

Minute

Policy and Resources Committee

Tuesday, 24 September 2019, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors James W Stockan, Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Robin W Crichton, David Dawson, Andrew Drever, Barbara Foulkes, Steven B Heddle, J Harvey Johnston, Rachael A King, John T Richards, Stephen Sankey, John A R Scott, Gwenda M Shearer, Graham L Sinclair, Magnus O Thomson, Owen Tierney and Duncan A Tullock.

Clerk

- Gillian Morrison, Executive Director of Corporate Services.

In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- Sally Shaw, Chief Officer/Executive Director, Orkney Health and Care.
- James Wylie, Executive Director of Education, Leisure and Housing.
- Gareth Waterson, Head of Finance.
- Gavin Mitchell, Head of Legal Services.
- Hayley Green, Head of IT and Facilities.
- Andrew Groundwater, Head of HR and Performance (for Items 1 to 15).
- Sweyn Johnston, Strategic Projects Director (for Items 12 to 15).
- Jackie Thomson, Development and Regeneration Manager (for Items 17 and 18).
- Stuart Allison, Economic Development Manager (for Items 17 and 18).
- Clare Gee, Cultural Services Manager (for Items 17 and 18).
- Anna Whelan, Strategy Manager (for Items 1 to 10).
- Hazel Flett, Senior Committees Officer.

Observing

- Brian Archibald, Head of Marine Services, Engineering and Transportation (for Items 1 to 8).
- Darren Richardson, Head of Infrastructure and Strategic Projects (for Items 1 to 5).
- Ian Rushbrook, Capital Programme Manager (for Items 1 to 5).
- David Hartley, Communications Team Leader (for Items 1 to 8 and 15 to 18).
- Andrew Hamilton, Performance and Best Value Officer (for Items 1 to 8).

Apologies

- Councillor W Leslie Manson.
- Councillor Kevin F Woodbridge.

Declarations of Interest

- Councillor Robin W Crichton – Item 20.2.
- Councillor J Harvey Johnston – Items 15 and 18.
- Councillor Gwenda M Shearer – Item 17.
- Councillor Graham L Sinclair – Item 17.
- Councillor James W Stockan – Item 17.
- Councillor Duncan A Tullock – Item 15.

Chair

- Councillor James W Stockan.

1. Disclosure of Exempt Information

The Committee noted:

1.1. The proposal that the public be excluded from the meeting for consideration of Items 17 to 21, 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.

Councillor Owen Tierney joined the meeting at this point.

Councillor Barbara Foulkes, seconded by Councillor John A R Scott, moved that the public should not be excluded for consideration of Item 18, Orkney International Science Festival.

Councillor James W Stockan, seconded by Councillor Robin W Crichton, moved an amendment that the public should be excluded for consideration of Item 18.

On a vote being taken, 14 members voted for the amendment and 4 for the motion, and the Committee:

Resolved:

1.2. That the public be excluded from the meeting for consideration of Item 18, 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. Revenue Expenditure Outturn

2.1. Policy and Resources

After consideration of a joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance, copies of which had been circulated, the Committee:

Noted:

2.1.1. The revenue expenditure outturn statement in respect of the undernoted services for financial year 2018 to 2019, attached as Annex 1 to the joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance, indicating a surplus position of £16,500:

- Central Administration.
- Law, Order and Protective Services.
- Other Services.

2.1.2. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 2 to the joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance.

2.2. Summary

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

Noted:

2.2.1. The revenue expenditure outturn statement for financial year 2018 to 2019, attached as Annex 1 to the report by the Head of Finance, indicating the following:

- A total General Fund overspend of £367,600.
- A surplus in Sources of Funding for General Fund Services of £122,600.
- A net Non-General Fund surplus of £10,258,500.

2.2.2. The explanations given and actions proposed in respect of significant budget variances across Sources of Funding, as outlined in the Budget Action Plan, attached as Annex 2 to the report by the Head of Finance.

3. Revenue Expenditure Monitoring

3.1. Policy and Resources

After consideration of a joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance, copies of which had been circulated, the Committee:

Noted:

3.1.1. The revenue financial summary statement in respect of the undernoted services for the period 1 April to 30 June 2019, attached as Annex 1 to the joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance, indicating an underspend position of £166,000:

- Central Administration.
- Law Order and Protective Services.
- Other Services.

3.1.2. The revenue financial detail by Service Area statement for the period 1 April to 30 June 2019, attached as Annex 2 to the joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance.

3.1.3. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the joint report by the Chief Executive, the Executive Director of Corporate Services, the Executive Director of Development and Infrastructure and the Head of Finance.

3.2. Summary

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

Noted:

3.2.1. The summary revenue expenditure statement for the period 1 April to 30 June 2019, attached as Annex 1 to the report by the Head of Finance, indicating the following:

- A total General Fund underspend of £1,640,300.
- A deficit in Sources of Funding of £44,300.
- A net Non-General Fund surplus of £22,000.

3.2.2. The financial detail across individual Sources of Funding for the period 1 April to 30 June 2019, including significant variances identified as Priority Actions, attached as Annex 2 to the report by the Head of Finance.

4. Capital Expenditure Outturn

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

Noted:

4.1. The summary outturn position of capital expenditure incurred against approved programmes for financial year 2018 to 2019, as detailed in section 3.1 of the report by the Head of Finance.

4.2. The detailed analysis of capital expenditure, together with project updates in respect of the General Fund and the Non-General Fund capital programmes, for the period 1 April 2018 to 31 March 2019, attached as Appendix 1 to the report by the Head of Finance.

5. Capital Slippage and Acceleration

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

Noted:

5.1. That, in January 2019, the Head of Finance re-profiled the capital programme based on estimates at that time, when total expenditure of £15,784,000 was re-profiled into financial year 2019 to 2020 and onwards, leaving a revised budget for financial year 2018 to 2019 of £14,463,000.

5.2. That the actual budget out-turn for financial year 2018 to 2019 was £15,083,000, being an overspend of £620,000 on the revised budget of £14,463,000, resulting in a net acceleration position at year-end rather than slippage.

5.3. That the Head of Finance had further re-profiled the existing General Fund and Non-General Fund five-year capital programmes, in order to reflect the net acceleration and current timescales for completion of individual capital projects.

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

5.4. That the sum of £430,000 be accelerated from financial year 2019 to 2020 to financial year 2018 to 2019 in respect of net acceleration on projects contained within General Fund capital programmes.

5.5. That the sum of £167,000 be accelerated from financial year 2019 to 2020 to financial year 2018 to 2019 in respect of net acceleration on projects contained within Non-General capital programmes.

5.6. That the revised five-year capital programmes, attached as Appendix 1 to this Minute, be approved.

6. Chief Executive's Service – Service Plan

After consideration of a report by the Chief Executive, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Head of Finance, the Committee:

Resolved to **recommend to the Council** that the Chief Executive's Service's Service Plan 2019 to 2022, attached as Appendix 2 to this Minute, be approved.

7. Corporate Services – Service Plan

After consideration of a report by the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, the Committee:

Resolved to **recommend to the Council** that Corporate Services' Service Plan 2019 to 2022, attached as Appendix 3 to this Minute, be approved.

8. Climate Emergency – Council Delivery Plan – Targets

After consideration of a joint report by the Chief Executive and the Executive Director of Development and Infrastructure, copies of which had been circulated, the Committee:

Noted:

8.1. That, on 14 May 2019, in order to reaffirm its existing priority with respect to working towards a carbon neutral economy, the Council declared a Climate Emergency.

8.2. That, following the declaration of a Climate Emergency, the Chief Executive was requested to consider further delivery plan targets associated with the Council Plan priority of a 'vibrant carbon neutral economy which supports local businesses and stimulates investment in all our communities'.

8.3. That, in order to develop achievable and measurable targets, baseline data was required so that progress could be measured.

8.4. The project activity, outlined in section 4 of the joint report by the Chief Executive and the Executive Director of Development and Infrastructure, which was currently underway and which would contribute to the outcome of a carbon neutral economy.

8.5. The role of other stakeholders which would be essential to maximise Orkney's response to the Climate Emergency.

8.6. The proposed next steps, outlined in section 5 to the joint report by the Chief Executive and the Executive Director of Development and Infrastructure, which would seek to increase the effort applied by the Council in responding to the Climate Emergency over the next year.

Councillor Stephen G Clackson joined the meeting at this point.

Councillor Robin W Crichton, seconded by Councillor Stephen Sankey, moved that the Chief Executive should submit a report, to the meeting of the Policy and Resources Committee to be held on 18 February 2020, outlining progress with developing Council Delivery Plan targets in response to the Climate Emergency, together with any resource implications which may arise from this.

Councillor Duncan A Tullock seconded by Councillor David Dawson, moved an amendment that the Council should continue to encourage and support the world leading renewable sector in the islands but should give no resource, be it financial or officer time, to "Climate Emergency".

The result of a recorded vote was as follows:

For the Amendment:

Councillors David Dawson, Andrew Drever, Owen Tierney and Duncan A Tullock (4).

For the Motion:

Councillors Alexander G Cowie, Norman R Craigie, Robin W Crichton, Barbara Foulkes, Steven B Heddle, J Harvey Johnston, Rachael A King, John T Richards, Stephen Sankey, John A R Scott, Gwenda M Shearer, Graham L Sinclair, James W Stockan and Magnus O Thomson (14).

Abstention:

Councillor Stephen G Clackson (1).

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

8.7. That the Chief Executive should submit a report, to the meeting of the Policy and Resources Committee to be held on 18 February 2020, outlining progress with developing Council Delivery Plan targets in response to the Climate Emergency, together with any resource implications which may arise from this.

8.8. That the Chief Executive should submit a report, to the General Meeting of the Council scheduled for 8 October 2019, regarding the principle of seeking to engage with the UK and Scottish Governments in relation to holding an event in Orkney during 2020, linked to the United Nations Conference of the Parties to be held in Glasgow, which would aim to showcase the ongoing projects and activities relating to climate change and a carbon neutral economy.

9. The Orkney Partnership – Annual Report

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, and after hearing a report from the Strategy Manager, the Committee:

Noted:

9.1. That community planning partnerships had legal requirements to develop Local Outcomes Improvement Plans, undertake locality planning and report on progress.

9.2. The Orkney Partnership Annual Report 2018 to 2019, attached as Appendix 1 to the report by the Executive Director of Corporate Services, which reported on progress during the period of the Orkney Community Plan 2018 to 2021, incorporating Orkney's Local Outcomes Improvement Plan.

Councillor David Dawson left the meeting during discussion of this item and rejoined the meeting at this point.

10. Orkney Community Plan

After consideration of a joint report by the Chief Executive and the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Strategy Manager, the Committee:

Resolved to **recommend to the Council** that the Orkney Community Plan 2019 to 2022, incorporating the Local Outcomes Improvement Plan, attached as Appendix 4 to this Minute, be approved insofar as it applied to the Council.

11. Equality Outcomes – Annual Progress Report

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, and after hearing a report from the Head of HR and Performance, the Committee:

Noted:

11.1. That, on 9 October 2018, the Council approved new Equality Outcomes and related action plan for the Council and Education Authority.

11.2. Progress made in respect of the actions set out to support delivery of the three overarching Equality Outcomes 2018 to 2022, as detailed in Appendix 1 to the report by the Executive Director of Corporate Services.

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

11.3. That the Equality Outcomes Action Plan be amended as follows:

- The action to carry out an audit of existing work experience placements, modern apprenticeships and graduate traineeships by protected characteristic be amended to include all pathways, to give greater insight into the outcomes for those experiencing barriers into sustainable employment.
- An action to implement the Integrated British Sign Language Local Plan, following approval, be added to replace the previous action which had been superseded with the merger of the Shared British Sign Language Local Plan and the NHS Orkney British Sign Language Local Plan.

Councillor Stephen Sankey left the meeting during discussion of this item.

12. Evaluation of Service Health and Safety Performance

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Committee:

Noted the Evaluation of Service Health and Safety Performance for 2018 to 2019, attached as Appendix 1 to the report by the Executive Director of Corporate Services.

Councillor J Harvey Johnston left the meeting during discussion of this item.

13. Pension Fund Sub-committee, together with Pension Board

After consideration of the draft Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 29 August 2019, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor James W Stockan, seconded by Councillor Rachael A King, to approve the Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 29 August 2019, attached as Appendix 5 to this Minute, as a true record.

14. Police and Fire Sub-committee

After consideration of the draft Minute of the Meeting of the Police and Fire Sub-committee held on 3 September 2019, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor Andrew Drever, seconded by Councillor David Dawson, to approve the Minute of the Meeting of the Police and Fire Sub-committee held on 3 September 2019, attached as Appendix 6 to this Minute, as a true record.

Councillor Stephen Sankey rejoined the meeting at this point.

15. Orkney's Community Wind Farm Project

Community Benefit – Guiding Principles

Councillor Duncan A Tullock declared a non-financial interest in this item, in that a close family member was involved in a potential project, and was not present during discussion thereof.

After consideration of a joint report by the Chief Executive and the Executive Director of Development and Infrastructure, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Strategic Projects Director, the Committee:

Noted:

15.1. That the Scale Wind project had been rebranded as Orkney's Community Wind Farm project to better reflect the aims of the project.

15.2. That community engagement events held earlier in 2019 to launch the project identified a positive level of support for the project and sites proposed, with analysis of the responses received at the events suggesting that the public wanted more clarity on the method and type of community benefit that could result from the project.

15.3. That, as the organisational structure to be utilised for delivering the project, be that within the Council or at arms-length from the Council, and the overall scale of project able to be delivered remained subject to a number of uncertainties, it was not possible to define the methodology or scale of community benefit that could be delivered from Orkney's Community Wind Farm project at this time.

15.4. The proposal to determine general principles of community benefit to be delivered through the project at this time, so that they could be communicated to the public as part of the ongoing consultation process.

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

15.5. That the Council approve and commit to implementing the guiding principles of community benefit from Orkney's Community Wind Farm project, as outlined in Appendix 7 to this Minute.

15.6. That, in accordance with the guiding principles, together with the delivery mechanism options set out in Appendix 7 to this Minute, the Executive Director of Development and Infrastructure should undertake community consultation regarding 'location-specific community benefit', and thereafter submit a report, to a meeting of the Committee no later than November 2020, with resulting findings and recommendations.

Councillor Rachael A King left the meeting during discussion of this item.

16. Exclusion of Public

On the motion of Councillor James W Stockan, seconded by Councillor David Dawson, 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.

Councillors J Harvey Johnston and Rachael A King rejoined the meeting at this point.

17. Orkney Research and Innovation Campus

Councillors Gwenda M Shearer, Graham L Sinclair and James W Stockan declared non-financial interests in this item, being Council-appointed directors on the Orkney Research and Innovation Campus Limited Liability Partnership, but concluded that their interests did not preclude their involvement in the discussion.

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 2, 4 and 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Development and Regeneration Manager, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to the Orkney Research and Innovation Campus.

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.

18. Orkney International Science Festival

Councillor J Harvey Johnston declared a non-financial interest in this item, in that a family member was involved in Orkney International Science Festival Limited, and left the meeting at this point.

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 Executive Director of Development and Infrastructure and the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Economic Development Manager, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to the Orkney International Science Festival.

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

Councillor Magnus O Thomson left the meeting during discussion of this item.

19. Pension Fund Sub-committee, together with Pension Board

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 the draft Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 12 June 2019, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor James W Stockan, seconded by Councillor Rachael A King, to approve the Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 12 June 2019, attached as Appendix 8 to this Minute, as a true record.

20. Investments Sub-committee

20.1 Draft Minute of Meeting held on 12 June 2019

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 the draft Minute of the Meeting of the Investments Sub-committee held on 12 June 2019, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor James W Stockan, seconded by Councillor Rachael A King, to approve the Minute of the Meeting of the Investments Sub-committee held on 12 June 2019, attached as Appendix 9 to this Minute, as a true record.

20.2. Draft Minute of Meeting held on 28 August 2019

Councillor Robin W Crichton declared a non-financial interest in this item, in that a close family member was a shareholder in one of the companies referred to in the draft Minute of the Meeting of the Investments Sub-committee held on 28 August 2019, however, as the matter was not discussed, he did not leave the meeting.

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 2, 4 and 6 of Part 1 of Schedule 7A of the Act.

After consideration of the draft Minute of the Meeting of the Investments Sub-committee held on 28 August 2019, copies of which had been circulated, the Committee:

Resolved:

20.2.1. On the motion of Councillor Rachael A King, seconded by Councillor Alexander G Cowie, to approve the Minute of the Meeting of the Investments Sub-committee held on 28 August 2019 as a true record.

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

20.2.2. That the recommendation at paragraph 7.11 of the Minute of the Meeting of the Investments Sub-committee held on 28 August 2019, attached as Appendix 10 to this Minute, be approved.

21. 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 2, 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 5 September 2019, copies of which had been circulated, the Committee:

Resolved:

21.1. On the motion of Councillor James W Stockan, seconded by Councillor John A R Scott, to approve the Minute of the Meeting of the Asset Management Sub-committee held on 5 September 2019 as a true record.

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

21.2. That the recommendations at paragraphs 8.3 to 8.6 of the Minute of the Meeting of the Asset Management Sub-committee held on 5 September 2019, attached as Appendix 11 to this Minute, be approved.

22. Conclusion of Meeting

At 15:15 the Chair declared the meeting concluded.

Signed: James W Stockan.