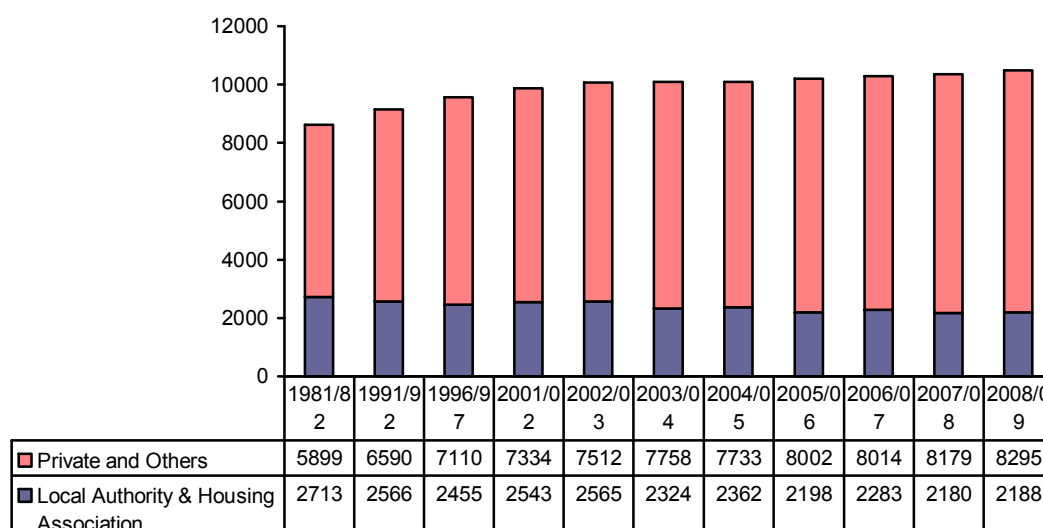
	1981/82	1991/92	1996/97	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09
■ Private and Others	5899	6590	7110	7334	7512	7758	7733	8002	8014	8179	8295
■ Local Authority & Housing Association	2713	2566	2455	2543	2565	2324	2362	2198	2283	2180	2188

◆ Demand for social rented housing remains high. The Council and Hjaltland Housing Association operate a common housing register with 1103 applicants on the waiting list in August 2009. This is an increase from 908 in 2007.

◆ Of the 1103 on the waiting list[56]:
  • 767 are awaiting housing;
  • 264 are awaiting transfer housing; and
  • 72 are assessed as homeless.

◆ The Household Groups on the waiting list include the following[56]:
  • Single person = 49.50%;
  • Couple = 30.64%;
  • Single parent = 17.14%; and
  • Shared household = 2.72%.

◆ Results from the 2001 census are used to quantify homes by type (see Table 1). The private rental market accounted for 7.27%, similar to Scotland as a whole. The social rental market was 25.83%, slightly lower than the Scottish figure. The number of properties that were owned, at 63.37%, was in line with Scotland as a whole[21].

Table 1: Homes by Type (from 2001 census)[21]

Tenure	Shetland	Scotland
Total number of households (with residents)	9,111	2,192,246
% Owned	63.37	62.59
% Rented from council	22.88	21.57
% Other social rented	2.95	5.58
% Private rented (unfurnished)	3.67	3.1
% Private rented (furnished)	3.6	3.61
% Living rent free	3.52	3.55

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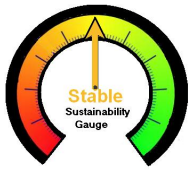
Quality of Housing

- In 2005, the Scottish Executive defined that in order to meet The Scottish Housing Quality Standard (SHQS) social rented dwellings must meet the following standards by 2015:
  - Free from disrepair;
  - Energy efficient;
  - Provided with modern facilities and services; and
  - Healthy, safe and secure.

  The Council and Hjaltland Housing Association (HHA) are actively planning investment in their stock to ensure compliance, continuing to work towards achieving the Scottish Housing Quality Standard by 2015[57]. There is currently no equivalent standard for the private sector.
- At present there is £850,000 per annum available for private sector grants.
- The Scottish Local House Condition Survey in 2005/06 estimated that 3.7% of Shetland's private sector housing (a total of 282 homes) fell below the Best Tolerable Standard (BTS)[58].
- 75% of 'Your Voice' respondents agreed somewhat or strongly with the statement: ''If I were buying a new house, I would be prepared to pay 10% more at the outset for energy-saving equipment and features[59]''.

Appropriateness and Affordability of Housing

- At August 2007, it was estimated that house prices were being procured at 14% above the asking price[60].
- During the second quarter of 2009, the average price for a house in Shetland was estimated to be £108,920; this was an increase from £103,705 in 2008[61], but a decline from 2007, at £118,535. The average price for a house in Scotland is £155, 691[62].
- The total number of residential sales in 2008 was 355, a decrease from 375 in 2007[63].
- The average income of households in Shetland is just under £33,000[64].
- In 2008/09 average weekly rents were third highest in Scotland at £54.39 (£3.88 higher than the Scottish average). The Council has held its rent increases to inflation for the past six financial years[65].

Homelessness (see Figure 12)[66]

- The number of homeless presentations continues to increase, with 262 in 2007/08.
- The Housing Service has a legal duty to comply with the Scottish Government target of ensuring that 'all unintentionally homeless households are entitled to settled accommodation by 2012'.
- 51% of all households who presented were assessed as homeless in 2007/08 (134 of 262 households)[67].
- Despite these figures, 37% of 'Your Voice' respondents did not think homelessness was an issue in Shetland[59].
- The biggest group to become homeless are males above the age of 25 (24.4%), whilst 30.6% of presentations involve children.
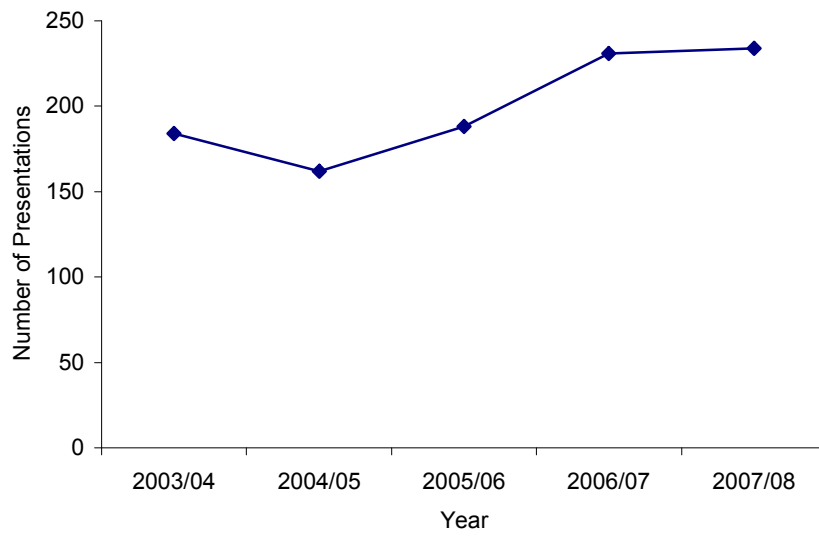
TRANSPORT & COMMUNICATIONS (STRONGER)

Bus passenger numbers have risen steadily. Recorded passenger numbers on Shetland's inter-island ferries has seen an increase of 8.9% between 2007 and 2008. Vehicle numbers on inter-island ferries has seen a 2.7% decrease in the same period.

The cost of fares increased for all internal and external forms of transport.

Shetland has a high uptake of SDL and ADSL Internet connection.

What is measured

Indicators used, for local and external transport, are as follows:
- Availability and Usage
- Accessibility and Cost

Local transport includes private cars, taxis, buses, and inter-island ferry routes.

External transport includes external air and sea routes.

Broadband access can partly be used as a measure of progressive electronic communications. Other measures are under development.

Availability, Accessibility, Usage and Cost of Internal Transport (see Figure 13 & 14, and Table 2 & 3)

Table 2: Number of Vehicles Licensed (of different vehicle type) in the Shetland Islands[68]

◆ The total number of vehicles licensed continues to rise with a 25.6% increase from the year 2000

	2000	2002	2004	2005	2006	2007	2008
Private Cars and Light Goods	10,378	11,135	11,697	12,114	12,467	12,604	12,913
Public Transport Vehicles	81	74	75	83	90	90	94
Others (Goods, Agricultural, Motorcycles etc)	1,473	1,626	1,754	1,753	1,846	1,883	1974
Total	**11,932**	**12,835**	**13,526**	**13,950**	**14,403**	**14,577**	**14,981**

Table 3: Bus Services Usage[69]

◆ Bus usage continues to increase, except in the town and to the North Mainland. The largest increases in passenger numbers between 2001 and 2008 was to Burra/Scalloway, the South Mainland service and Unst.
◆ The cost of journeys by bus continues to increase. In 2006 a return trip between Sumburgh and Lerwick increased from £4.20 to £5.60 in 2009. A

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return trip between Sandness and Lerwick increased from £6.10 to £7.40 for the same period.

Route	2003	2005	2006	2007	2008
South Mainland	93,797	98,770	110,804	117,294	118,091
North Mainland	71,116	70,997	68,125	68,417	63,453
Laxo/ Vidlin	7,881	6,770	7,189	7,345	6,814
West Mainland	41,982	48,612	50,121	50,355	42,576
Scalloway/ Burra	54,302	60,738	56,243	54,489	58,266
Lerwick Town Service	113,039	106,781	105,858	103,539	95,009
Yell	4,653	7,062	9,780	10,153	3,031
Unst	1,950	2,159	3,085	3,949	10,198
Total	**388,720**	**401,889**	**411,205**	**415,541**	**397,438**

Figure 13: Inter-Island Ferry Usage: Passengers[70]
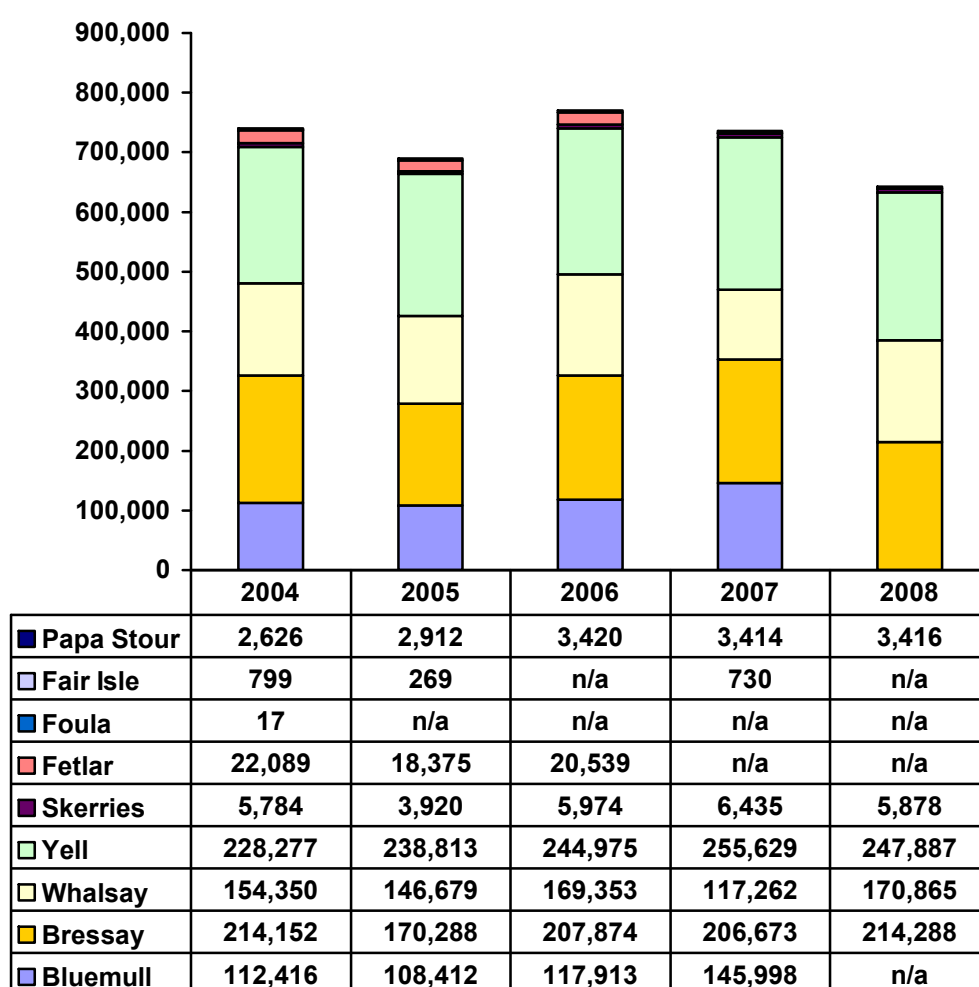
	2004	2005	2006	2007	2008
■ Papa Stour	2,626	2,912	3,420	3,414	3,416
□ Fair Isle	799	269	n/a	730	n/a
■ Foula	17	n/a	n/a	n/a	n/a
■ Fetlar	22,089	18,375	20,539	n/a	n/a
■ Skerries	5,784	3,920	5,974	6,435	5,878
□ Yell	228,277	238,813	244,975	255,629	247,887
□ Whalsay	154,350	146,679	169,353	117,262	170,865
■ Bressay	214,152	170,288	207,874	206,673	214,288
■ Bluemull	112,416	108,412	117,913	145,998	n/a

◆ Discounting the Bluemull, Fetlar and Fair Isle crossings, since there is no consistent data available for these routes, the total number of passengers on the inter-island ferries has increased from 589,413 in 2007 to 642,334 in 2008 (a 8.9% increase)[71].

◆ Return fare for passengers on inter-island ferries range from 'free of charge' to £6.40[72].

Figure 14: Inter-Island Ferry Usage: Vehicles[70]
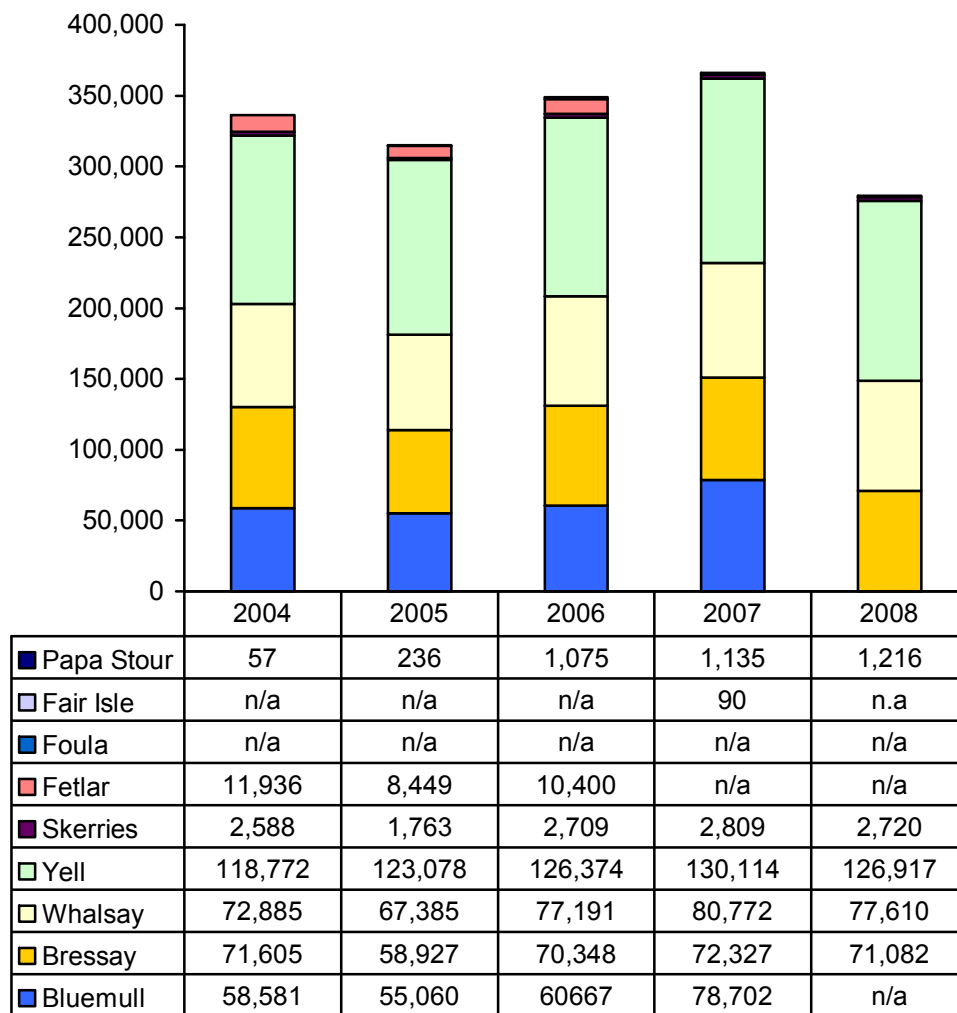
	2004	2005	2006	2007	2008
■ Papa Stour	57	236	1,075	1,135	1,216
□ Fair Isle	n/a	n/a	n/a	90	n.a
■ Foula	n/a	n/a	n/a	n/a	n/a
■ Fetlar	11,936	8,449	10,400	n/a	n/a
■ Skerries	2,588	1,763	2,709	2,809	2,720
□ Yell	118,772	123,078	126,374	130,114	126,917
□ Whalsay	72,885	67,385	77,191	80,772	77,610
□ Bressay	71,605	58,927	70,348	72,327	71,082
■ Bluemull	58,581	55,060	60667	78,702	n/a

◆ Discounting the Bluemull, Fetlar and Fair Isle crossings, since there is no consistent data available for these routes, the total number of passengers on the inter-island ferries has decreased from 287,157 in 2007 to 279,545 in 2008 (a 2.7% decrease).

◆ Return fares for vehicles range between £6.20 and £30, and return fares for commercial vehicles range between £19 and £154[72].

Availability, Usage and Cost of External Transport (see Table 4)

◆ At Sumburgh Airport, flights operate regularly to and from Kirkwall, Fair Isle, and Aberdeen, Edinburgh, Glasgow and Inverness. Connections are available to the UK and international airport network.

◆ From Sumburgh to Aberdeen there are:
  • four flights Monday to Friday;
  • two on Saturday; and
  • three on Sunday.

◆ There are two flights daily to Inverness (via Orkney) during the week, no flights on Saturday and one on Sunday.

◆ There are two flights each day to Edinburgh, and one flight each day to Glasgow[73].

◆ The Air Discount Scheme was launched on 18 May 2006 and provides a 40% reduction on airfares before tax from eligible areas (including Shetland)

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to Glasgow, Edinburgh, Aberdeen or Inverness. In February 2008 it was agreed that the scheme would run for another 3-year period until 31 March 2011.

Table 4: Costs of Return Flights (economy) from Shetland to Scottish Mainland (leaving and returning on same day, and according to the length of time booked ahead)[74]

| Length of time booked ahead: | Sumburgh to: | | | | | | | | | |
| | Aberdeen | | Edinburgh | | Glasgow | | Inverness | | Kirkwall | |
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
1 Day	£193.20	£355.10	£284.70	£395.30	£284.70	£395.30	£223.20	£328.20	£150.20	£196.20
1 Week	£193.20	£335.10	£284.70	£375.30	£284.70	£385.30	£209.20	£308.20	£143.20	£164.20
1 Month	£103.20	£291.10	£224.70	£235.30	£239.70	£288.30	£139.20	£146.20	£105.20	£89.20
6 Months	£103.20	£239.10	£119.70	£145.30	£119.70	£130.30	£110.30	£90.20	£79.20	£89.20
8 Months	£81.20	£239.10	£149.70	£115.30	£134.70	£145.30	£166.30	£132.30	£97.20	£64.20

◆ Passenger numbers at Sumburgh Airport have fluctuated over the years, decreasing from ~480,000 in 1991 to a low of ~116,000 in 2005 (see table 5). This low is partly due to a decrease in the number of Helicopter passengers.

◆ Passenger numbers have since increased to ~145,000 in 2009. Increases in passenger numbers are likely due to enhanced scheduled flights to and from Aberdeen, Edinburgh and Glasgow and, the establishment of the Scottish Executive's Air Discount Scheme (ADS) in May 2006.

◆ Passenger numbers at Scatsta have increased from 15,000 in 1991 to 259,000 in 2009[75]. The airport at Scatsta is operated by the oil industry.

◆ Between 1991 and 2008 there has been an overall decrease in the number of people employed at the airports, from 357 to 283[69].

Stable
Sustainability Gauge

Table 5: Airport Passengers (000s)[76]

Year	1991	1996	2001	2003	2004	2005	2006	2007	2008	2009
Scatsta	15	79	247	230	229	239	255	253	242	259
Sumburgh[77]	433	401	137	139	118	116	136	147	153	145
Total	**448**	**480**	**384**	**371**	**349**	**359**	**395**	**405**	**400**	**409**
Tingwall	11	4	2	2	2	4	4	5	5	5
Unst	85	18	.25	---	---	---	---	---	---	---

◆ Ferry fares between Aberdeen and Lerwick vary by the season, ranging from £22.10 to £33.90 for adults (single passage) and £11.10 to £17.00 for children (aged 5-15). Infants travel for free.

◆ Islander discounts are also available.

◆ Cars cost between £90.10 and £121.00 (single passage). Cabins cost between £57.40 and £114.70 (single passage), although cheaper berths in shared 2- and 4-berth cabins are also available[78].

Table 6: Cost of Sea Journeys[78]
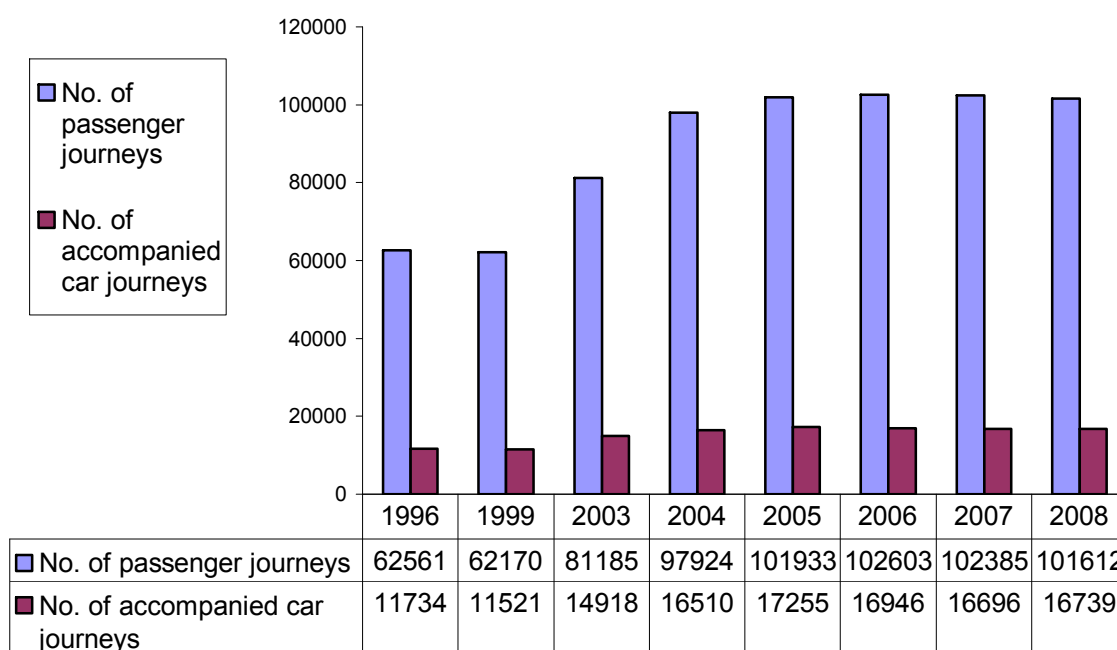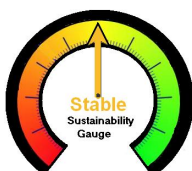
	Cost for a single journey for a family of 4, with cabin			Cost for 1 adult, no cabin, (single)		
	August 2007	August 2008	August 2009	August 2007	August 2008	August 2009

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Shetland – Aberdeen route (Northlink)	£179.50	£184.20	£191.30	£20.80	£32.70	£33.90

◆ The number of accompanied car journeys on the Lerwick-Aberdeen route has increased from previous years and now remains stable[75]. Passenger numbers reached a peak in 2006 but has decreased slightly in recent years.
◆ Availability, usage and cost of external forms of transport have remained relatively stable in recent years.
◆ The main reason people choose air travel rather than the ferry is that air travel is faster, while people choose to travel by ferry because it is cheaper[79].

Figure 15: P&O and Northlink Passengers and Accompanied Car Journeys[75]

Stable
Sustainability Gauge

	1996	1999	2003	2004	2005	2006	2007	2008
No. of passenger journeys	62561	62170	81185	97924	101933	102603	102385	101612
No. of accompanied car journeys	11734	11521	14918	16510	17255	16946	16696	16739

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NATURAL RESOURCES (GREENER)

> **Existing data available to measure the quality of the environment in Shetland, such as air and water quality, paint a good picture. However, further measures are required to ensure the situation is fully understood.**
>
> **Recycling opportunities continue to expand and diversify and new renewable energy possibilities are being explored.**
>
> **The carbon footprint for Shetland and Shetland Islands Councils is currently being established.**

What is measured?

The quality of the natural environment is currently measured by air and coastal water quality (fresh water results require further analysis to produce a useful indicator). The indicators of air and coastal water quality are:

- Marine and terrestrial litter,
- Recycling of waste,
- Energy consumption, and
- Biodiversity, as an important natural resource, initial indicators have been identified for its measurement, but further study is necessary.

Natural Environment

- ◈ Shetland's air quality meets all the criteria set by the national air quality standards:

Table 7: Air Quality and Pollutant Objectives Outlined in the National Air Quality Standards (NAQS)[80]

Pollutant	Concentration	Measured as	To be achieved by
Benzene			
All Authorities	16.25 µg/m^3	Running annual mean	31 December 2003
Scotland	3.25 µg/m^3	Running annual mean	31 December 2010
1,3-butadiene	2.25 µg/m^3	Running annual mean	31 December 2003
Carbon monoxide (CO)			
Scotland	10 mg/m^3	Running 8 hour mean	31 December 2003
Lead	0.5 µg/m^3	Annual mean	31 December 2004
	0.25 µg/m^3	Annual mean	31 December 2008
Nitrogen dioxide (NO$_2$)	200 µg/m^3 not to be exceeded more than 35x a year	1 hour mean	31 December 2005
	40 µg/m^3	Annual mean	31 December 2005
Particulate (PM$_{10}$)	50 µg/m^3 not to be exceeded more than 35x a year	24 hour mean	31 December 2004
All Authorities	40 µg/m^3	Annual mean	31 December 2004
Scotland	50 µg/m^3 not to be exceeded more than 7x a year	24 hour mean	31 December 2010
	18 µg/m^3	Annual mean	31 December 2010
Sulphur dioxide (SO$_2$)	125 µg/m^3 not to be exceeded more than 3x a year	25 hour mean	31 December 2004

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350 µg/m^3 not to be exceeded more than 24x a year	1 hour mean	31 December 2004
266 µg/m^3 not to be exceeded more than 35x a year	15 minute mean	31 December 2005

◆ Coastal Water Quality Standards Criteria are set in bandings between A and D, with A as the highest quality and C and D representing unsatisfactory results. Most of Shetland's coastline is A[81].

◆ Shetland has 81 Site's of Specific Interest (SSSI's) making up 11.6% of land area, 3 National Nature Reserves, 1 Ramsar Site (wetland of international importance), 12 Special Protection Areas and 7 National Scenic Areas. There are also 346 listed buildings and 369 ancient monuments. The Shetland Isles are now classed as a Geopark[82].

Shetland's Consumption of Global Resources (Ecological Footprint)

◆ The ecological footprint is a sustainability indicator, which expresses the relationship between humans and the natural environment. The ecological footprint accounts for the use of natural resources by a region's population. It is a 'snapshot' measure and typically refers to average annual consumption.

◆ To indicate environmental sustainability, the ecological footprint (known as the demand) is compared with the global availability of resources (the supply). Results are usually presented on a per capita basis using a standardised unit of area - the global hectare (*gha*).

◆ The average amount of resources available per capita is known as an 'earthshare'. To calculate an earthshare, the total available land and sea area of the planet is divided equally among the current global population.

◆ It is estimated that the current earthshare is 1.9 gha.

◆ If everyone lived within their earthshare, we would achieve one Planet living with an equitable sharing of resources.

◆ Shetland's ecological footprint is currently 5.69 global hectares per capita. In comparison, in 2001, Scotland's residents' ecological footprint was 5.35 *gha* per capita.

◆ If everyone on the planet consumed as much as an average Shetland resident, an additional 1.9 Earths would be required to sustainably support global resource consumption.

Carbon Footprint

◆ The carbon footprint for Shetland and Shetland Islands Councils is currently being established.

Waste and Recycling
Marine Litter

◆ The annual Voar Redd Up, supported by the Shetland Amenity Trust, has been increasing in size since it was first started in 1987. However 2007 through to 2009 showed a decrease in litter on comparison to the previous year despite of having more volunteers.

Table 8: Voar Redd Up Statistics[83]:

	Organisations	Volunteers	Bags	Tonnes
1988	60	400	5000	20

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1996	125	2800	10000	60
2001	151	3616	10500	60
2005	181	3674	12000	71
2006	185	3787	12000	75
2007	201	4072	12000	55.5
2009	226	4157	11500	54

◆ Marine litter is considered a significant problem in Shetland waters and its beaches. KIMO has calculated that every tonne of marine litter costs fishing fleets £1,300 in lost time (e.g. cleaning nets)[84]. This is before adding in loss of catches, damage to gear or disposal. KIMO recently launched the 'Fishing for Litter' campaign, encouraging fishermen to land litter by-catch, thus helping clear up the North Sea.

Municipal Waste

◆ In May 2008 the Shetland Islands Council extended its kerbside recycling scheme to Lerwick. The scheme was originally rolled out to 4500 households in Scalloway in 2004–05. Residents outside Scalloway and Lerwick can either bring their glass and cans to local collection points or deliver them to the civic amenity site.

◆ There are approximately 40 recycling points in Shetland, giving a ratio of 1 per 150 households. However, these points tend to be concentrated in more densely populated areas making recycling more difficult for those living in remote areas.

Energy (see Table 9)

Stable
Sustainability Gauge

◆ The local electricity grid is supplied by Scottish Hydro-Electric (SHE) from the oil fired Gremista Power Station and from excess energy produced by gas turbines at the Sullom Voe Terminal.

◆ Shetland relies on oil and waste gas for 93% of its energy production and this is not sustainable in the longer term.

Table 9: Electricity Generation ('000s)[69]

	1971/72	1981/82	1991/92	2001/02	2005/06	2006/07	2007/08
Units Generated (GWh)	32.32	143.54	170.02	230.60	225.88	217.06	226.52
Maximum demand (mw)	11.7	36.0	41.2	45.2	47.0	48.1	48.6

◆ Shetland now generates seven times more electricity than in the year 1971/72 and maximum demand has increased around four fold.

◆ The Energy Recovery Plant in Lerwick generates hot water by burning waste for the Lerwick District Heating Scheme, which is operated by Shetland Heat Energy and Power Ltd (SHEAP).

◆ The Plant burns 22,000 tonnes of waste per year and generates 7MW of energy. The waste comes from Shetland, Orkney and Offshore[85].

◆ Waste is tipped into the waste bunker before it is fed into the furnace chute by an overhead crane/grab, at a rate of approximately 3 tonnes per hour.

Figure 16: Breakdown of Electricity Generation[86]

Legend:
- Gremista (GWh)
- Sullom Voe (GWh)
- Burradale (GWh)
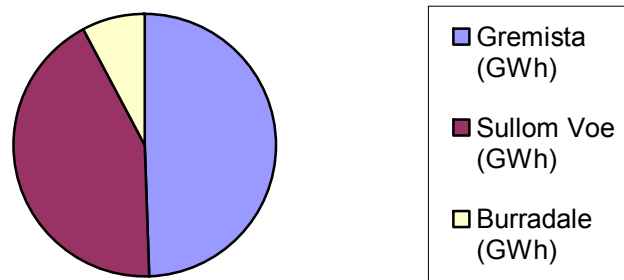
◆ The estimated total CO_2 emissions for the housing stock in Shetland is an average of 14 tonnes per property per year[58].

◆ The 5-turbine windfarm at Burradale has a total output of 6.68MW, which can power 2000 homes and saves Shetland 6,200 tonnes of carbon dioxide emissions per year[87].

◆ Shetland Wind Power Ltd provides domestic wind power systems to households, community centres, and small businesses across Shetland.

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ECONOMY (WEALTHIER)

The Gross Regional Domestic Product (GRDP) per capita of Shetland is lower than that of the UK as a whole. Fisheries output, oil and the public sector remain the three largest sectors in the economy, considerably higher than agriculture, tourism and knitwear.

87.5% of the working age population is currently economically active, with the public sector dominating all employment.

The average wage per week increased by ~£60 between 2005 and 2009, and remains above the Scottish average

Shetland has a job density of 1.08 compared to 0.84 in Scotland. The density figures represent the ratio of total jobs to working-age population.

Despite a recent rise in unemployment rate, Shetland continues to have one of the lowest unemployment rates in the country.

The number of new business start-ups has increased from 2007 – 2008.

The number of cruise liner passengers has increased by 40% between 2008 and 2009.

What is measured?
The state of the economy in Shetland is measured by the:
- Level of economic activity in Shetland (overall GVA[88] and GDP[89]);
- Public and private sector spending and the value of key sectors; and
- Employment – which is currently measured in several local indicators:
  - Number of jobs
  - Average income
  - Employment rates
  - Employment by sector;
  - Percentage of population that is economically active;
  - Unemployment rates
  - Business performance (number of new business start-ups; number and scale of business failures; and business profitability).
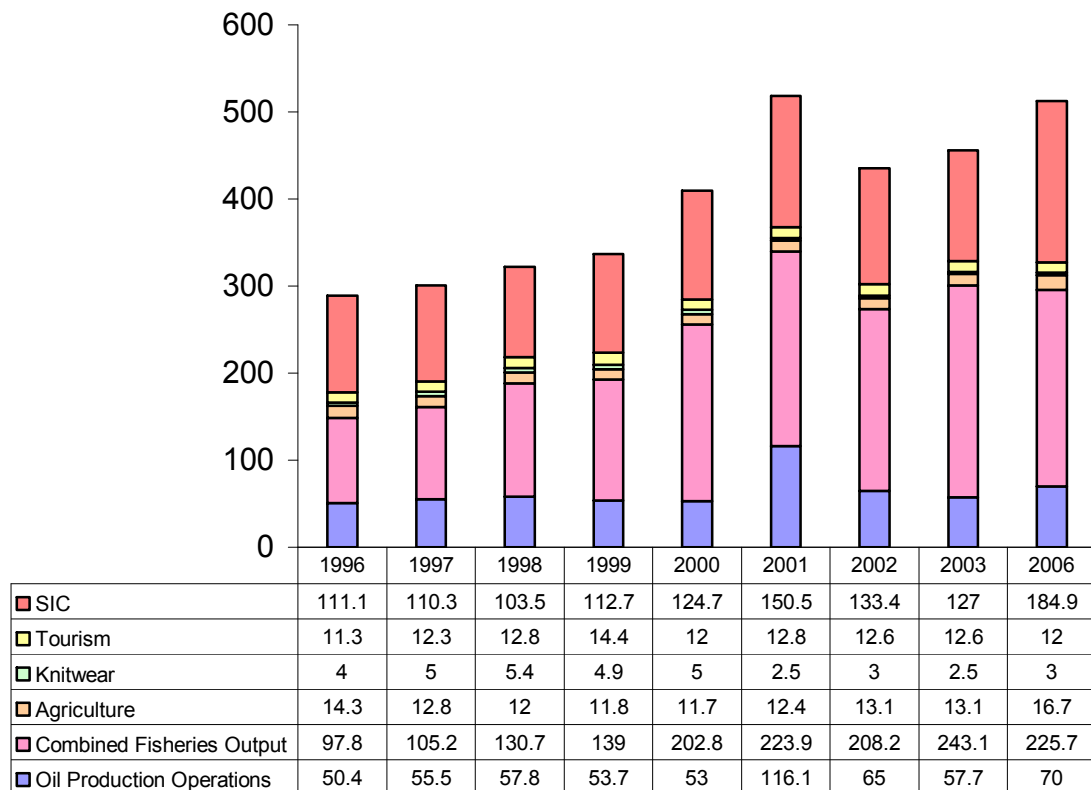
Economic Activity (see Figure 17)

- The total output of all economic sectors in Shetland in 2005 was calculated to be £705,705,000[90]. When compared to the total output of all economic sectors in Shetland in 1998 (£761,261,000), there has been a recent decrease in economic value in Shetland[90].
- Shetland's Gross Regional Domestic Product (GRDP) was calculated to be £333,403,150. This equates to a GRDP per capita of £15,245[91], which is comparable to the GRDP per capita for the UK, £18,515.
- The key sectors within the Shetland economy are Combined Fisheries Output and the Shetland Islands Council[90].

◆ The economic output of traditional sectors agriculture and knitwear are much lower.
◆ The value of tourism has been fairly stable at £13 million between 1996-2006.
◆ The Economic Value of the Childcare sector in Shetland estimated that it contributed £10.4 million to the Shetland economy each year[92].

Figure 17: Value of Key Sectors of the Shetland Economy (£m), 1996-2006[93]

	1996	1997	1998	1999	2000	2001	2002	2003	2006
■ SIC	111.1	110.3	103.5	112.7	124.7	150.5	133.4	127	184.9
□ Tourism	11.3	12.3	12.8	14.4	12	12.8	12.6	12.6	12
□ Knitwear	4	5	5.4	4.9	5	2.5	3	2.5	3
□ Agriculture	14.3	12.8	12	11.8	11.7	12.4	13.1	13.1	16.7
■ Combined Fisheries Output	97.8	105.2	130.7	139	202.8	223.9	208.2	243.1	225.7
■ Oil Production Operations	50.4	55.5	57.8	53.7	53	116.1	65	57.7	70

◆ During the period 2003-2006, Gross Value Added (GVA)[94] per head in Shetland increased, from £15,184 to £18,836. The 2006 GVA value for Shetland is similar to the Scottish average of £18,246. It is also above the average GVA for the Highlands & Islands, of £13,996[95].
◆ 2006 is the most recent data we have available at present.
◆ GVA per employee in three sectors, Construction, Manufacturing and Services is illustrated in Figure 18. Services and construction saw a decline below Scottish Average in 2007. Manufacturing saw an increase in Shetland, but still remains below the Scottish average[96].

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Figure 18: GVA per Full-Time Employee for Three Sectors in Shetland[96]

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Construction Shetland	15877	20680	24322	26995	30331	33281	38251	47773	71304	48011
Construction Scotland	23224	26950	29010	31538	32737	37450	38036	40598	47675	50061
Services Shetland	18114	20993	19398	18858	16884	13534	28429	26970	29437	18035
Services Scotland	22397	21159	21680	24684	25526	25554	28501	26910	29874	29458
Manufacturing Shetland	30470	22825	19331	26450	29418	24242	25756	48456	26967	48157
Manufacturing Scotland	38969	36494	37816	39036	43593	46694	52046	54,144	61402	61252

Employment

- During the financial year 2007/08, 12,600 people were recorded as economically active in Shetland (89.2%)[97], dropping to 11,600 (87.5% of the population) during the financial year 2008/09. This is still above the Scottish average of 79.7%.
- 11.2% of working age Shetland residents are self-employed. This is above the Scottish average of 7.6%[97].
- Of the 11,600 individuals who were economically active in 2008/09, 6,400 were male and were 5,300 female[97].
- In the financial year 2008/09, 85.5% of the Shetland working age population were in employment, compared to 75.4% in Scotland[97].
- The public sector dominates employment in Shetland, employing 19% of the total population[98].
- Shetland has a job density of 1.08 compared to 0.84 in Scotland. The density figures represent the ratio of total jobs to working-age population[99].
- Comparing employment by sector, the percentage of all employed in Shetland for the following sectors remains above the Scottish average:
  - Skilled trades occupations
  - Personal service occupations
  - Process, plant and machine operatives
  - Elementary occupations

Figure 19: Employment by Sector, For the Financial Year 2008/09 (Shetland vs. Scotland)[97]
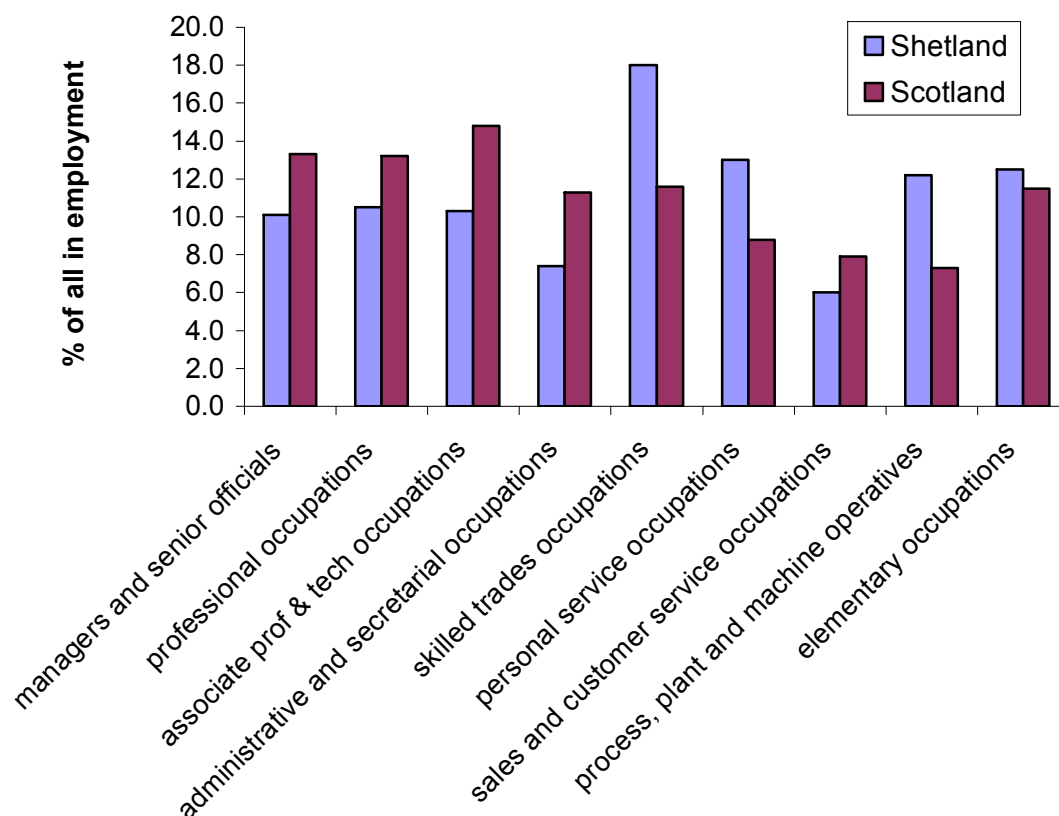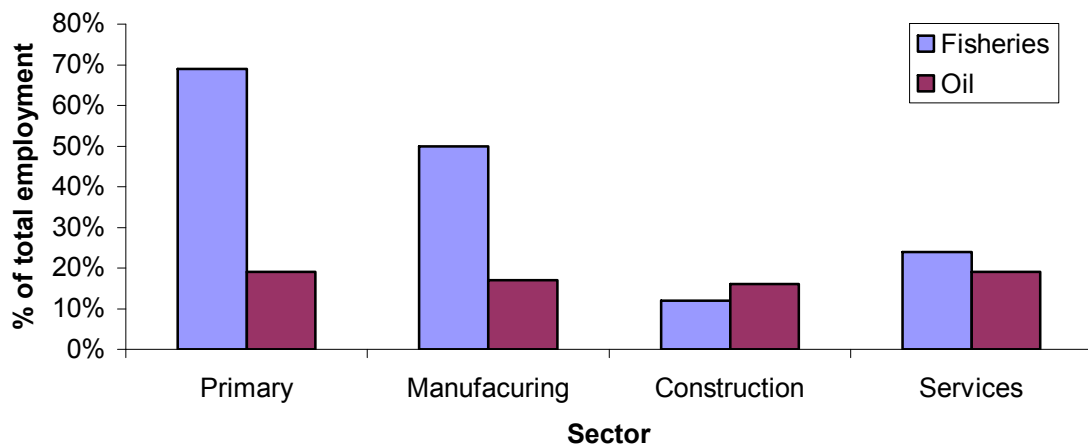

Unemployment

◆ During the past 30 years, Shetland has benefited from one of the lowest unemployment rates in the country. Unemployment stood at 2.2% in April 2004 and fell to 0.7% in June 2008. However, during the financial year of 2008/09 the unemployment rate in Shetland has risen to 2.3%[97].

◆ The rate tends to rise in winter months due to a reduction in tourism and primary industries.

◆ The Scottish average unemployment rate stood at 5.5% during the 2008/09 financial year.

◆ 1,700 individuals were recorded as economically inactive in 2008/09, an increase of 300 from the previous financial year[97].

Private Sector

◆ The 2007 Shetland Employment Survey found 5,296 full time employment (FTE) jobs in the private sector in Shetland, and 53% of these (2,807 jobs) are directly dependent on either oil or fishing industry[100].

Oil[101]

◆ In 2007, employment figures at Sullom Voe oil terminal were 219 full time and 1 part time employee. There were also 130 full time and 4 part time employees at SIC Ports and Harbours at Sella Ness. Estimates suggest there were 350 sub-contractors on-site in 2007.

◆ The 2007 employment survey found 19% of FTE jobs in the private sector are directly dependent on Shetland's Oil Industry. The highest dependency, of 24%, occurs in the primary sector; with many of these jobs directly involving operations at the Sullom Voe Oil Terminal[100]. Figures also show 97 full time and 14 part time jobs in Lerwick, which are wholly or partially oil-related.

◆ In 2007, Sullom Voe handled 7.1% of all foreign and domestic oil & gas traffic in the UK, and 11.8% of crude oil traffic. In 2005, Sullom Voe handled 8.2% of all foreign and domestic oil & gas traffic in the UK.

◆ In 2008, employees at Scatsta Airport decreased to 86. Scatsta Airport dealt with 243,087 passengers and 10,696 aircraft movements. There has been a decrease in employees and airport passengers from 2007 data.

Fishing

◆ In 2008, 182 fishing vessels were registered and licensed and have Lerwick as the administrative port (48 > 10m, 134 < 10m). In June 2006 40 > 10m and 134 <10m)[102].

◆ In 2008 it was recorded that a total of 473 fishermen were employed in Shetland, of which 257 were regularly employed and 216 were irregularly employed. This is a decrease from 2007, with 352 regularly employed and 174 irregularly employed[102].

◆ The 2007 Shetland Employment Survey found that 34% of private sector full time equivalent jobs are directly dependent on the fishing industry[100].

◆ The highest dependence, 69%, exists within the primary sector (fish catching and fish farming) followed by manufacturing at 50%.

◆ Processing operations, which focus on high quality fish products, employ approximately 55 people, with a further 50 people employed in the recent expansion of Lerwick Fish Traders.

Agriculture
◆ In 2008, the Agriculture sector in Shetland comprised of 2,114 employees, 250 full time, 1,795 part time and 69 casual and seasonal workers[103].
◆ In 2008 there were 1,876 holdings in Shetland totaling 80,841 hectares, which illustrates a reduction from 2006 (1,972 holdings totaling 80,854 hectares. This can be compared to 2,076 holdings totaling 78,235 hectares in 2000, which shows the average size of holdings has increased[103].

Tourism
◆ There were a total of 104,241 visitors to Shetland in 2006 and an estimated direct expenditure of £16.43 million[104].
- 59,924 arrived by air and sea, of which 24,744 were holiday travelers and 22,099 were business travelers.
- 44,327 arrived by liner and yacht.
◆ During 2005, Visit Shetland recorded 1740 bed spaces occupied by tourists to the islands, which was above the average for the past 20 years.
◆ Accommodating tourists accounted for 372 jobs in 2003 (a 29% decrease since 1991).

Cruise Liners[105]

	2005	2006	2007	2008	2009
Passengers	17,532	25,966	18,462	17,148	24,146
No. of Liners	48	43	42	41	46

◆ The number of cruise liners visiting lerwick harbour has remained relatively steady over the past 5 years (between 41 and 48).
◆ The number of passengers increased by 40% between 2008 and 2009, following a 12% increase in the number of cruise liners visiting Shetland.

Other Industries
◆ Those employed and self-employed in the knitwear sector fell by 33% between 1999 and 2004, from 128 to 86, while the number of home knitters fell from 960 to 750.

Income
◆ The average annual income of households in Shetland is just under £33,000[64].
◆ Households with children have the highest average income, over £48,000.
◆ Households without children have an average income of just over £36,000
◆ Retiree households have a much lower level of average income, just over £15,000[106].

Table 10: Average Earnings by Residence - Gross Weekly Pay[107]

Gross Weekly Pay	2005	2006	2007	2008
Shetland £	499.30	493.60	594.30	560.70
Scotland £	479.40	498.50	512.30	537.70

◆ High-income averages can mask poverty and deprivation making it more difficult to identify and tackle. Those earning the current minimum wage of £5.80 (for workers over the age of 22) and working a 40-hour week, will earn

£232 a week before tax[42], which is far below the average gross weekly pay across the whole of Shetland of £560.70.

Table 11: Sources of Household Income

	Shetland[64] 2003, %	Western Isles[108] 2003, %	Scotland[109] 2003/4, %
Wages and Salaries	68	70	65
Self Employment	14	8	8
Investments	5	1	2
Pensions	11	14	13
Social Security Benefits & other	2	7	12
Total	100	100	100

Business Performance

- There was an increase in business start-ups from 66 in 2007 to 84 in 2008.

Table 12: Business Start-ups in Shetland[110]

	2004	2005	2006	2007	2008
Business Start-ups	109	85	111	66	84

- There is no complete annual data for 2009 at present. However, in the first three quarters of 2009, there were 40 new business start-ups, compared with 57 in the same period in 2008 and 37 in the same period in 2007.
- Respondents to the 2007 Employment Survey indicate that 13% of organisations have an annual turnover of less than £10,000, 34% have a turnover between £10,000 and £100,000, 39% have an annual turnover of £100,000 to £1 million and 14% had an annual turnover greater than £1 million per year[100].

Electronic Communications

- BT found Shetland and Aberdeenshire to be the first local authority areas in Britain to have more than half their homes and businesses connected to ADSL[111]. In May 2007 Shetland had 50.7% uptake[112].
- Just under 49% of 'Your Voice, spring 2007' respondents with a computer said that they used ADSL Broadband to connect to the internet, a further 24% used another broadband connection and 20% used a standard modem[59].
- Shetland Islands Council is planning a 3 year pilot project to establish the viability of using wireless technology to deliver high speed broadband to Shetland communities. The two areas that have been earmarked for the project are Vidlin and Fetlar [113].

ICT in Shetland Businesses[100]

- The results from the 2007 Shetland Employment Survey have shown that 83% of all organisations in Shetland have access to e-mail compared with 73% in 2003. 82% had access to the Internet in 2007 compared with 77% in 2003.
- 44% of Shetland organisations have their own marketing / information websites and 14% have their own trading website.

◆ 15% of businesses have none of the ICT specified in the survey (i.e EDI, trading websites, marketing/information website, Internet or e-mail.
◆ Larger organisations are more likely to have access to ICT (see figure 21).

Figure 21: ICT Use by Organisation Size[100]
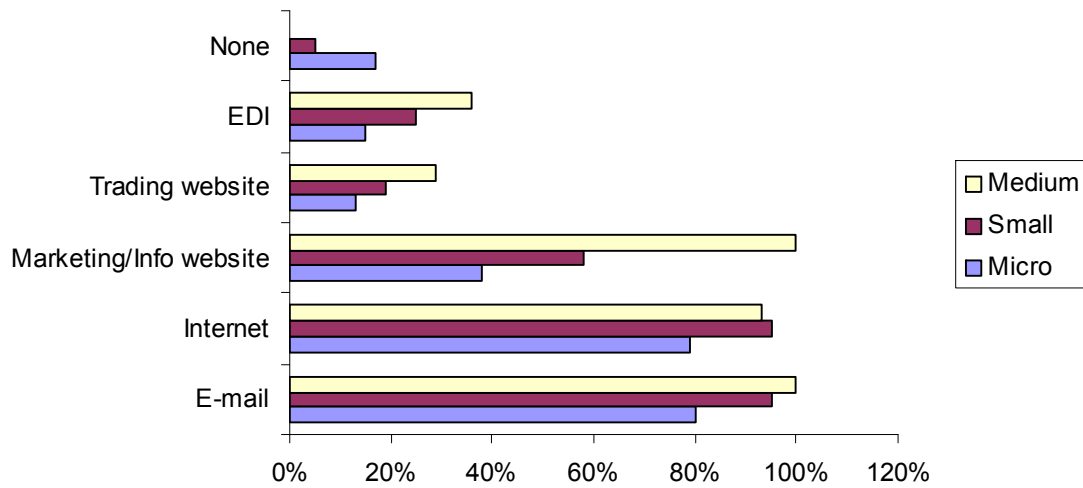
SOCIAL WELFARE

> **The cost of living is higher, particularly for essential items. This makes it particularly difficult for those on low income and/or national benefits.**
>
> **The uptake of national benefits remains stable, but is felt to be lower than entitlement. Only 6.1% of the Shetland population are claiming key benefits.**
>
> **The Scottish Index of Multiple Deprivation (SIMD) 2009 shows that 10.5% of the Shetland population (2,315 individuals) are income deprived, an increase from 8.8% in SIMD '06[9].**
>
> **There is a lack of registered childminders throughout Shetland and there are still gaps in provision, which restricts parents' access to learning and employment opportunities.**
>
> **Fuel poverty remains high.**

What is measured?
Assessment of social welfare in Shetland is measured by
- The cost of living,
- Deprivation and average benefit levels;
- The percentage of families in fuel poverty;
- The availability of childcare; and
- Pension arrangements available.

The Cost of Living
- The Scottish Index of Multiple Deprivation 2009 (SIMD09) showed that 10.5% of the Shetland population (2,315 individuals) are income deprived, an increase from 8.8% in SIMD '06[9].
- A study in 2005 found that mean expenditure for 26 categories of household expenditure in Shetland totalled £1203.77 per month (or £14,445 per annum). Of this monthly expenditure, housing cost £99.79[114].
- The cost of living in Shetland in 2003 was 0.3% higher than the Scottish urban average[115].
- Essential items such as food was considerably higher than the Scottish Urban Average whilst housing and motoring expenses were lower.
- The cost of essential items makes it more difficult for households on national benefits to make ends meet than in other parts of the country[42].

Benefits
- Shetland continues to have a low percentage of the working age population claiming key benefits. The total percentage of population claiming key benefits stood at 6.1% in 2009[116]. The rate of those eligible may be higher as the complicated national benefit system is a hindrance to people claiming the benefits they are entitled to[42].
- The Jobseeker's Allowance (JSA) is payable to people under state pension age who are out of work or working less than 16 hours per week on average.
- At May 2009, there were 180 people claiming JSA. This is a 50% increase on the previous year, but a 31% decrease since 2006.

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Table 13: Number of Benefits Claims (Shetland and Scotland figures)[117]

	February 2005	February 2006	February 2007	February 2008	February 2009	May 2009
Benefits claimants						
Shetland	1,420	1,450	1,380	1,270	1,330	1,330
Scotland	575,240	562,940	546,300	525,350	569,100	570,030
Jobseekers						
Shetland	250	260	210	120	190	180
Scotland	92,790	93,810	86,110	75,340	123,040	122,710
Incapacity Benefits						
Shetland	770	760	740	730	730	730
Scotland	322,730	311,960	304,070	295,530	290,680	292,500
Lone Parents						
Shetland	140	150	140	120	120	120
Scotland	68,570	65,730	63,910	59,930	58,910	57,760
Carers						
Shetland	70	80	70	80	80	80
Scotland	34,400	34,780	35,020	35,360	36,430	36,810
Other on income related benefits						
Shetland	40	40	40	40	40	40
Scotland	15,320	14,650	15,020	16,250	16,180	15,860
Disabled						
Shetland	80	90	110	120	130	130
Scotland	26,960	28,750	30,310	32,570	34,480	35,210
Bereaved						
Shetland	70	60	60	60	50	50
Scotland	14,470	13,260	11,850	10,380	9,380	9,190

Table 14: Benefits Clients: Working Age Client Group (Shetland and Scotland figures)[117]

Age Group	February 2005	February 2006	February 2007	February 2008	February 2009	May 2009
16-24						
Shetland	170	180	160	160	180	180
Scotland	73,250	72,530	69,570	66,270	82,420	81,940
25-54						
Shetland	880	880	820	730	780	780
Scotland	365,000	356,070	347,820	336,500	363,040	364,490
over 55						
Shetland	380	380	400	380	370	370
Scotland	136,970	134,310	128,870	122,550	123,620	123,580

Table 15: Job Seeker's Allowance Claimants by Age, Duration of Claim and Gender[118]

Age range	July 00	July 01	July 02	July 03	July 04	July 05	July 06	July 07	July 08	July 09
Total	401	178	244	256	246	225	207	137	100	195

18-24	105	40	65	50	60	55	45	35	20	50
25-49	180	85	120	135	135	115	100	65	65	105
> 50	70	45	55	55	45	40	60	35	15	35
Up to 6 months	255	120	180	165	175	150	125	95	75	135
6-12 months	65	15	30	45	40	35	55	20	15	30
>12 months	45	35	30	35	30	40	25	20	5	25
Male	284	128	178	206	183	167	143	102	75	150
Female	117	50	66	50	63	58	64	35	25	45

- There is currently no data available on numbers of people in occupational pension schemes or those with no arrangements.
- In May 2009, 960 people in Shetland were claiming Pension Credit. Local professional opinion indicates there is a low uptake of this benefit locally.

Table 16: Pension Credit Claimants[119]

Age	August 04	August 05	August 06	August 07	August 08	May 09
60-69	210	215	215	230	230	235
70-79	310	295	355	300	290	275
>80	420	465	440	455	455	450
Shetland	940	975	1,010	985	975	960

Fuel Poverty

- According to the results from the Scottish House Condition Survey it is estimated that 22% of households in Shetland are fuel poor and 9% are classed as extreme fuel poor[120]. This is almost double the Scottish average of 13% fuel poor households, and 6% extreme fuel poor households[121].
- Shetland has the third highest fuel poverty level in Scotland and the sixth highest extreme fuel poverty level[121].

Childcare

- There is a lack of registered childminders throughout Shetland and there are still gaps in provision, particularly for the 0-3 year age group. Lack of childcare can be a barrier to employment opportunities for parents.
- An extract from Anderson Solutions Report presented to Development Committee on 2 October noted:

"There are challenges, which suggest the potential value [of childcare] is not being realised, and that some elements of existing provision are under threat, which would, if lost, create a knock-on negative economic impact in the wider Shetland economy. Difficulties that can be encountered by parents include:
- *Those with young children (under 2 years) can only access either childminders or private nurseries and there are limited spaces due to childminder/staff ratio restrictions*
- *It can be difficult to find a single solution for one child as it is very difficult to find full-time childcare anywhere in Shetland. This leads to fragmented childcare provision*

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- It can be even more difficult to find a single solution for two or more children in Shetland which, can create significant problems for parents, particularly if each child is in more than one form of childcare."

Children's Welfare

- There has been a steady increase across Scotland of the number of children referred to the Child Protection Agency.
- Although there is a rise in numbers of children being referred to the Child Protection Agency, Shetland remains the area with the lowest number of children registered in Scotland.

Table 17: Number of Child protection Referrals & Registrations in Shetland[122]

	2005/06	2006/07	2007/08	2008/09
No. of Referrals	71	74	90	111
No. of Registrations	18	11	14	15

Disability

- There are 2,300 people of working age with a limiting long-term illness in Shetland – 811 of whom are economically active.
- In June 2008 the total population in Shetland with a:
  - Learning Disability = 195 (includes 72 under the age of 16).
  - Physical Disability = 755
  - Visually Impaired = 74 (however there is known to be a problem with under-reporting)
  - Hearing Impaired = 24 (again there is a significant problem with underreporting)[123].
- The number of Disability Living Allowance claimants has steadily increased since 2002, from 580, to 750 in 2006 and 890 in 2009[124].
- An estimated 11.4% of private sector households have at least one member with a long-term illness or disability (this figure includes vision and hearing disabilities).

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COMMUNITY (FAIRER)

> The total Community Council electorate in Shetland has increased from 17,168 to 17,331 between 2006 and 2008.
>
> Community groups and volunteering continue to flourish, with an increase in the number of grants awarded in 2008/09.
>
> There are signs of decreased involvement in sport and leisure activities, and use of library and learning centre facilities.
>
> Work continues on community inclusion, focusing on specific target groups. Enrolment in the English for Speakers of Other Languages (ESOL) classes has increased.

What is measured?

Democracy is measured through the number of people registered on the electoral role, and the number of votes cast in recent political elections in Shetland. Community involvement is measured by number of community groups and volunteering. Other elements of community are measured by attendance at sports and cultural facilities. A study into barriers to participation and opportunity provides a current assessment of community cohesion and inclusion. Social economy is measured through the number of charities registered in Shetland and the charity turnover.

Democracy/Community Influence

- The total Community Council electorate in Shetland has increased from 17,168 to 17,331 between 2006 and 2008[125].
- Turn out for the Lerwick South Local Government By-Election in February 2008 was 39% with 1,331 votes cast compared with a turnout of 55.33% in May 2007.

Community Involvement/Condition of Voluntary and Community Sector

- 36% of Your Voice respondents were working as a volunteer in their community and 46% were involved in a community group in their area[126].
- In 2005/06 the Grant's Unit within the Educational and Social Care Department of the Shetland Islands Council awarded 296 grants to community groups, rising to 354 in 2008/09.

Table 18: Grants Awarded by the Shetland Islands Council[127]

	2005/06	2006/07	2007/08	2008/09
Grants Awarded	296	349	309	354

Sport and Cultural Recreation

Table 19: Swimming Pool Attendance[46]

	2004/05	2005/06	2006/07	2007/08	2008/09
Total attendances at pools	347,752	342,827	340,923	270,370	265,700
Attendance at pools per 1,000 population	15,901	15,626	15,581	12,357	12,105

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Table 20: Total Attendances for Other Indoor Sports and Leisure Facilities Excluding Pools[46]

	2004/05	2005/06	2006/07	2007/08	2008/09
Total	374,538	420,611	376,655	327,452	323,055
Attendance per 1,000 population	17,126	19,171	17,214	14,966	14,718

◆ Attendance at the cinema has increased in recent years. The figure for 2009 is currently incomplete but attendances in 2008 saw a 7.4% increase from 2006.

Table 21: Attendance at the Cinema[128]

	2005	2006	2007	2008	2009 (until end Oct)
Garrison Theatre Film Attendance	19,989	17,876	18,838	19,204	15,024

◆ Library visits have increased in 2008/09 from previous years but the number of borrowers has seen a decrease from 35.1% of the resident population in 2006/07 to 34.2% in 2008/09.

Table 22: Library Borrowers[46]

	2004/05	2005/06	2006/07	2007/08	2008/09
Number of Library Borrowers	7,805	7,759	7,729	7,595	7,509
As a Percentage of resident population	35.7%	35.4%	35.1%	34.7%	34.2%
Number of Library visits per 1,000 population	/	/	8,024	8,045	8,398

◆ The number of Learning Centre and Learning Access Point users has decreased in recent years, with a decrease from 26.0% of the resident population in 2006/07 to 21.6% in 2008/09.

Table 23: Learning Centre and Learning Access Point Users[46]

	2004/05	2005/06	2006/07	2007/08	2008/09
No. learning centre and learning access point users	3,178	4,640	5,720	5,158	4,734
As a percentage of the population	14.5%	21.1%	26.0%	23.6%	21.6%
Number of times learning access terminals accessed per 1,000 population	979	1,307	1,254	1,128	1,046

Community Inclusion

◆ The adult learning service provides a universal programme of classes throughout Shetland, focused on specific target groups in order to promote community inclusion and encourage those who would not normally take part in learning. Key work to engage target groups include:

- Offender Learning programmes

- Highland Lives/Changing Scenes – employability project with unemployed adults
- Independent Living Project – tenant and communication groups
- ESOL classes (English for Speakers of Other Languages
- Welcome Point for migrant workers
- Work with young people in Bridges Project
- Employability programmes

◆ During 2006/07 32 people took part in English for Speakers of Other Languages (ESOL) classes. In 2008/09 this increased to 137[129].

Table 24: Number of Enrolments in Joint ESOL Programme[129]

	2005/06	2006/07	2007/08	2008/09
No of enrolments in joint ESOL Programme	0	32	110	137

Social Economy

◆ There are over 600 community groups in Shetland.
◆ Shetland has the greatest number of charities (per 10,000 resident population) in Scotland (nearly three times the average for Scotland), and the greatest turnover and profitability (per 10,000 resident population)[130].

Table 25: Number of Charities in Shetland[130]

	2005	2007	2008
Number of Charities	200	292	291

Charity Turnover and Profitability

◆ The total current annual income for charities registered throughout Shetland is £54,160,407[130].

Stable
Sustainability
Gauge

CRIME (SAFER)

> **Both reported offences and registered offences have been slowly decreasing over the past few years. There were a total of 2009 criminal offences in 2008/09, a reduction of 200 from 2005/06. Overall detection/clear up rate is 70% (one of the highest in the UK).**
>
> **Between 95% and 99% of people feel the area they live in is safe or very safe. The proportion of people worried about becoming a victim of crime is lower in Shetland (30%) than the Northern Constabulary area as a whole (47%).**
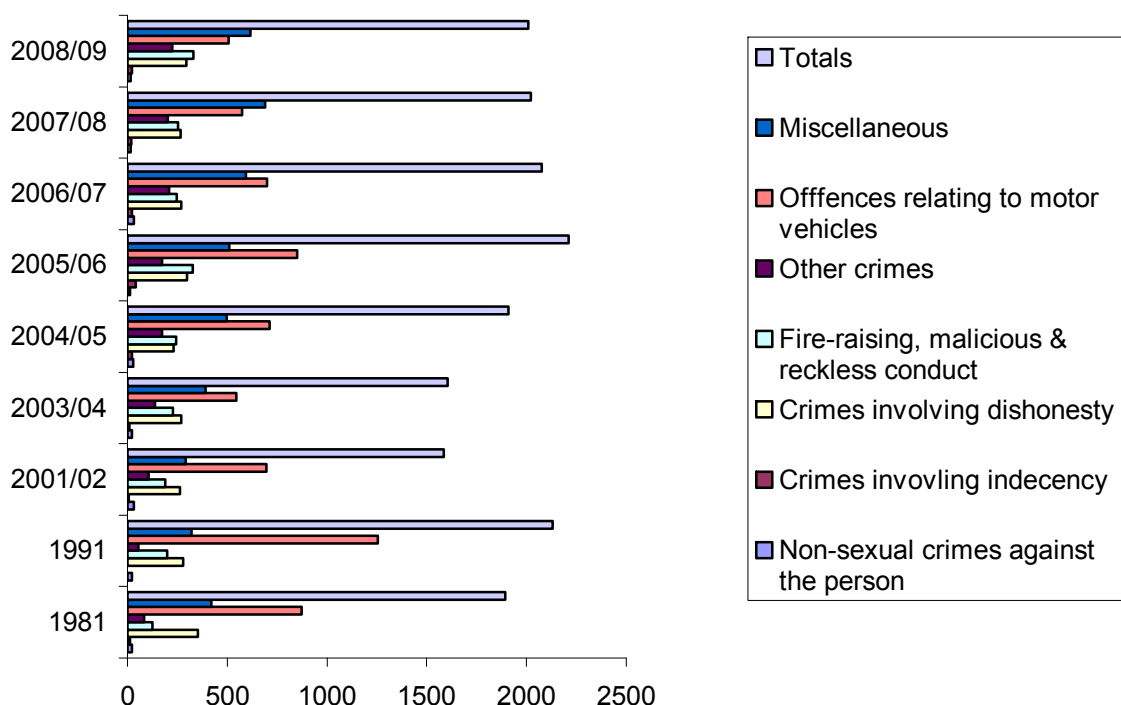
What is measured?

Indicators measured currently are:
- Crime rate figures (Northern Constabulary); and
- Fear of crime, which is measured using a survey undertaken by the Northern Constabulary on a two yearly basis.

Crime Levels
Figure 22: Total Number of Criminal Offences 1981 – 2008[131]

- Since 2005/06 there has been a total decline in the number of criminal offences. The total number of criminal offences peaked in 2005/06. The total clear up rate for all class 1-5 crimes was 70%, which is one of the highest in the UK.

Domestic Abuse
- There were 78 reported incidences of domestic abuse during the year 2008/09, a decrease from 88 in 2007/08.

Fear of Crime

- The Northern Constabulary reported that the number of people who rated the area within 15 minutes of their home as safe or very safe rose from 96% in 2003 to 99% in 2005. This has however fallen to 90% in 2008. 10% of respondents answered that they were fearful of crime in their local community[132].

- 80% of respondents from the 2008 Spring edition of Your Voice felt that Shetland was very safe[132].

- Within the last 12 months, 10% of respondents had been 'a victim of crime', of which[132]:
  a. 43% was antisocial behaviour;
  b. 20% was housebreaking or theft;
  c. 17% was vandalism;
  d. 10% physical/verbal abuse; and
  e. 10% disorderly behaviour/intimidation.

- 29% of those who responded to the 2008 Spring Your Voice survey said they were worried about becoming a victim of crime.

- The main things (in order of importance) that people felt would make them feel safer in their local area were\;
  1. Prompt response from the police;
  2. Persistent local offenders being tackled;
  3. Police working with other agencies to address problems;
  4. High visibility police patrols;
  5. Neighbourhood support workers; and
  6. CCTV in the area.

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[11] Currently, there is no comprehensive system that registers migration in the UK, either moves to or from the rest of the world, or moves within the UK. Nationally, estimates are based on the National Health Service Central Register (NHSCR) for moves between health board areas within the UK, and the International Passenger Survey (IPS). There are problems with the NHSCR as there are thought to be problems with people not deregistering with a GP. Anecdotal evidence also suggests that migrant workers are less likely to register with a GP. The IPS contacts a small percentage of migrants for the survey, particularly for Scottish migrants, and therefore estimates derived from the IPS are subject to larger sampling and non-sampling errors and is considered less reliable than UK level estimates.

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[65] SIC. Housing Service, 2009. *Council House Rent.* [Online] http://www.shetland.gov.uk/counciltax/HowMuchDoIPay.asp

[66] SIC. Housing Service, 2009. *Homeless leaflet.* [Online] http://www.shetland.gov.uk/housingoptionsguide/informationandadvice/ (A person is defined in current legislation as homeless or threatened with homelessness when that person is without any accommodation in which they can live with their family, where they are unable to gain access to their accommodation, they may have accommodation but it is "unreasonable"; or is overcrowded and a danger to health or their only accommodation is a caravan or boat and they have nowhere to park it. (SIC Housing leaflet)

[67] SIC Housing Service, 2008 [sourced via e-mail]

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[69] SIC. Economic Development, 2009. [sourced via e-mail]

[70] SIC, Infrastructure, 2009. [sourced via e-mail] (figures are from 1st Jan – 31st Dec of each year)

[71] The removal of ticket machines on particular inter-island ferry routes meant that the total number of passengers between years was not comparable. The Bluemull, Fetlar and Fair Isle ferry routes have therefore been discounted during analysis of figures to ensure a valid comparison of trends across years.

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[73] Flybe, 2009. *Timetable.* [Online] http://www.flybe.com/timetableService/bookingTimetable.do

[74] Flybe, 2009. *Flight Search.* [Online] http://www.flybe.com/destinations/default.htm (This table represents the cost of flights to particular destinations when booked 1 day in advance, 1 week in advance, 1 month in advance and so on. Where possible the data was a day return, where leaving flight was before 9am and the return flight was after 6pm. However, the Glasgow service, for example, only runs once a day. Cheaper flights may be available if travelling at different times).

[75] SIC, Infrastructure, 2009. [sourced via e-mail] (2009 figures not available at time of print)

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[81] SEPA, 2007. Water Framework Directive.

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[86] Gremista PowerStation/Burradale windfarm/Sullom Voe, 2007 [sourced via e-mail]

[87] Burradale Windfarm, 2007 [sourced via e-mail]

[88] Gross value added (GVA) provides a more realistic indication of an areas productivity. It is a measure of the market value of all the final goods or services produced after the deduction of input costs incurred in the production process (excluding wages and capital investment costs).

[89] Gross Domestic Product (GDP) provides an indication of areas productivity. It is the market value of all the final goods and services produced, and can be broken down into sectors.

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[92] SIC, 2008. *Economic Impact of Childcare Services* [available from Anderson Solutions 2008]

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[119] Nomis, 2009. *Benefit Claimants – Pension Credits for Small Areas, 2009.* [Online] https://www.nomisweb.co.uk/Default.asp

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[127] SIC, Economic Development, 2009. [sourced via e-mail]

[128] Shetland Arts, 2009 [sourced via e-mail]

[129] SIC, Adult Learning, 2009. [sourced via e-mail]

[130] OSCR, Office of the Scottish Charity Regulator, 2009. [sourced via e-mail]

[131] Northern Constabulary, 2009. *Public Performance Report 08/09*. [Online] http://www.northern.police.uk/Public-Performance-Reports/ppr-2008-09.pdf

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Shetland
Islands Council

REPORT

To: **Audit and Scrutiny Committee**   **18 January 2010**

From: **Chief Executive**

Governance
Report No. CE-03-F

1   Introduction

1.1   The Audit and Scrutiny Committee has asked the Chief Executive to produce a report on Governance – Update at its meeting of 25 November 2009. This update is expected to contain the Chief Executive's current thoughts and proposals for any structural changes.

2   Background

2.1   Good governance of this Council has three key elements:
- Delivery of high quality services;
- Delivery of such services in a timely and cost effective manner;
- Open and constructive communications of our performance both internally and externally.

2.2   Structures are necessary for the provision of good governance, but do not of themselves ensure high quality or poor performance. As such, structural changes should only be made to address areas where problems are identified, or where existing structures place a barrier to further development.

2.3   On taking up post the Chief Executive, referring to ongoing Audit Scotland assessment, and through discussions with various parties, considered that:
- Public Services are being delivered to a high standard,
- There is little evidence that these are being achieved at best value in terms of cost and timescale,

2.4   In contrast to the high focus on delivery of services, corporate decision making is often protracted, inefficient, time consuming and needlessly costly,

There exists a perception that the Council body is not functioning as a cohesive whole.

2.5   Audit Scotland has highlighted key areas of concern surrounding:

- Management of assets, capital programme prioritisation and efficient procurement;
- Financial Reporting;
- Corporate Decision Making by Members.

3   Link to Corporate Priorities

3.1   The recommendations in this report support the aims of the Corporate Plan 2008-11 relating to a sustainable organisation and improving Council business to ensure that the Council's priorities can be delivered in an efficient and sustainable way.

3.2   There are no significant risks associated with the recommendations in this report.

4   Changes Implemented to Date

4.1   The Chief Executive has implemented several initiatives, with his Executive team to address these areas.

4.1.1 <u>Effective and Coherent Officer Performance</u>
- Weekly meetings of the Executive, chaired by the Chief Executive have been initiated and have been taking place since June 2009.

- Leadership Team meetings have been initiated. The Leadership Team includes the full Executive and all Heads of Service. This team meets each cycle to address corporate issues in a cross functional and co-operative manner.

- An Oil Liaison Group has been established by the Chief Executive which meets fortnightly. A dedicated manager (Paul Wishart) has been given responsibility as project manager for this area.

4.1.2 <u>Officer / Member Liaison</u>
- In July, a Senior Officer / Member Liaison Group was established to meet each cycle to discuss the key issues affecting the Council. Addressing concerns at the informal nature of this initiative, the group was formalised at the full SIC meeting of 9 December.

- A Best Value Seminar is being organised by the Executive for the members in January 2010.

- A Corporate Policy Seminar is being organised by the Executive for Members in early 2010.

4.1.3 <u>Communications</u>

<u>Internal</u>
- The Executive has started producing a monthly bulletin for all employees.

- The Leadership meeting includes a feature at each meeting where a designated Head of Service makes a presentation on their department then hosts a question and answer session.

<u>External</u>
- Weekly press briefings are now held by the Chief Executive each Tuesday at 3.30pm for the local media.

- Press procedure has been formalised, with identified media contacts for each area.

- The Chief Executive has persuaded SOLACE to feature Shetland as one of 4 Best Practice Councils at the annual SOLACE conference in January. A 5 minute film will be premiered at the event prior to daily screening on SKY for a week.

4.1.4 <u>Management of Assets, Capital Programme Prioritisation and Efficient Procurement</u>
A structural change has been approved which will see the creation of the new posts of Head of Capital Programming, Asset Manager and Procurement Manager. This will allow all capital assets to be managed from need identification and prioritisation through to procurement and delivery. Following Council approval, the recruitment process has commenced.

4.1.5 <u>Financial Reporting</u>
The Leadership team has been used as a forum for cross functional performance in preparing both capital and budgeting proposals.

4.1.6 <u>Corporate Decision Making by Members</u>
Officers have worked with elected members to facilitate decision making in areas such as the location of the Anderson High School which now has a formally approved preferred site, the Mid-Yell extension's size and the Whalsay terminal location. This has involved preparing costed options and public consultation to assist in decision making.

5 Future Proposed Changes For Consideration

5.1 The Chief Executive advocates the approach of targeting key change areas implemented through establishing, embedding and emboldening ie clearly identifying the change needed, implementing the change, allowing time for

the change to take root and stablise followed by confident performance in the new structure.

In addition to the above changes which have been implemented, the Chief Executive believes the following should be given consideration in the near future:

5.1.1 <u>Finance Committee</u>
Establish a Finance Committee to facilitate financial decision making and governance with improved understanding openness and visibility.

5.1.2 <u>Service Delivery / Corporate Policy</u>
Consultation on how best to separate Service Delivery from Corporate Policy and Planning. This may involve consideration whether benefits could be achieved by centralising cross service functions such as Housing New Build and Planning, or conversely, how to ensure effective cross functional co-operation within existing structures. Given the unsettled nature of the last few months and the pending Focussed Audit, it is recommended that this is progressed following the establishment of the changes now being implemented.

5.1.3 <u>Communication</u>
Given the at times volatile nature of local media reporting, in addition to seeking improved media relations, consideration should be given to producing a regular public communication, highlighting what we have been achieving for the community.

6. Financial Implications

6.1 There are no financial implications arising from this report.

7. Policy and Delegated Authority

7.1 The remit of the Audit and Scrutiny Committee includes the co-ordination of policy and planning, as well as service performance, evaluation and reviews [Section 10.0 of the Council's Scheme of Delegations]. It is therefore within its remit to consider the issues contained in this report and make any recommendations considered necessary to the Council.

8. Recommendations

8.1 This report recommends that the Audit & Scrutiny Committee notes the substantial progress made to date in addressing the areas of need within the Council as detailed in this report and recommends that the Council;

8.1.1 Approves the establishment of a Finance Committee, with a separate report to be presented by the Chief Executive to the next meeting of the Council on the role, remit and membership;

8.1.2 Agrees to the production of a draft public communication for consideration at the next Audit and Scrutiny Committee meeting;

8.1.3 Agrees to the Executive giving future consideration to how best Service Delivery and Corporate Policy can be developed in the long term.

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