

# Minute

## Policy and Resources Committee

Wednesday, 23 November 2022, 09:30.

Council Chamber, Council Offices, School Place, Kirkwall.



## Present

Councillors James W Stockan, Heather N Woodbridge, Graham A Bevan, Stephen G Clackson, Alexander G Cowie, P Lindsay Hall, Steven B Heddle, Kristopher D Leask, W Leslie Manson, James R Moar, Raymond S Peace, John A R Scott, Gwenda M Shearer, Jean E Stevenson, Ivan A Taylor, Mellissa-Louise Thomson and Owen Tierney.

## Present via remote link (Microsoft Teams)

Councillor David Dawson.

## Clerk

- Hazel Flett, Service Manager (Governance).

## In Attendance

- John W Mundell, Interim Chief Executive.
- Stephen Brown, Chief Officer, Orkney Health and Social Care Partnership (for Items 1 to 12.1 and 13 to 16).
- Karen Greaves, Corporate Director for Strategy, Performance and Business Solutions.
- Hayley Green, Corporate Director for Neighbourhood Services and Infrastructure.
- Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration.
- James Wylie, Corporate Director for Education, Leisure and Housing.
- Gavin Mitchell, Head of Legal and Governance.
- Andrew Groundwater, Head of Human Resources and Organisational Development.
- Sweyn Johnston, Head of Enterprise and Economic Growth (for Items 6 to 13).
- Erik Knight, Head of Finance (for Items 1 to 13).
- Kenny MacPherson, Head of Property, Asset Management and Facilities (for Items 1 to 3).
- Lorna Richardson, Interim Head of Neighbourhood Services.
- Alex Rodwell, Head of Improvement and Performance.
- David Custer, Service Manager (Engineering) (for Items 1 to 7).
- David Hannon, Strategic Projects Director (for Items 6 to 13).
- Inga Burton, Programme Manager Islands Deal (for Items 6 to 13).

## Observing

- Kirsty Groundwater, Team Manager (Communications) (for Items 1 to 3 and 5 to 16).

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

- Anna Whelan, Service Manager (Strategy and Partnership) (for Items 2, 3 and 11).

## **Apologies**

- Councillor Rachael A King.
- Councillor Gillian Skuse.
- Councillor Duncan A Tullock.

## **Declaration of Interest**

- Councillor James W Stockan – Item 5.

## **Chair**

- Councillor James W Stockan.

## **1. Disclosure of Exempt Information**

The Committee noted the proposal that the public be excluded from the meeting for consideration of Items 11 to 15, together with Appendix 2 to Items 8 and 9, as the business to be discussed involved the potential disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

## **2. Council Plan 2023-28**

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, together with an Equality Impact Assessment and an Island Communities Impact Assessment, copies of which had been circulated, the Committee:

Noted:

**2.1.** That engagement with Orkney's residents during the preceding years, together with the Local Government Election campaign in April and May 2022, as well as further input from elected members, had informed development of the draft Council Plan.

**2.2.** That the Council Plan reflected national priorities set by both the Scottish and UK Governments and the core services which the Council provided day to day, as well as taking account of new duties arising from recent legislation.

**2.3.** The draft Council Plan 2023-2028, attached as Appendix 1 to the report by the Corporate Director for Strategy, Performance and Business Solutions, which proposed Strategic Priorities themed under three headings as follows:

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

**2.4.** That an outcome driven performance monitoring approach was proposed through 'stretch targets', with regular reporting to show the progress or trend towards achieving them.

**2.5.** The draft Delivery Plan to support the Council Plan 2023-2028, attached as Appendix 3 to the report by the Corporate Director for Strategy, Performance and Business Solutions, which contained a number of priority actions listed to indicate the work which would be undertaken to achieve the target outcome.

Councillor James W Stockan, seconded by Councillor Graham A Bevan, moved that the draft Council Plan 2023-2028 be approved for consultation.

Councillor Stephen G Clackson, seconded by Councillor Mellissa-Louise Thomson, moved an amendment that further consultation be undertaken with elected members in respect of the draft Council Plan 2023-2028, prior to approval for public consultation.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Stephen G Clackson, James R Moar, Jean E Stevenson, Ivan A Taylor, Mellissa-Louise Thomson and Owen Tierney (6).

For the Motion:

Councillors Graham A Bevan, Alexander G Cowie, David Dawson, P Lindsay Hall, Steven B Heddle, Kristopher D Leask, W Leslie Manson, Raymond S Peace, John A R Scott, Gwenda M Shearer, James W Stockan and Heather N Woodbridge (12).

The Motion was therefore carried and the Committee thereafter resolved to **recommend to the Council:**

**2.6.** That the draft Council Plan 2023-2028, referred to at paragraph 2.3 above, be approved for consultation.

**2.7.** That the Corporate Director for Strategy, Performance and Business Solutions should submit, to the next meeting of the Committee, a final version of the Council Plan 2023-2028 and supporting Delivery Plan listing the key actions and projects that would deliver the target outcome under each strategic priority theme within the Council Plan.

### **3. Corporate Risk Register**

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Property, Asset Management and Facilities, the Committee:

Noted:

**3.1.** That, on 20 September 2022, after scrutinising the updated Corporate Risk Register, the Policy and Resources Committee recommended that the updated Corporate Risk Register, as at August 2022, be approved, subject to submission of further revisions to the next meeting of the Committee.

**3.2.** That, accordingly, the following risks had been revised:

- Risk 1 – ferry fleet replacement to be expanded to take account of other transport risks.
- Risk 2 – financial stability to more accurately reflect the financial and consequential risk to the Council.
- Risk 16 – inability to deliver core protection and support services for children and young people to more accurately reflect the staffing challenges faced by Orkney Health and Care as was reported to that Committee.

The Committee resolved to **recommend to the Council**:

**3.3.** That the updated Corporate Risk Register, as at October 2022, attached as Appendix 1 to this Minute, be approved.

#### **4. Complaints Handling Procedure**

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Head of Legal and Governance, the Committee:

Noted:

**4.1.** That the Council's Complaints Handling Procedure, approved in December 2020, was based on the Local Authority Model Complaints Handling Procedure published by the Scottish Public Services Ombudsman.

**4.2.** That the Local Authority Model Complaints Handling Procedure included a "Customer-facing Guide", which was a separate, but integral, part of the Local Authority Model Complaints Handling Procedure.

**4.3.** That the Complaints Handling Procedure had been revised to reflect changes to information links in the document, changes in the Council's governance arrangements and to roles and responsibilities in light of the management restructure and guidance published by the Scottish Public Services Ombudsman regarding support of children and young people.

The Committee resolved to **recommend to the Council**:

**4.4.** That the revised Complaints Handling Procedure, attached as Appendices 2 and 3 to this Minute, be approved.

Councillor Jean E Stevenson left the meeting during discussion of this item and rejoined the meeting at this point.

#### **5. Non-Domestic Rates – Empty Properties Relief Policy**

Councillor James W Stockan declared a financial interest in this item, in that he held property interests which could, in the future, fall within the ambit of this policy, and was not present during discussion thereof.

Signed: James W Stockan.

As the Chair, Councillor James W Stockan, had declared an interest in this item and left the meeting, the Vice Chair, Councillor Heather N Woodbridge, took the Chair for this item.

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Head of Finance, the Committee:

Noted:

**5.1.** That the national scheme of rates relief to empty properties was due to be abolished from 1 April 2023, and local authorities had the power to include relief to empty properties in their local relief schemes.

**5.2.** That initial research indicated other Scottish local authorities intended to set a local policy broadly mirroring the national scheme of relief.

**5.3.** The draft scheme, attached as Appendix 1 to the report by the Corporate Director for Enterprise and Sustainable Regeneration, based on the existing national scheme, which aimed to encourage ratepayers to bring empty properties back in to use, by limiting the relief available on longer-term empty properties and protecting the Council from financial risk by applying a 'hard' cap on relief awards of £10,000 per ratepayer, per financial year.

The Committee resolved to **recommend to the Council:**

**5.4.** That the draft scheme of relief to empty properties, referred to at paragraph 5.3 above, be approved for consultation with local ratepayers.

**5.5.** That the Corporate Director for Enterprise and Sustainable Regeneration should submit a report, to the next meeting of the Committee, on the outcome of the consultation referred to above, together with a final scheme of relief to empty properties for adoption.

Signed: H N Woodbridge.

## **6. Proposed Salt Storage Facility – Stage 2 Capital Project Appraisal**

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Interim Head of Neighbourhood Services, the Committee:

Noted:

**6.1.** That, on 21 December 2021, the Policy and Resources Committee recommended the allocation of one-off funding towards a series of projects considered to provide recovery prospects from the COVID-19 pandemic, including an allocation of £500,000 towards the provision of a salt storage facility, potentially located at Cursiter Quarry.

**6.2.** That, on 6 September 2022, when considering options for the provision of a proposed new salt storage facility, the Development and Infrastructure Committee noted:

- That the Winter Maintenance Policy, approved by Council in October 2021, stated that the ability to adequately manage storage conditions for salt and keep it dry was required if national road safety standards were to be met.
- Options for the proposed development of a Salt Storage Facility, as detailed in the Stage 1 Capital Appraisal, attached as Appendix 1 to the report by the Corporate Director for Neighbourhood Services and Infrastructure, with the preferred option being a new build facility at Cursiter Quarry.
- That, should the project be approved for progression through the Capital Project Appraisal process, a further sum of up to £20,000 is required to develop the Stage 2 Capital Project Appraisal, which could be met from existing service budgets.

**6.3.** That the Development and Infrastructure Committee subsequently recommended that, as an exception to the Capital Project Appraisal process, in order to manage storage conditions for salt to meet national road safety standards, the Corporate Director for Neighbourhood Services and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of a proposed new Salt Storage Facility at Cursiter Quarry.

The Committee resolved to **recommend to the Council:**

**6.4.** That the Stage 2 Capital Project Appraisal in respect of the proposed salt storage facility at Cursiter Quarry, attached as Appendix 4 to this Minute, be approved.

**6.5.** That, as an exception to the Capital Project Appraisal process, in order to manage storage conditions for salt to meet national road safety standards, the proposed salt storage facility at Cursiter Quarry be added to the capital programme for 2023/24 onwards, at a gross capital cost of £500,000, funded by the allocation of one-off funding referred to at paragraph 6.1 above.

## **7. Police and Fire Sub-committee**

After consideration of the draft Minute of the Meeting of the Police and Fire Sub-committee held on 28 September 2022, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor David Dawson, seconded by Councillor Jean E Stevenson, to approve the Minute of the Meeting of the Police and Fire Sub-committee held on 28 September 2022, attached as Appendix 5 to this Minute, as a true record.

## **8. Nordic Atlantic Cooperation**

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Programme Manager Islands Deal, the Committee:

Noted:

**8.1.** That, on 21 June 2022, when considering international engagement by the Council over the next three years, the Policy and Resources Committee recommended that the Council should continue to develop and enhance relationships with Arctic and Nordic countries to maximise the ongoing promotion of potential economic and cultural opportunities for Orkney.

**8.2.** That Nordic Atlantic Cooperation (NORA) was an intergovernmental organisation under the regional co-operation programme of the Nordic Council of Ministers that brought together Greenland, Iceland, the Faroe Islands and coastal Norway.

**8.3.** That NORA was focussed on making the North Atlantic a strong and dynamic part of the Nordic region, focussed on sustainable economic development and cross-border collaboration between the private sector and research and development bodies, extending to Canada and Scotland.

**8.4.** That NORA's strategic priorities included bioeconomy, sustainable tourism, circular economy, transport, energy and local communities.

**8.5.** That NORA provided funding to support regional co-operation on projects relevant to their own communities, with funding rounds in March and October each year.

**8.6.** That projects could secure a maximum of £60,000 per annum from NORA.

**8.7.** That NORA and the Council would seek to present jointly on the outcomes of wider Orkney community participation in international projects at the Arctic Circle Assemblies and/or related events.

**8.8.** The proposal to establish a NORA project development fund with the following purposes:

- To support and enable Orkney's wider community to participate in international projects.
- To test/pilot processes for aligning funding with similar organisations internationally to achieve greater value and impact.
- To strengthen relationships with similar communities.

The Committee resolved to **recommend to the Council:**

**8.9.** That the Council should establish a NORA project development fund, with an opening balance of £20,000, to be met from existing resources within the Enterprise and Sustainable Regeneration revenue budget for 2022/23.

**8.10.** That the NORA project development fund be made available between 2022 and 2024, to align with the Council's commitment to develop and enhance relationships with Nordic and Arctic Countries and attending the Arctic Circle Assembly.

**8.11.** That, although applicants should be encouraged to seek match funding, availability and accessibility of the Council's NORA project development funding should not be dependent on securing match funding.

**8.12.** That the NORA project development fund should be available to support projects beyond 2024, should a project end date extend beyond 2024.

**8.13.** That powers be delegated to the Corporate Director for Enterprise and Sustainable Regeneration to award grant assistance from the NORA project development fund, on the basis of a maximum award of £5,000 per application.

## **9. Islands Growth Deal – Full Deal Agreement**

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Programme Manager Islands Deal, the Committee:

Noted:

**9.1.** That the Full Deal Document was proposed to be signed in January 2023 by the respective Council Leaders, following approval by the Islands Growth Deal Joint Committee, along with the Tripartite Financial Agreement, which would be signed by the Accountable Body on behalf of the three Constituent Authorities.

**9.2.** That the Council's role as a Constituent Authority for the Islands Growth Deal carried specific responsibilities, as set out in the Islands Growth Deal Governance Framework and the Islands Growth Deal Joint Committee Governance Agreement.

The Committee resolved to **recommend to the Council:**

**9.3.** That the Council delegate authority to the Islands Growth Deal Joint Committee to approve the terms of, and enter into, on the Council's behalf, the terms of the Full Deal Agreement.

**9.4.** That the Council delegate authority to the Chief Executive of Comhairle nan Eilian Siar (CNES) to approve and execute the Islands Growth Deal Tripartite Financial Agreement, on behalf of the CNES as the Accountable Body for the Islands Growth Deal and on behalf of Orkney Islands Council as one of the three Constituent Authorities within the Islands Growth Deal.

**9.5.** That powers be delegated to the relevant Council representative on the Joint Islands Programme Board, and the Islands Growth Deal Joint Committee, to deal with change within the Islands Growth Deal in line with the change management process set out by the Scottish and UK Governments, including making any necessary amendments to the Full Deal Agreement and associated documents.

**9.6.** That, in principle, the Islands Growth Deal spend profile be managed through the Council ensuring cashflow and/or through the provision of bridging loans to Growth Deal Projects.

## **10. Exclusion of Public**

On the motion of Councillor James W Stockan, seconded by Councillor Heather N Woodbridge, the Committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the disclosure of exempt information of the classes described in the relevant paragraphs of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.



## **11. Economic Recovery Steering Group**

### **ASPIRE Orkney – Progress Update**

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

After consideration of a joint report by the Corporate Director for Enterprise and Sustainable Regeneration and the Corporate Director for Strategy, Performance and Business Solutions, copies of which had been circulated, and after hearing a report from the Head of Enterprise and Economic Growth, the Committee:

Noted:

**11.1.** That, on 25 November 2020, the Council resolved that the detail of the ASPIRE Orkney programme be subject to further consideration, in the context of the Council's corporate plan, by the Policy and Resources Committee, with effect from January 2021, and thereafter as a standing item for the Policy and Resources Committee.

**11.2.** That progress updates in relation to the ASPIRE Orkney programme of activity had been presented regularly to the Policy and Resources Committee, with the latest update presented on 20 September 2022.

**11.3.** That significant discussion was held with members of the Economic Recovery Steering Group in this reporting period with regard to the future direction of the group, resulting in the Orkney Partnership Board agreeing that the Economic Recovery Steering Group be disestablished and its role merged into the Sustainable Recovery Delivery Group.

**11.4.** That the Orkney Partnership Board also agreed that a Business Forum be convened in order to channel the views of Orkney's business community into the Partnership.

The Committee resolved to **recommend to the Council:**

**11.5.** That, given the Economic Recovery Steering Group no longer existed, the requirement to report on the ASPIRE Orkney programme as a standing item for the Policy and Resources Committee, established in November 2020, be removed.

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

Councillors Graham A Bevan and Steven B Heddle left the meeting during discussion of this item.

## **12. Orkney's Community Wind Farm Project**

### **12.1. Progress Update**

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

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Head of Enterprise and Economic Growth, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to the next stage in progressing projects forming Orkney's Community Wind Farm.

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

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## **12.2. Contracts for Difference Auction**

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

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Head of Enterprise and Economic Growth, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to participation in the Contracts for Difference auction.

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

### **13. Net Zero Living – Pioneer Places**

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

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Head of Enterprise and Economic Growth, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to involvement in the Net Zero Living – Pioneer Places fund.

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

#### **14. Funding of Drainage Works**

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

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to funding of drainage works.

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

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

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

After consideration of the draft Minute of the Meeting of the Asset Management Sub-committee held on 3 November 2022, copies of which had been circulated, the Committee:

Resolved:

**15.1.** On the motion of Councillor Heather N Woodbridge seconded by Councillor P Lindsay Hall, to approve the Minute of the Meeting of the Asset Management Sub-committee held on 3 November 2022 as a true record.

The Committee resolved to **recommend to the Council:**

**15.2.** That the recommendation at paragraph 5.5 of the Minute of the Meeting of the Asset Management Sub-committee held on 3 November 2022, attached as Appendix 6 to this Minute, be approved.

## **16. Conclusion of Meeting**

At 12:55 the Chair declared the meeting concluded.

Signed: James W Stockan.