HIGHLAND COUNCIL

Committee:	Highland Council
Date:	22 September 2022
Report Title:	**Annual Corporate Performance Report 2021/22**
Report By:	The Chief Executive

1. Purpose/Executive Summary

1.1 This report provides performance information on the delivery of the Council's Corporate Plan 2017-2022. It is a key annual report forming part of the Council's overall performance management framework and supports meeting the Council's Statutory Duty on Public Performance Reporting. This is the final year of reporting and following Local Government Elections a new Council Programme is being developed and a new Corporate Plan will follow for 2022-27. The Corporate Plan covers the Council's Programme, along with the strategic, operational and improvement priorities of the Council which reflect the Council's budget strategy and the Health & Prosperity Strategy. This report covers the period 01 April 2021 to 31 March 2022 and as predicted, and signposted in the report for 2020/21, the full impact of COVID on the Council's performance framework is now evident.

1.2 COVID has impacted in widely varying ways across the Council's Statutory Performance Indicators (SPIs) which form most of the framework for monitoring the delivery of the Corporate Plan. The data for these indicators was reported to Council on 10 March 2022 outlining the challenges of reporting in a COVID context with service delivery disrupted, staff redeployed and baselines for indictors no longer being relevant to measure progress against targets. As reported to Council on 10 March, it is not possible to provide an overall assessment of progress for 2021/22 and this applies similarly to the Corporate Plan.

2. Recommendations

2.1 Members are asked to:
   i. Scrutinise the report on the final year of the current Corporate Plan for the period 01 April 2021 to 31 March 2022.
   ii. Await a further report on Statutory Performance Indicators (SPIs) and the Local Government Benchmarking Framework no later than March 2023.
   iii. Note that the Annual Performance and Attitudes Survey (APAS) will be carried out over Autumn 2022 using a hybrid approach to securing public opinion.
   iv. Note that Service Plans will be updated to reflect the new Corporate Plan and submitted to the first cycle of Strategic Committees in 2023/24.

3. Implications

3.1 Resource – There are no new financial implications due to this performance report. However, progress outlined should be noted in the context of the current financial climate.

3.2 Legal – Implications relate to meeting statutory requirements for public performance reporting (PPR).

3.3 Community (Equality, Poverty and Rural) – The report identifies several relevant outcomes. This includes working with partners and communities to reduce inequality and tackle poverty and discrimination (outcome 3.1), support economic growth and create and protect jobs across Highland (outcome 4.2), working with partners to ensure fewer people experience transport as a barrier to accessing opportunities (outcome 4.5), and promoting the Highlands as a diverse, safe, and friendly place to live, study, work and live (outcome 5.1).

3.4 Climate Change / Net Zero – This report identifies commitments on climate change, such as progress to develop a Highland-wide Climate Change Adaptation Strategy and reducing the Council's carbon emissions (outcomes 5.3 & 5.6).

3.5 Risk – Reporting progress on the delivery of the Corporate Plan is an important strategic assessment of the Council's performance and an important element of external audit's assessment of the Council under Best Value. Any inability of the Council to demonstrate Best Value represents a high-level reputational risk, with Best Value assessed annually by the Council's external auditor. A Best Value Assurance Report of the Council was completed in 2019/20 and identified a need to drive improved performance. An improvement plan was agreed by Council in March 2020 and a separate report to this Council provides an update on progress delivering improvement actions. The setting of stretch targets by Members in the Corporate Plan was critical to responding to the findings of the report and driving continuous improvement.

3.6 Gaelic – The Corporate Plan has a commitment to the delivery of the Gaelic Language Plan (Outcome 2.7). Progress on the Gaelic Language Plan is reported quarterly to the Gaelic Committee.

4. Background

4.1 This report provides performance information on the delivery of the Council's Corporate Plan. It is a key annual report forming part of the Council's overall performance management framework and meets the Council's Statutory Duty on Public Performance Reporting. This is the final year of reporting for 2017-22 and following Local Government Elections a new Council Programme is being developed and a new Corporate Plan will follow for 2022-27.

4.2 An annual report of Corporate Performance is prepared each autumn. It covers performance for the previous financial year and analyses the most recent data available to provide a progress report on the delivery of the Council's Corporate Plan. The Corporate Plan covers the priorities set in the Council's Programme, along with the strategic, operational and improvement priorities of the Council which reflect the Council's budget strategy and the Health & Prosperity Strategy.

4.3 The Council's organisational principles are to be ambitious, sustainable and connected. For public performance reporting (PPR) this means connecting with the public by measuring our performance, reporting on it publicly and listening to communities, to ensure the Council is delivering services that provide Best Value for Council taxpayers and demonstrate the Council's ambition. This report is therefore a key element of the Council's PPR. This report will also be scrutinised by Audit Scotland and our external

auditors Grant Thornton and informs the ongoing assessment of the Council under Best Value.

4.4   The latest full set of data for the indicators in the Corporate Plan is for 2020/21 along with a small number of actions where the status of these as at the end of 2021/22. The data for 2020/21 does represent a further year of data for reporting against the plan targets agreed in September 2019. It should be noted that the Council considered this data when it was reported to Council as part of the Statutory Performance Indicator (SPI) and benchmarking report on 10 March 2022. The Council has been consistently advised on the significant lag in data being verified at a national level and returned to the Council for use.

4.5   The option of producing local data trends ahead of nationally verification was reported to Council in last year's report as a partial solution. However, this was not been possible due to the impact of COVID-19 and the delay nationally in the production of Local Financial Returns (LFRs). While this approach will be revisited to provide information on progress against local trends in the future, it is unlikely that the national verification of data timescales will change. This means there will continue to be a significant lag in receiving our benchmark position to assess progress against corporate targets or drive improvement and local trend data provides a limited assessment of progress.

5.   Corporate Plan Progress - 01 April 2021 to 31 March 2022

5.1   The Annual Performance Report normally analyses the performance indicators set out in the Corporate Plan against the targets set by Council and their related performance thresholds. COVID has impacted in widely varying ways across the Council's Statutory Performance Indicators (SPIs) which form most of the framework for monitoring the delivery of the Corporate Plan. The data for these indicators was reported to Council on 10 March 2022 outlining the challenges of reporting in a COVID context with service delivery disrupted, staff redeployed and baselines for indictors no longer being relevant to measure progress against targets. As reported to Council on 10 March it is not possible to provide an overall assessment of progress and this also applies to the Corporate Plan. However, for transparency a full dataset is provided at Appendix 2 along with an assessment against target which needs to be considered alongside the COVID impact provided in order to provide adequate context. This analysis will provide helpful context when indicators and targets are set for the new Corporate Plan.

5.2   While the focus of measuring progress delivering the Corporate Plan is on performance indicators, trends and targets, the Accounts Commissions Statutory Direction covering the requirements for public performance reporting (PPR) also looks to qualitative as well as quantitative evidence. Appendix 1 provides case studies against each of the themes of the current Corporate Plan, providing qualitative evidence of what is being achieved and that progress can be demonstrated in part without data. It is also important to highlight that despite COVID disruption the Council continued to deliver quality services. The intention would be to provide such qualitative evidence in future reports to give a richer picture against the performance indicators and targets in the new Corporate Plan.

6.   Highland Council response to COVID-19

6.1   During 2020/21 the Council was presented with unprecedented demands in order to respond to and work towards recovery from the COVID-19 emergency and this needs to be recognised in any performance report where the most up to date data available is drawn from national benchmarking for 2020/21. Last year's annual report focused on the very many achievements of staff during this period and new Members of Council may be interested to review this report which can be found here.

6.2 In order to recognise the achievements of staff during COVID, Staff Recognition Awards were organised in the early part of 2022, and an award event held on 1 April 2022. Submissions were invited across 6 categories:
- Staff Commitment to Supporting Their Communities
- Innovation and Agility
- Pace of Change
- Cross Service Collaboration
- Partnership Collaboration Local Area Responses
- Working with Communities

In addition, the Convener made two Awards and the Chief Executive made awards for Kindness to Staff and Kindness to the Public. Details are provided at Appendix 3.

7. Statutory Performance Indicators 2020/21 and Public Opinion Survey

7.1 The Council is required to report on its Statutory Performance Indicators (SPIs) within 12 months of the end of the financial year they refer to. These SPIs include both Local Government Benchmarking Framework (LGBF) indicators and locally defined performance indicators (LPIs). The Council is currently in the process of completing data returns to the Improvement Service for 2021/22 which will enable LGBF performance indicators to be calculated, and data is being collected for the Council's LPIs. A report for 2021/22 will be presented to a full Council meeting no later than March 2023.

7.2 In addition, the Annual Performance & Attitudes Survey of public opinion (not possible in 2020 or 2021 due to COVID) will commence over Autumn 2022 and report to Council in March 2023. The survey is normally issued to the Council's Citizens' Panel but a required refresh of the panel during the early part of 2022 was unsuccessful in securing enough participation. Discussion with colleagues in other local authorities suggests this is not a unique situation and is a likely consequence of so many other communication channels opening up during COVID. The Council's Executive Leadership Team has approved a hybrid approach which will utilise those that have volunteered to join the Citizens' Panel (maintaining the panel and continuing to recruit to it) but also using the Council's website and social media to promote and encourage responses to the survey.

8. Directorate Service Plans

8.1 Draft Directorate Service Plans are currently being presented to Strategic Committees and following finalisation of the new Council Programme and Corporate Plan they will be updated and finalised for 2023/24 and presented to Strategic Committees in the first quarter of 2023/24. These plans will focus on delivering the Council's Corporate Plan, be based on the analysis of Directorate performance data, identified risks and the key strategic operational priorities for the Service in order to plan performance improvement. The plans will continue to be reviewed annually to take account of any agreed changes to the Corporate Plan or feedback from External Audit.

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Date: 06.09.2022
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Corporate Plan

Annual Performance Report 2021/22

Local Voices Highland Choices and The Council's Corporate Plan

The Council's Corporate Plan was set out under the six key themes of the Council's previous Programme, Local Voices, Highland Choices:

1. A Council that champions the Highlands
2. A place to live
3. A place to thrive
4. A place to prosper
5. A welcoming place
6. Your Highland Council

Progress was monitored using a suite of performance measures and actions outlined in Appendix 2. To compliment this, case studies are provided highlighting performance in 2021/22 against the six themes of Local Voices, Highland Choices.

1. A Council that champions the Highlands

Review of Electoral Boundaries

On 16 July 2020, the then Local Government Boundary Commission for Scotland set out their proposals for electoral arrangements in the Highland Council area. The Council opposed these proposals, and the Leader wrote letters to the then Minister for Local Government, Housing and Planning setting out the Council's concerns. This was followed up by letters to Community Councils, MSPs and the Chair of the Commission. In September 2021, the Scottish Parliament's Local Government and Housing and Planning Committee voted to recommend that the proposals by Boundaries Scotland to change the electoral wards in Highland be rejected.

Wick John O'Groats Airport

Funds for a scheduled air service between Wick John O'Groats airport and Aberdeen airport were secured through a Public Service Obligation. It provides a direct connection to the airport hub at Aberdeen for 3 years and is funded by £1M from Transport Scotland and £300k per year from The Highland Council. The flight schedule has been designed to provide maximum opportunity for onward and incoming connections through Aberdeen Airport both nationally and internationally including London Heathrow, Birmingham, Belfast City, Manchester, Newcastle, Bristol, Southampton, Schiphol, Dublin, and Stavanger. It also allows seasonal flights to destinations including Turkey, Spain, Greece and the Canaries.

Digitalisation

As Highland recovers from COVID-19, a key part of this will be to ensure that digital connectivity is available across the region. This will be a critical enabler for individuals, communities, and businesses as they get back on their feet.

In March 2022, The Highland Council announced the completion of a four-year project delivering a gigabit speed fibre optic broadband network to connect 152 public sector sites across Inverness, Fort William, Thurso and Wick. This multi-million-pound full fibre broadband investment into digital infrastructure in Highland was the result of a multi-agency partnership between the Highland Council, UK Government, Capita, CityFibre and other partners.

Further investments and next steps are being prepared, including future benefit from the £5bn Project Gigabit funding. The Council is also examining where the digital infrastructure funding provided by the Inverness and Highland City Region Deal might improve coverage even further.

Shared Prosperity Fund and Levelling Up Fund

Almost £9.5M from the Shared Prosperity Fund was awarded to Highland over a three-year period (1 April 2022 to 31 March 2025). The fund is designed to deliver on the UK Government's commitment to level-up the whole of the UK. The focus is placed on "levelling up" opportunities and prosperity as well as overcoming deep-seated geographic inequalities. Work on the required Investment Plan was undertaken in July 2022 and submitted to the UK Government, which will make decisions on plans beginning October 2022. Due to the time limited nature of the funding available, this money will be best used when it aligns with, and brings added value to, existing activity in three key areas: Community and Place, Local Business Investment, and People and Skills.

In October 2021, the UK Government announced that The Council had been successful in its ambitious levelling up fund bid, Zero Carbon Cultural Regeneration Project. This project will link up Inverness Castle, the Northern Meeting Park and Bught Park to deliver complementary projects driving the environmental, cultural and economic regeneration of Inverness.

Continuing this ambitious programme, The Highland Council submitted two separate bids for round two of the UK Levelling Up Fund in June 2022. These are the North Coast 500 (Transport Bid) and Portree Harbour (standalone Heritage bid).

2. A Place to Live

Tenant Participation and Welfare

The 2021 tenants' satisfaction survey, carried out every 3 years, was completed in Spring 2021 with 1,001 tenants responding. For the safety of tenants and researchers this was carried out via telephone. There was a significant improvement compared to previous satisfaction surveys.

- Satisfaction with The Council as a landlord increased from 78.1% (2018) to 85.91% (2021).
- Respondents who thought the Council's Housing Service was good at keeping them informed increased from 69% (2018) to 93% (2021).
- 94% of respondents were satisfied with the opportunities given to them to participate in the Council's Housing Services decision-making processes; up from 56% in 2018.

Local partnerships between tenant organisations and The Highland Council resulted in positive actions, such as:

- A joint estate inspection was carried out in Windsor Place (Conon Bridge) in June 2021. This resulted in an action plan for the area and plans being made to set up a Community Hub to support local residents.
- In March 2022, volunteers with advice from a Highland Council Officer, joined with Nairn residents to plant 78 fruit trees on Cemetery Brae to create a community orchard.
- Balintore & District Residents Group ran a hugely successful Summer of Hope playscheme with funding from Highland Council and partners.
- The Tenant Participation Team along with High Life Highland restarted the Junior Warden Scheme, which was introduced at Alness and Dingwall Academy. This provides Young People with opportunities to learn about citizenship and their community.

Gaelic

The Council recognises that Gaelic is an integral part of Scotland's heritage, national identity and cultural life. The Gaelic committee meets four times a year. The Gaelic Language Plan 2018–2023 sets out a formal structure for strengthening current developments, introduces new initiatives, and sets clear targets. Quarterly performance updates are made to the Gaelic committee. Key initiatives in 2021/22 included:

- World Gaelic Week held in March 2022, promoting Gaelic for all.
- Royal National Mòd held as a hybrid event in October 2021, providing £1.2m economic benefit to Inverness & Highlands and support for 14 FTE jobs.
- Public consultations on new Gaelic Medium catchment areas carried out at several Primary Schools.
- New Gaelic officer posts created including two Gaelic Advisors with the "Spirit of the Highlands and Islands" project and a Gaelic Youth Ambassador.

Highlight and inclusion of Gaelic in "The Tapestry of the Highlands and Islands" community arts project, marketing for the "Spirit of the Highlands and Islands" project and the design of the new immersive visitor experience being installed in Inverness Castle.

High Life Highland

High Life Highland develops and promotes opportunities in culture, learning, sport, leisure, health and wellbeing throughout the whole of the Highlands, for both residents and visitors. Since being established the number of customer engagements has increased. Performance in 2020/21 was affected by the COVID-19 pandemic and this is reflected in the performance measures. While overall customer engagements (in person & virtual fell in 2020/21 to 4.9m there was recovery to 6.3m in 2021/22. At present there has been a dip in the percentage of the population with an HLH card which stood at 31.8% in 2020/21 with figures for 2021/22 not yet know.

3. A Place to Thrive

SQA attainment

In 2020/21, schools adapted to the Scottish Qualifications Authority's Alternative Certification Model (ACM). The results showed improvements when compared to the 2018/19 and 2017/18 academic years when there was a full exam programme. In 2020/21:

- 38.4% of S4 candidates achieved A-C passes in 5 or more (SCQF) Level 5 courses (National 5), up from 36.5% in 2018/19 and 37.0% in 2017/18.
- 70.1% of S4 candidates achieved 5 or more Awards at SCQF 4 or better, up from 67.9% in 2018/19 and 68.1% in 2017/18.
- 40.6% of S5 candidates achieved A-D passes at SCQF Level 6 (Higher level), compared to 40.1% in 2018/19 and 39.8% in 2017/18. S5 candidates achieving 5 SCQF 6 Awards at Grade A was 6.4%, ahead of the 2018/19 figure of 3.5% and the 2017/18 figure of 2.7%.
- There were also strong results in S6, with 36.9% of the cohort having cumulatively achieved 5 or more Awards at SCQF 6, compared to 34.1% in 2018/19 and 33.8% in 2017/18.

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Highland Virtual Academy

The Highland Virtual Academy (HVA) was commended for its key role during COVID-19 and the positive feedback received from pupils and parents. The HVA is available to senior level pupils at all schools. Its usefulness for language teaching in general was highlighted, citing the benefits of bi-lingualism and the enthusiasm for other cultures this promotes.

As of February 2022, there were 187 pupils from 27 secondary schools undertaking senior phases through the HVA, an increase of 145 pupils since 2017/2018. The HVA is also a key tool for supporting non-attenders and pupils with interrupted learning, building on the experience offering online support during COVID-19.

The HVA is currently working to develop the teaching of Gaelic. The Council is also considering the possibility of the HVA as a means of generating income by offering services out with Highland.

Returning young people to Highland

The Placement Services Change Programme returns young people to Highland from expensive Out of Area residential placements (OOA). The current number of OOA placements is the lowest in over 8 years at 18 young people.

Since the programme began in June 2018, 53 young people have returned to Highland. This has been a result of working closely with social work, housing, education and health colleagues to ensure that appropriate resources are available within the Highlands which meet the needs of young people.

A bespoke residential unit was opened in 2021 to return younger children from Out of Area to Highland. This new provision is now home to three young children for the remainder of their childhoods offering stability, nurture and care. This is coupled with bespoke education packages addressing each child's needs and two linked schools with staff aligned to the children for as long as is required.

Attainment of young people from disadvantaged backgrounds

We continue to work on closing the deprivation-linked attainment gap and saw progress in 2020/21. S4-6 candidates in Quintile 1 achieved A-D pass rates of 92.0% (National 5), 91.2% (Higher) and 93.1% (Advanced Higher), compared to all-candidate pass rates of 92.5%, 92.3% and 93.2% respectively. 2018/19 Quintile 1 pass rates were 85.7% (N5), 85.8% (H) and 53.3% (AH).

Candidates eligible for free school meals also achieved strong A-D pass rates: 91.8% at National 5, 90.2% at Higher and 97.4% at Advanced Higher. The equivalent 2018/19 pass rates were 84.6% at National 5, 88.9% at Higher and 80.8% at Advanced Higher.

4. A Place to Prosper

Highland Employment Recruitment Offer

In March 2021, Highland Council launched its Highland Employment Recruitment Offer (HERO), with its own and external funding, to help people of all ages secure and stay in jobs.

As of December 2021, HERO had directly supported 225 residents into employment. 119 were aged 25 years and over and 106 were under 25 years old. These jobs also include new apprenticeship opportunities.

This was achieved by the funding flexibility afforded with the Council's Economic Prosperity Fund commitment. It allows The Council to offer to business the one scheme but, behind the scenes, to fund it from different sources depending on who is recruited into the post. Funding was extended over financial year 2022/23.

Roads Investment

Increasing investment in roads infrastructure has been a high priority for The Council in recent years. Significant additional capital investment over the course of 2021/22 ensured that many more schemes were completed during the year, leading to long term improvements to the roads network. This will continue into 2022/23 with the delivery of priority schemes identified locally through Area Committees, investment in plant and machinery and active travel improvements.

Financial Year	Core Funding	One-off funded by Council Tax increase	One-off funded by reserves	Total
2019/20	£7.2m			**£7.2m**
2020/21	£7.2m			**£7.2m**
2021/22	£7.2m	£10.0m	£5.5m	**£22.7m**
2022/23	£9.2m	£10.0m	£5.5m	**£22.7m**

COVID-19 Business Grants

The social and economic lockdown curing the COVID-19 pandemic had a significant and adverse impact on the economy. The role of The Council in delivering the COVID-19 business grants has been critical and a lifeline service to businesses. At the start of the pandemic a team was set up to deliver a grant scheme on behalf of the Scottish Government with less than one week's notice to support businesses affected by COVID-19. This grant scheme disbursed over £194M, making over 38,000 payments to over 8,000 businesses. The distribution of business grants continued into 2022.

In February 2022, The Council was delivering seven different COVID-19 grant schemes on behalf of the Scottish Government to combat Omicron disruptions, including the Business Ventilation Fund and the Hospitality Business Top-up Grant Scheme. A further round of the Discretionary Business Grant Scheme providing grants of up to £2,000 was also launched in March 2022 to counter the effects of the Omicron variant.

5. A Welcoming Place

Rural Tourism Infrastructure Fund

Continued longer term growth in tourism allied to the increased interest in domestic trips due to COVID-19 has meant the need for additional investment in tourism infrastructure. In 2021/22, The Council worked with communities across Highland on bids for funding from the Scottish Government's Rural Tourism Infrastructure Fund (RTIF) to support this investment.

Over four funding rounds, just over £5.4m was awarded across 26 projects (Total project value of almost £8.5m).

Eleven projects were either completed or near completion by the end of 2021, contributing expanded parking, ferry slipways, public toilets and facilities. A further 8 projects had construction completed, underway, or scheduled to begin early in 2022.

Through the fourth RTIF round, funding was made available for a Strategic Tourism Infrastructure Development Plan, which The Council submitted to VisitScotland in February 2022. This plan provides medium-long term tourism infrastructure solutions and aims to complement the smaller-scale Visitor Management Plan.

Electric Vehicle Charging Infrastructure

The Council has attracted more than £3.5m investment in electric vehicle (EV) charging infrastructure since 2012. By 2021/22, 85 charging points had been installed and this is expected to rise to over 100 in 2022. Charging sessions on the Council network increased by 19% from 2019 to 2020, indicating an increase in EVs and demand for publicly accessible charging points. The Council's first ever strategic control plan was developed for EV Infrastructure in 2020 providing focus and direction for work streams. A draft fleet decarbonisation plan is also underway.

From June 2021, The Council introduced a tariff at EV charge points, to help recover costs associated with the operation and upkeep of the network. It will also ensure the transition to a more sustainable operating model. In November 2021, The Council participated in a consultation with the Scottish Government on installing Electric Vehicle Charge Points for new residential and non-residential buildings, raising key areas of concern and championing Highland requirements and the needs of our landscape.

Highland Adapts

Highland Adapts, a partnership led by The Council made further progress to bring organisations, businesses, and communities together to develop a shared vision and understanding of climate change risks and opportunities across the region. Successes in 2021/22 include the Climate Action Town workshops held in Alness & Invergordon, and the North Highland and Islands Climate Hub, which focus on taking a place-based approach to supporting communities to take climate action. Other successes include the work done with Tyndall Centre for Climate Research on their OpenClim project, and the creation of a new Highland Climate business team to establish how Highland Adapts can take a collaborative, partnership approach to get Highland businesses climate ready and to net zero.

Inverness Castle

Inverness Castle is being transformed into a sustainable, viable and "must-see" centre that will celebrate the spirit of the Highlands. This is supported by £15 million Scottish Government and £3.1 million UK Government investment through the Inverness and Highland City Region Deal. Work continued on this project in 2021/22.

In July 2021, Mather & Co were announced as the successful exhibition designers for the development and presentation of the Spirit of the Highlands theme. Celebrating and interpreting the 'Spirit of the Highlands' in 100 Stories will be the core theme of the visitor experience. The main construction contract was issued in March 2022 to Bancon Construction Ltd. The visitor attraction is planned to open in 2025 and is estimated to create an additional 275 full time jobs in Highland.

6. Your Highland Council

Hybrid Working

During COVID-19, staff demonstrated the ability to work in new and different ways which, for many traditionally office-based workers, involved working from home on a large scale. Support from our ICT Service included:

- Capacity of secure VPN connections to Council systems from home was for 500 staff in March 2020. Capacity increased to 2,000 by early April 2020 and then for all staff later that month.
- Microsoft Teams deployed to all users by end of April 2020 – allowing remote video and voice meetings plus instant messaging.
- Avaya softphones deployed to laptops to allow external phone calls to be picked up at home.
- Teams and Public-I software configured to allow fully remote and then hybrid committee meetings.
- Provision of 4G MiFi devices and smartphones to staff and pupils with poor connectivity at home.
- Ongoing switch out of over 1,000 desktop computers with laptops.
- Additional monitors, docking stations and other peripherals deployed.

The Council recognises the benefits of a more agile approach to work with hybrid working being widely considered for office-based staff. By modernising our working practices, we will be able to:

- Provide an environment for staff that improves productivity, work-life balance and job satisfaction and retention;
- Improve service delivery for our customers;
- Realise financial savings on buildings and maximise space utilisation;
- Lower our carbon footprint;
- Increase the diversity and inclusivity of our workplace, thereby enhancing our prospective talent pool.

Initially staff will return to their previous workspace and adopt a sustainable and effective split between office, home and any other location required by the role. Our ongoing work in developing a council of the future will focus on evolving smarter and more agile working.

Budget for Health, Recovery and Prosperity

In March 2021, The Council approved its Health and Prosperity Strategy as part of its budget. This is focused on investment in the Highland economy and securing medium term financial sustainability for the Council. The strategy contains three strands:

- Investment in people, infrastructure, places and business across the Highlands;
- Recovery, Improvement and Transformation;
- Key savings themes for delivering a balanced budget.

There was an ambitious investment plan including: £6M Economic Prosperity Fund; £1.5M Visitor Management Strategy; £2.1M place-based investment; and £2.25M for a Recovery, Improvement and Transformation Fund.

The budget includes sustaining non-earmarked reserves above £24.7M. The Council's reprofiled capital plan will see a £260M investment over the next two years.

Financial Reserves

The Council continued to demonstrate strong financial management during 2021/22, with an overall surplus of £9m recorded against the revenue budget for the general fund. This surplus was added to the Council's general reserve which ended the year at £19.3m, producing a reserve level of just over 3% of the annual revenue budget. This was in line with the target level agreed as part of the budget in March 2022. It is essential that this reserve is maintained at a healthy level to allow for investment in change or the management of emergent risks.

Appendix 2: Performance Data Tables
In reviewing this report, it should be noted that the Coronavirus (COVID-19) pandemic began in Scotland in early 2020. This has had an impact both on the ability of the Council to collect and present data on its performance between 2019/20 and 2021/22 and will also have affected the performance of some of the indicators.

Any indicator that is **emboldened** is part of the Council's 27 Key Performance Indicators (KPIs). Each performance indicator has an agreed target and performance against this can be assessed. Where available, data for previous years, national data, and data for councils similar to The Highland Council (Family Group) is also presented. The following symbols are used throughout the report to indicate progress against targets and the impact of COVID-19 on performance:

C	Performance is "Complete"
G	Performance is "On Target"
A	Performance is "Within Performance Threshold"
R	Performance is "No Significant Progress"
	No data or the target for this indicator is yet to be agreed

COVID-19 Impact on Performance	
+ve	COVID has had a significant **positive** impact on performance
☐	COVID had no significant impact on performance or impact cannot yet be determined.
-ve	COVID has had a significant **negative** impact on performance

The tables below use the data and approach to analysis as reported to the Council on 10 March 2022 but setting data out by Corporate Plan themes. Where data is available for 2021/22 this has been provided for information. Analysis focuses on the latest full data set which is 2020/21.

1. A Council that Champions the Highlands

Action	Performance 2019/20	Performance 2020/21	Performance 2021/22	COVID Impact
Annual report on progress engaging with and influencing national policy on the Council's agenda and investment priorities	G	A	G	–

2. A Place to Live

Indicator	FY 2021/22	FY 2020/21	FY 2019/20	FY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
With partners build on average 500 new affordable homes per year over the next 5 years (2017-2022)[1]	437	377	414	408			450	R	-ve
Average time take to re-let homes (days, SHR35)	35.5	44.2	31.9	36.8			36.0	R	-ve
Gross rent arrears as a percentage of rent due (HSN1b; SHR31) [2]	5.5%	5.4%	4.6%	4.9%	8.2%	7.1%	5.0%	R	-ve
Adults (65+) receiving personal care at home (SW3a)		55.6%	54.3%	55.5%	61.7%	60.6%	61.0%	R	-ve
Direct payments spent on adults (18+; SW2)		5.6%	6.4%	6.5%	8.2%	6.3%	7.7%	R	-ve
Average days taken to complete medical adaptations in Council houses (SHR23) [2]	45.6	44.2	40.0	34.8		63.3	63.3	G	-ve
Net cost per attendance to leisure facilities (C&L1a)		£24.99	£1.80	£1.56	£40.37	£23.37	£21.44	R	-ve
Net cost per visit to libraries (C&L2a)		£1.19	£1.33	£1.52	£2.88	£7.19	£2.54	G	+ve
Net cost per visit to museums (C&L3a)		£2.75	£1.64	£1.43	£10.19	£70.64	£23.24	G	-ve
Household waste recycled and composted (%; ENV6)		35.7%	41.3%	42.7%	42.0%	33.4%	42.0%	R	-ve

Indicator	2019-20	2017-18	2015-16	National Average 2019-20	Family Average 2019-20	Target 2019-20	Performance 2019-20	COVID Impact
Adults supported at home who agree the services and support had an impact in improving or maintaining their quality of life (SW4b)	78.0%	85.7%	86.7%	80.0%	76.8%	83.6%	R	-ve

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[1] Data provided is the rolling average of new affordable homes per year
[2] Data for 20/21 is currently undergoing verification with the national regulator.

3. A Place to Thrive

Indicator	AY 2021/22	AY 2020/21	AY 2019/20	AY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
Pupils entering positive destinations (16-19 year olds participating in education, training and employment; CHN11)		94.3%	92.5%	94.8%	95.5%	95.2%	96.5%	R	-ve
SCQF Level 5 attainment for all children (CHN4)		64%	62%	59%	67%	66%	67%	*	–
SCQF Level 5 attainment by children from deprived backgrounds (CHN6)		48%	37%	35%	49%	47%	44%	*	–
SCQF Level 6 attainment for all children (CHN5)		34%	34%	30%	41%	39%	39%	*	–
SCQF Level 6 attainment by children from deprived backgrounds (CHN7)		19%	15%	12%	23%	22%	18%	*	–
Number of accommodated Looked After Children - residential		70	84	81			76	G	-ve
Looked After Children being cared for in the community (CHN9)		85.4%	83.0%	83.2%	90.3%	86.9%	88.5%	A	-ve
Overall average total tariff score for pupils (S4-S6; CHN12a)		895	841	794	972	951	952	*	–
Average total tariff score for pupils in S4-S6 (SIMD1 – children living in areas of most disadvantage; CHN12b)		664	521	492	688	660	612	*	–
Average total tariff score for pupils in S4-S6 (SIMD2; CHN12c)		692	706	580	817	732	792	*	–
Average total tariff score for pupils in S4-S6 (SIMD3; CHN12d)		968	858	791	975	962	968	*	–
Average total tariff score for pupils in S4-S6 (SIMD4; CHN12e)		963	940	909	1,108	1,051	1,064	*	–
Average total tariff score for pupils in S4-S6 (SIMD5 – children living in areas of least disadvantage; CHN12f)		1,041	1,045	1,006	1,320	1,217	1,269	*	–

*Due to change in method of assessment attainment measures are not comparable for trends.
CHN12a adjustment to figure reported AY19/20 from 839 to 841; CHN12b adjustment to figure reported AY19/20 from 520 to 521; CHN12c adjustment to figure reported AY19/20 from 703 to 706; CHN12b adjustment to figure reported AY19/20 from 856 to 858; CHN12b adjustment to figure reported AY19/20 from 936 to 940.

Action	Performance 2018/19	Performance 2019/20	Performance 2020/21	Performance 2021/22	COVID Impact
All eligible 2, 3, and 4 year old have access to 1140 hours of childcare by 2020	G	A	G	C	–

Indicator	FY 2021/22	FY 2020/21	FY 2019/20	FY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
Average number of Looked After Children in accommodation out with Highland	24	28	30	39			24	R	**-ve**
Funded early years provision graded good or better (CHN18)		91.1%	90.4%	93.9%	90.9%	90.8%	96.0%	R	**-ve**
Children meeting developmental milestones (CHN17)		86.3%	87.8%	87.9%	85.1%	88.2%	86.6%	R	**-ve**
Child Protection registrations in a year, which have been registered previously within the past 18 months (CHN22)		9.28%	7.32%	6.62%	6.95%	6.18%	6.43%	R	**-ve**
Looked After Children being cared for in kinship care	19.1%	22.7%	20.5%	18.4%			25.0%	A	–
Increase the number of foster carers	125[3]	120	119	127			179	R	–
Homelessness – case duration (weeks)	50	56	43	48			37	R	**-ve**
Financial benefit to the customer from advice given		£6,662,340	£6,651,012	£6,188,835			£6,207,546	G	**-ve**

CHN17 – adjustment to figure reported for FY19/20 from 87.6% to 87.8%

Indicator	AY 2019-20	AY 2017-18	AY 2015-16	National Average AY 2019-20	Family Average AY 2019-20	Target AY 2019-20	Performance 2019-20	COVID Impact
School attendance rates (per 100 pupils; CHN19a)[4]	91.50%	92.75%	93.40%	92.00%	92.78%	91.50%	G	**+ve**

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[3] Awaiting verification

[4] There were specific requirements for recording absence during COVID-19 and with schools shut for a large part of the year every child was then recorded as attending school. Due to difficulties recording attendance in lockdowns this dataset is not comparable with previous years.

Indicator	AY 2019-20	AY 2017-18	AY 2015-16	National Average AY 2019-20	Family Average AY 2019-20	Target AY 2019-20	Performance 2019-20	COVID Impact
School attendance rates (per 100 looked after children; CHN19b)	87.00%	85.67%	85.46%	88.00%	87.63%	88.00%	A	**+ve**
School exclusions (per 1,000 pupils; CHN20a)	12.8	20.6	22.7	11.9	10.4	12.7	A	**+ve**
School exclusion rate for Looked After Children (per 1,000 pupils; CHN20b)	102.0	189.3	243.9	78.0	84.7	92.0	R	**+ve**

4. A Place to Prosper

Indicator	FY 2021/22	FY 2020/21	FY 2019/20	FY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
Road network that should be considered for maintenance treatment	36.7%	39.1%	37.8%	38.6%			38.4%	A	**-ve**
Proportion of properties receiving superfast broadband (ECON8)		84%	82%	75%	94%	82%	86%	A	–
Total direct spend with Highland small and medium sized enterprises (ECON4)		47.0%	47.3%	43.6%	29.1%	33.5%	36.2%	G	–
Average time per planning application (weeks; ECON3)		13.5	10.9	10.6	11.1	12.3	11.1	R	**-ve**
300 modern apprentices by 2022	320	320	215				250	G	–
Number of Business Gateway start-ups (per 10,000 population; ECON5)		7.35	11.96	11.89	11.19	14.77	11.19	R	**-ve**
The number of businesses supported by Economic Development and Business Gateway		15,319	1,643	1,802			1,600	G	**+ve**

ECON08 – adjustment to FY19/20 figure reported from 81% to 82%.

Indicator	AY 2021/22	AY 2020/21	AY 2019/20	AY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
Pupils entering positive destinations (CHN11)		94.3%	92.5%	94.8%	95.5%	95.2%	96.5%	R	**-ve**

Action	Performance 2018/19	Performance 2019/20	Performance 2020/21	Performance 2021/22	COVID Impact
Develop a delivery plan for Highland broadband using the City-Region Deal funding by December 2019	G	A	A	R	-ve
Implement the £6.7m Inverness Community Links Plus cycling project by 2022	A	A	G	G	–

5. A Welcoming Place

Indicator	FY 2021/22	FY 2020/21	FY 2019/20	FY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
The number of visits to/usages of Council funded museums that were in person per 1,000 population	650	157	1,361	1,362			1,381	R	-ve
The total number of visits to/ usages of Council funded museums (in person and virtual) per 1,000 population[4]	4,802	1,475	2,562	2,798			2,676	R	+ve
Council carbon emissions (CO_2e)		32,404	40,622	45,076			50,595	G	+ve
Street Cleanliness Score (ENV3c)		95.0	95.7	95.6	90.1	95.1	95.0	G	–
Street lighting energy consumption (kWh)	10,035,100	10,904,332	11,878,227	13,734,725			11,800,000	G	–
Energy consumption across the Council estate (million kWh)			110.683	109.507					

Indicator	CY 2021	CY 2020	CY 2019	CY 2018	National Average CY 2020	Family Average CY 2020	Target CY 2020	Performance CY 2020	COVID Impact
Tourism visitor numbers		1,951,000	7,488,000	6,528,000			6,486,000	R	-ve
Tourism economic impact		£0.582bn	£1.399bn	£1.285bn			£1.253bn	R	-ve

Action	Performance 2018/19	Performance 2019/20	Performance 2020/21	Performance 2021/22	COVID Impact
Consult on the Council's plans for a Transient Visitor Levy by December 2019		C			–
Develop a co-ordinated talent attraction and retention strategy with partners by June 2020	G	G	R	R	-ve

Action	Performance 2018/19	Performance 2019/20	Performance 2020/21	Performance 2021/22	COVID Impact
Complete phase 1 of Inverness Castle development by December 2022		G	G	G	–
Develop a Highland-wide Climate Change Adaptation Strategy with partners by 2024	A	G	G	A	-ve
Maintain the current proportion of EU Council employees		G	C		–

6. Your Highland Council

Indicator	FY 2021/22	FY 2020/21	FY 2019/20	FY 2018/19	National Average 2020/21	Family Average 2020/21	Target 2020/21	Performance 2020/21	COVID Impact
Absence (days, non-teaching staff; CORP6b)	8.17	6.44	9.70	10.50	9.71	9.16	10.12	G	+ve
Absence (days, teaching staff; CORP6a)	5.58	3.28	6.90	7.11	4.16	4.39	4.21	G	+ve
Council Tax received (CORP7)	96.5%	95.7%	96.3%	96.3%	94.8%	95.9%	94.8%	G	-ve
Asset Management – Suitability (CAST1)	75.9%	67.5%	67.5%	67.6%	82.3%	80.8%	80.8%	R	-ve
Citizens' Panel who believe the Council listens (%)				26%			45%		-ve
Reducing staff travel costs	£1,146,040	£822,705	£1,639,820	£2,179,936			£2,321,280	G	+ve

Action	Performance 2018/19	Performance 2019/20	Performance 2020/21	Performance 2021/22	COVID Impact
2 pilots to test in-sourcing non-housing building maintenance by August 2019		G	A	G	-ve
3 community engagement sessions per local area per year		A	G	G	+ve
£37.456m savings achieved by March 2022		A	G	C	–
Council reserves restored to 2% minimum by March 2022		G	C		–
ICT network refresh across 374 sites by September 2019		C			–
Maintain recruitment controls to shape the workforce and align budget and service delivery priorities (annual report)		G	C		–

The 2022 Staff Recognition Awards took place on Friday, 1 April and placed a spotlight on the achievements of Council staff working throughout the organisation and recognised the support and care demonstrated by staff in Highland communities during the COVID-19 pandemic.

The event marked the return of the Council's annual Award Ceremony, with a particular focus this year on recognising the compassionate efforts of staff working in difficult circumstances during the last two years. Of particular significance, the event provided an opportunity for reflection and to pay tribute to loved ones who were lost as a result of the COVID-19 pandemic.

The winners of the 6 main categories where:

Staff Commitment to Supporting Their Communities – Community Support and Resilience – Support for vulnerable and self-isolating people in Highland was coordinated across several teams in the Council and supported by over 100 'borrowed' staff from other Council teams and over 100 staff from HLH teams.

Innovation and Agility – ICT Services Team – COVID-19 response – Changes in the use of multiple new technologies were introduced across all services in a matter of weeks which would normally have taken months or years. This enabled the Council to continue to provide services and an emergency response to the public during the pandemic. New changes to technology were introduced and implemented to enable remote education and staff working from home; committee meetings to be held virtually; and supporting grant applications from businesses.

Pace of Change – Support for bereaved families – The key focus of the group was to ensure bereavement and registrar services were maintained throughout the pandemic. This ensured bereaved families were supported and funerals could continue without delay in a safe manner. The Registrar Service moved to a 7-day death registration service, conducting death registration remotely rather than face to face and complying with new reporting arrangements.

Cross Service Collaboration – COVID-19 Business Grants Team – At the outset of the pandemic the Council was asked by Scottish Government to deliver on their behalf, with less than one week's notice, a grant scheme to support businesses who had to close and were unable to trade. That grant scheme increased in scale and complexity, in effect remains 'live' today with its most recent iteration and has seen the Council deliver its largest grant programme ever, disbursing some £194m and making over 38,000 payments to over 8,000 businesses.

Partnership Collaboration – Supporting businesses with COVID-19 compliance – The Council's Environmental Health and Trading Standards team played key roles throughout the COVID-19 pandemic as one of the appointed regulators for the Coronavirus legislation. Due

to frequent amendments to legislative provisions, the pace of change in regulations and restrictions, the teams required to be flexible and adaptable as they reacted to the changes brought in by Scottish Government and rapidly adapted to how services were delivered. Both teams were required to work closely with Police Scotland and shared the national four E's enforcement approach (Engage, Explain, Encourage and Enforce).

Local Area Responses and Working With Communities – Seasonal Access Ranger Team – After lockdown, in March 2021, the Council's Tourism Committee adopted a Visitor Manager Plan to address the issues of 'staycationing' and agreed to fund 10 Access Rangers. In partnership with Wester Ross Biosphere, Skye Connect, Visit Inverness/Loch Ness and Applecross Trust, the Scottish Government Better Places 2 fund enabled a further 7 Access Rangers to be appointed.

Convener's Awards were made to:

Waste Collection, Street Cleaning & Waste Strategy Teams – This response was managed during significant service disruption from Government COVID restrictions - sometimes introduced overnight - while providing a much-needed sense of normality for worried communities. With a third of manual staff unable to attend work due to lockdown guidance – borrowing and retraining over 100 staff from other council services was immediately implemented. Not one statutory waste collection route was missed or delayed. The waste strategy team also recovered over £3m income from disrupted commercial collections, maintained key relationships with waste contractors and complied with all waste transfer and landfill sites requirements while undertaking significant re-procurement of large waste contracts valued at over £7m.

Free COVID Helpline – Cross-Service Team – In response to COVID-19 an immediate consideration was how to co-ordinate communication with those shielding, in need, wishing to volunteer (individuals & community groups), those seeking business grants, welfare services or needing urgent advice and support around adult or children's social care. The Council needed to ensure there was in-person support immediately available. Over 5 days, a small team developed the helpline infrastructure and routing to enable a single free-phone number to access multi-stranded advice and information. A range of services from across the Council then supported the development of call handling scripts to ensure Council staff and Eden Court volunteers handling calls had the information they needed to respond to enquiries.

 In addition, Council Chief Executive, Donna Manson, personally presented awards for:

Kindness to Staff Award – awarded to the Human Resources Team.

Kindness to the Public Award – awarded to the Welfare Support Team.