

## Minute

### Policy and Resources Committee

Tuesday, 1 March 2022, 09:30.

Microsoft Teams.



### Present

Councillors James W Stockan, W Leslie Manson, 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, Duncan A Tullock and Heather N Woodbridge.

### Clerk

- Hazel Flett, Senior Committees Officer.

### In Attendance

- John W Mundell, Interim Chief Executive.
- Stephen Brown, Chief Officer/Corporate Director, Orkney Health and Care.
- 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.
- James Buck, Head of Marine Services and Transportation.
- Peter Diamond, Head of Education (for Items 1 to 12).
- Andrew Groundwater, Head of HR and Performance.
- Colin Kemp, Interim Head of Finance.
- Roddy Mackay, Head of Planning, Development and Regulatory Services (for Items 1 to 11).
- Kenneth MacPherson, Interim Head of IT and Facilities.
- Gavin Mitchell, Head of Legal Services.
- Sweyn Johnston, Strategic Projects Director.
- Garry Burton, Leisure and Culture Service Manager (for Items 9 and 10).
- Laura Cromarty, Transportation Manager (for Items 4 to 14).
- Ian Rushbrook, Capital Programme Manager.
- Kerry Spence, Community Learning and Development and Employability Service Manager (for Items 1 to 11).
- Lindsey Johnson, Community Learning and Development Team Leader (Employability) (for Items 1 to 11).

## **Observing**

- Lynda Bradford, Head of Health and Community Care (for Item 18).
- Lorna Richardson, Interim Head of Roads, Fleet and Waste.
- Frances Troup, Head of Community Learning, Leisure and Housing (for Items 1 to 14).
- Rosemary Colsell, Procurement Manager (for Items 5 to 7).
- David Hannon, Strategic Projects Manager (for Items 18 to 25).
- Paul Olvhoj, Business Development Manager (for Items 4 to 11).
- Jackie Thomson, Development and Regeneration Manager (for Items 1 to 11).
- Kirsty Groundwater, Communications Team Leader.
- Nick Hewitt, Team Leader (Culture) (for Items 1 to 10).
- Sandra Craigie, Committees Officer (for Items 1 to 12).

## **Declarations of Interest**

- Councillor J Harvey Johnston – Items 19, 20 and 21.
- Councillor Duncan A Tullock – Items 19, 20 and 21.

## **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 18 to 24, 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. Capital Expenditure Monitoring**

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

Noted:

**2.1.** The summary financial position, as at 31 December 2021, in respect of the approved General Fund and Non-General Fund capital programmes, as detailed in section 3.1 of the report by the Head of Finance, which indicated actual expenditure incurred as at 31 December 2021 of £8,876,000.

**2.2.** That the Head of Finance had reprofiled the capital programme for 2021/22, taking slippage and current timescales for completion of individual capital projects into consideration, in order to reflect the estimated outturn position for the current financial year.

The Committee scrutinised:

**2.3.** The detailed analysis of capital expenditure, together with project updates in respect of the General Fund and the Non-General Fund capital programmes, attached as Appendix 1 to the report by the Head of Finance, and obtained assurance on progress being made with delivery of the approved capital programmes.

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

**2.4.** That the sum of £4,885,000 be carried forward from 2021/22 to 2022/23 and onwards in respect of slippage on projects contained within the General Fund capital programme.

**2.5.** That the sum of £7,918,000 be carried forward from 2021/22 to 2022/23 and onwards in respect of slippage on projects contained within the Non-General Fund capital programme.

Due to internet connectivity issues, Councillor Graham L Sinclair left the meeting during discussion of this item and rejoined the meeting at this point.

### **3. Treasury Management Strategy Statement and Annual Investment Strategy**

After consideration of a report by the Head of Finance, together with an Equality Impact Assessment, copies of which had been circulated, the Committee:

Resolved to **recommend to the Council** that the Treasury Management Strategy Statement and Annual Investment Strategy for 2022/23, attached as Appendix 1 to this Minute, be approved.

### **4. Regulation of Investigatory Powers**

After consideration of a report by the Corporate Director for Strategy, Performance and Business Solutions, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Head of Legal Services, the Committee:

Noted:

**4.1.** That, on 5 May 2021, the Council reviewed its policies and procedures in connection with the exercise of its statutory powers to conduct covert surveillance.

**4.2.** That, in terms of the Codes of Practice issued by the Scottish Government relating to the use of covert surveillance and use of covert human intelligence sources by public authorities, the policies and procedures of a local authority relating to its use of covert surveillance should be reviewed by Elected Members at least once a year.

**4.3.** That, since 5 May 2021, there had been no changes in the law or to relevant guidance in connection with the Council's statutory powers to conduct covert surveillance.

**4.4.** That, since 5 May 2021, there had been no cause by the Council to exercise its statutory powers to conduct covert surveillance.

**4.5.** That, since 5 May 2021, the Council had approved Phase 1 of a revised Corporate Management Structure which had resulted in updates to certain roles and responsibilities in relation to the Council's arrangements for the conduct of covert surveillance.

**4.6.** That the following policies and procedures had been amended to reflect the aforementioned updates:

- Policy on Covert Surveillance.
- Procedure for Authorisation of Covert Surveillance.
- Policy on Use of Covert Human Intelligence Sources.
- Procedure for Authorisation of the Use of Covert Human Intelligence Sources.
- Surveillance through Social Media Policy.

**4.7.** That, subject to the aforementioned updates to roles and responsibilities, no further amendments were proposed to the Council's policies and procedures.

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

**4.8.** That the updated policies and procedures in connection with the Council's arrangements for covert surveillance, attached as Appendices 2 to 6 to this Minute, incorporating the updates referred to in paragraph 4.6 above, should be approved.

Councillor Barbara Foulkes left the meeting at this point.

## **5. Governance Arrangements for Human Resource Matters**

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 HR and Performance, the Committee:

Noted:

**5.1.** That the governance arrangements in respect of the staffing establishment, which had been in place for a number of years, required relatively straightforward staffing decisions to be made by either the Chief Executive or via the relevant Service Committee.

**5.2.** That the governance arrangements included a process which was outdated and unnecessarily time consuming for a range of officers across the Council, did not adequately reflect the level of authority and accountability that people managers and budget holders should have in respect of their staffing and was not considered sufficiently responsive.

**5.3.** That, on 19 May 2021, when considering revisions to the Scheme of Administration and the Scheme of Delegation to Officers, the Policy and Resources Committee noted that the proposed management restructure, if approved, may well require further amendments to the Schemes.

**5.4.** That, following a review of the process regarding changes to the staffing establishment, further delegation, as set out in section 4.2 of the report by the Corporate Director for Strategy, Performance and Business Solutions, was proposed.

**5.5.** That, should the proposed delegation referred to at paragraph 5.4 above be approved, the Corporate Director for Strategy, Performance and Business Solutions would update the Scheme of Administration and the Scheme of Delegation to Officers accordingly.

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

**5.6.** That the undernoted delegation to officers in respect of the staffing establishment be approved:

- Establishment of new or additional permanent posts, with the exception of Chief Officer posts – delegated to the Chief Executive.
- Temporary posts, excluding posts of Chief Officer:
  - Up to two years – delegated to Head of Service, in consultation with Human Resources (HR).
  - Over two years and up to four years overall duration – delegated to relevant Corporate Director, in consultation with HR.
  - Over four years – delegated to Chief Executive, in consultation with HR.
- Temporary posts of Chief Officer of up to two years – delegated to the Chief Executive, in consultation with the Head of Finance and HR.
- Chief Officers – delegated to the Chief Executive to determine the relevant salaries for Corporate Directors and Heads of Service.

## **6. Our People Our Plan – Progress Update**

After consideration of a report by the Chief Executive, copies of which had been circulated, the Committee:

Noted:

**6.1.** That, in summer 2021, the Senior Management Team considered the emerging context for the Council and proposed a credible and deliverable plan providing co-ordinated effort on critical collective priorities, known as Our People Our Plan.

**6.2.** Progress to date in progressing the priorities determined within the Our People Our Plan programme, detailed in sections 4 to 10 of the report by the Chief Executive.

**6.3.** The continued focus over the coming months that would be placed on the priorities within the Our People Our Plan programme in order to realise the key outcomes.

**6.4.** That, given the natural cycle of corporate/service planning was coming to an end in March 2022, performance reports to be considered by Service Committees in June 2022 would set out the current Corporate and Service Plan achievements to March 2022.

**6.5.** That, pending development of the Council's Corporate Plan 2023-2026, by November 2022, the interim performance reports would also include Our People Our Plan programme priorities.

## 7. Sustainable Procurement Policy

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Interim Head of IT and Facilities, the Committee:

Noted:

**7.1.** That, on 22 June 2021, the Policy and Resources Committee recommended:

- That, subject to the undernoted being added to section 6, the draft updated Sustainable Procurement Policy be approved for consultation:
  - We will seek opportunities to share this approach with other statutory organisations and the third sector in Orkney to ensure best value and promote our circular economy.
- That the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 21 September 2021, detailing the outcome of the consultation exercise, referred to above, together with a final version of the Sustainable Procurement Policy.
- That the Sustainable Procurement Impact Assessment, attached as Appendix 6 to the Minute, be approved for immediate implementation.

**7.2.** That public consultation was undertaken in respect of the draft Sustainable Procurement Policy between 29 July and 19 August 2021.

**7.3.** The consultation report, attached as Appendix 1 of the report by the Corporate Director for Neighbourhood Services and Infrastructure, which detailed all the points raised by respondents.

**7.4.** That the draft Sustainable Procurement Policy had been updated to reflect the consultation responses where appropriate.

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

**7.5.** That the Sustainable Procurement Policy, attached as Appendix 7 to this Minute, be approved.

## 8. Driving at Work

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 IT and Facilities, the Committee:

Noted:

**8.1.** That the Driving at Work Policy, which was last reviewed by the Policy and Resources Committee on 26 November 2019, had been revised and updated.

**8.2.** That revisions to the Driving at Work Policy had resulted in significant changes to the separate handbook, attached as Annex 2 to the report by the Corporate Director for Neighbourhood Services and Infrastructure, which set out arrangements and procedures for fleet drivers and vehicles, and also contained information for private car drivers.

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

**8.3.** That the updated Driving at Work Policy, attached as Appendix 8 to this Minute, be approved.

## **9. Corporate Risk Register**

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** that the updated Corporate Risk Register as at January 2022, attached as Appendix 9 to this Minute, be approved.

Due to internet connectivity issues, Councillor Magnus O Thomson left the meeting during discussion of this item and rejoined the meeting at this point.

## **10. UK Government – Levelling Up Fund**

After consideration of a joint report by the Corporate Director for Enterprise and Sustainable Regeneration and the Corporate Director for Education, Leisure and Housing, copies of which had been circulated, the Committee:

Noted:

**10.1.** That, on 22 June 2021, when considering an update on the UK Government's Levelling Up Fund and a proposed strategy for submission of future applications, together with the human resources required to support development of bids to the Fund, the Policy and Resources Committee noted:

- That the UK Government had launched a Levelling Up Fund of £4.8 billion to support infrastructure and transportation projects across the UK.
- That councils were the lead authorities to apply to the Levelling Up Fund, with Orkney having eligibility to submit up to two bids, one for each of the infrastructure and transportation elements of funding.
- That councils could be successful in only one bid for each category during the four year lifetime of the Levelling Up Fund.
- That there were to be a number of rounds of funding bids to be invited by the UK Government, with the first round closing on 18 June 2021, and a further round anticipated later in 2021, with decisions in time for projects to commence at the start of financial year 2022/23.
- That the UK Government would provide capacity funding of £125,000 to the Council, which could be utilised to support development of bids to the Levelling Up Fund, including staff resource.

**10.2.** That the Policy and Resources Committee subsequently recommended:

- That the Council should not submit a bid to the first round of applications to the UK Government Levelling Up Fund, which were due for submission by 18 June 2021.
- That a temporary post of Projects and Funding Officer, G8, be established, for a period of up to 18 months, to be funded from the capacity funding to be provided by the UK Government, in order to lead in the preparation of bids to the Levelling Up Fund, with the target for that work to be submission of bids to the next round of funding, expected to be late 2021 or early 2022.

**10.3.** That, to date, there had been no announcement by the UK Government regarding a launch date for a second round of bids, but it had been indicated that bids would now be invited in Spring 2022.

**10.4.** That, despite three rounds of open advertising and an uplift in salary grade, it had not been possible to attract a suitable candidate for the post of Projects and Funding Officer.

**10.5.** That officers had subsequently been in discussion with representatives of Hub North Scotland, who had assisted a number of other local authorities with the submission of Round 1 bids to the UK Levelling Up Fund.

**10.6.** That, although as yet unconfirmed, it was anticipated that, as for Round 1, Orkney would have the opportunity to submit two successful bids over the lifetime of the Levelling Up Fund, namely a transport-related bid and one other infrastructure bid.

**10.7.** That draft outline project proposals for submission to the Levelling Up Fund were invited from across the Council, to be submitted initially to the Interim Executive Director of Finance, Regulatory, Marine and Transportation Services by 6 January 2022, with two project proposals subsequently received, namely:

- Upgrading harbour infrastructure at Papa Westray, North Ronaldsay and Graemsay to accommodate the existing ro-ro fleet.
- Orkney's Cultural Nexus.

**10.8.** That a further proposal regarding establishment of a fixed link between two of the North Isles and/or replacement of one of the existing ferries with a new vessel fuelled by a low carbon fuel, was also under consideration as a potential bid to a future funding round.

**10.9.** That, as Orkney's Cultural Nexus was in the early stages of development, it was not considered that the proposal could be adequately developed, with a full understanding of the revenue implications, for submission to Round 2 of the Levelling Up Fund.

**10.10.** That, in January 2022, Hub North Scotland was contracted to prepare two bids to the Levelling Up Fund, with preparation of bids due to commence on 7 February 2022 and completion proposed by 30 April 2022.



On the motion of Councillor Steven B Heddle, seconded by Councillor Stephen Sankey, the Committee resolved to **recommend to the Council**:

**10.11.** That Hub North Scotland should cease further development of the proposal in respect of Orkney's Cultural Nexus at this time, but should continue to prepare the project relating to upgrading harbour infrastructure at Papa Westray, North Ronaldsay and Graemsay, to accommodate the existing ro-ro fleet, for submission to Round 2 of the Levelling Up Fund.

**10.12.** That Hub North Scotland should be engaged to develop a bid, for a subsequent round of the Levelling Up Fund, in respect of a fixed link between two of the North Isles and/or replacement of one of the existing ferries with a new vessel fuelled by a low carbon fuel.

**10.13.** That the Corporate Director for Enterprise and Sustainable Regeneration should look at projects being developed elsewhere to identify other relevant and worthwhile projects that would deliver levelling up for and within Orkney, as well as projects that related to priorities in the Council Plan, with particular attention to upgrading the Churchill Barriers.

**10.14.** That the Corporate Director for Enterprise and Sustainable Regeneration should thereafter submit a report, to the Policy and Resources Committee in due course, on options for a Round 3 bid to the Levelling Up Fund, including the following:

- Establishment of a fixed link between two of the North Isles.
- Replacement of one of the existing ferries with a new vessel fuelled by a low carbon fuel.
- Orkney's Cultural Nexus.
- Projects identified in accordance with paragraph 10.13 above.

**10.15.** That, due to the undefined submission timetable, the Chief Executive be authorised to submit the bid in respect of upgrading harbour infrastructure at Papa Westray, North Ronaldsay and Graemsay, to accommodate the existing ro-ro fleet, to Round 2 of the UK Levelling Up Fund.

Councillor Barbara Foulkes rejoined the meeting during discussion of this item.

## **11. Kickstart Scheme**

After consideration of a report by the Corporate Director for Education, Leisure and Housing, together with an Equality Impact Assessment and an Island Communities Impact Assessment, copies of which had been circulated, and after hearing a report from the Community Learning and Development Team Leader (Employability), the Committee:

Noted:

**11.1.** That, on 22 June 2021, when considering resourcing Kickstart placement opportunities within the Council, the Policy and Resources Committee recommended:

- That an allocation of up to £106,600, to be met from the Council's Coronavirus Response Fund, be committed to enable the Council to employ up to 20 young people, aged 16-24, depending on availability of management and supervisory support, for a six-month period under the Kickstart scheme.
- That the Executive Director of Education, Leisure and Housing should submit a report to the Committee, no later than March 2022, evaluating the six-month pilot of the Kickstart Scheme and considering proposals for a further phase.

**11.2.** That, since June 2021, the Community Learning and Development, Employability Team, together with Human Resources colleagues, worked with managers across the Council and submitted 19 job vacancy templates for the Kickstart scheme to the Department for Work and Pensions, which were subsequently agreed.

**11.3.** That existing Council recruitment procedures were adapted to ensure the process was simplified and accessible whilst adhering to all current Council recruitment requirements.

**11.4.** That Kirkwall Job Centre Plus colleagues advised that 12 individuals met the Kickstart eligibility criteria, namely they were 16 to 24-year olds on Universal Credit, at risk of long-term unemployment, who would be work ready at the time of recruitment.

**11.5.** That, in total, 26 applications for various Kickstart positions were received from the 12 individuals, with 11 young people interviewed for various positions within the Council, with some interviews pending.

**11.6.** That eight of the 12 young people eligible for the Kickstart scheme had been offered conditional positions within the Council, including placements in Marine Services, Community Learning and Development, School Catering, Human Resources and the Chief Executive's Service.

**11.7.** That a sum, ranging from £22,032 to £42,624, of the original allocation of up to £106,600 would be utilised in delivering the current Kickstart scheme, leaving a potential unallocated balance of up to £84,568.

**11.8.** That the Local Employability Partnership had highlighted that there were significant numbers of individuals who did not meet the Kickstart eligibility criteria but would benefit significantly from a supported employment opportunity.

**11.9.** The proposal to further develop the principles of the Kickstart scheme, by providing additional fully funded 6-month supported work placements within the Council, for a wider group of targeted beneficiaries, highlighted at both local and national levels as priority groups under No One Left Behind.

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

**11.10.** That the unallocated balance of funding for the Kickstart scheme, amounting to a maximum sum of £84,568, be utilised to provide fully funded 6-month supported work placements within the Council for a wider group of targeted beneficiaries, highlighted at both local and national levels as priority groups under No One Left Behind, including those over 25, people with disabilities, care experienced and lone parents.

## **12. Proposed New Nursery at Orkney College**

### **Stage 2 Capital Project Appraisal**

After consideration of a report by the Corporate Director for Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Head of Education, the Committee:

Noted:

**12.1.** That, on 30 June 2020, when considering six options for the provision of early learning and childcare in Orkney, the Council resolved that, in order to meet the short and long term needs for early learning and childcare, Option 6, being a hybrid option including elements of Options 2 and 5, be adopted, which incorporated the following:

- Temporary provision of a 0-5 year olds and out of school care service.
- Building suitable accommodation for a new provision adjacent to Orkney College.
- Undertaking a tender exercise for a commercial operator to run a service for 0-5 year olds.
- Formally requesting financial support, including capital contributions, from partners within the Orkney Community Planning Partnership.

**12.2.** That the design service for a new Kirkwall nursery was the subject of a procurement process, with the contract awarded to Robert Potter and Partners LLP.

**12.3.** That the proposed new nursery at Orkney College appeared to be a good fit with the target outcomes and impacts of the Islands Infrastructure Fund, which would be a bidding fund from 2022/23 onwards.

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

**12.4.** That the Stage 2 Capital Project Appraisal in respect of the proposed new nursery at Orkney College, attached as Appendix 10 to this Minute, be approved.

**12.5.** That the Corporate Director for Education, Leisure and Housing should submit an application to the Islands Infrastructure Fund for 2023/24 in respect of the proposed new nursery at Orkney College, which maximised the level of grant funding within the Fund guidelines once established.

**12.6.** That, as an exception to the Capital Project Appraisal process and conditional upon success of the application to the Islands Infrastructure Fund, the proposed new nursery at Orkney College be added to the capital programme for 2022/23 onwards, at a gross cost of £2.52 million.

## **13. Sustainable and Green Transport Fund**

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 Transportation Manager, the Committee:

Noted:

**13.1.** That, in accordance with the new public bus contract which commenced in August 2021, passenger and concessionary fare income from all subsidised public bus services on mainland Orkney would be passed back to the Council.

**13.2.** That the public bus contract was awarded on a zero fares basis as it removed the risk of income generated through fares from the bus company to the Council, which was an uncertain element due to the COVID-19 pandemic and therefore allowed for the contract to be priced without an allowance for risk.

**13.3.** That, although fare income on public bus services had declined since the COVID-19 pandemic, the revenue to be generated from passenger fares on Council subsidised routes was anticipated to be in the region of £90,000 to £100,000 per annum.

**13.4.** That the revenue to be generated from passenger fares on Council subsidised routes could be applied as a saving against the recurring service pressure growth of £94,500 for the School and Public Bus Service contract that was included in the draft revenue budget for 2022/23.

**13.5.** That the public bus contract also allowed for an annual review of contract rates, with an increase capped at up to a maximum of 3%, estimated at £25,000 per annum.

**13.6.** The proposal to establish a Sustainable and Green Transport Fund, utilising passenger fare income from subsidised public bus routes, specifically for sustainable transport initiatives, including active travel, as a means to off-set existing transport CO2 emissions and to invest in sustainable and green transport solutions for the future.

**13.7.** Potential projects, detailed in Appendix 1 to the report by the Corporate Director for Enterprise and Sustainable Regeneration, which could be funded from the proposed Sustainable and Green Transport Fund.

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

**13.8.** That passenger fare income from subsidised public bus routes be utilised to establish a Sustainable and Green Transport Fund, rather than being applied as a saving against the recurring service pressure growth for the School and Public Bus Service contract.

**13.9.** That a proportion of the passenger fare income from subsidised public bus routes on mainland Orkney, estimated at £25,000 in 2022/23, be retained to meet the cost of the review of contract rates for public bus services, capped at a maximum of 3% per annum, beyond the 1% inflationary uplift to budgets.

**13.10.** That the remaining income received through passenger fares from subsidised public bus routes, estimated at up to £75,000 during 2022/23, be set aside in a Sustainable and Green Transport Fund.

**13.11.** That application of the funding set aside in the Sustainable and Green Transport Fund, referred to at paragraph 13.10 above, be delegated to the Corporate Director for Enterprise and Sustainable Regeneration, in consultation with the Head of Finance.

**13.12.** That the Corporate Director for Enterprise and Sustainable Regeneration should explore additional sources of funding to supplement the Sustainable and Green Transport Fund during 2022/23.

**13.13.** That the Corporate Director for Enterprise and Sustainable Regeneration should submit a report to the Development and Infrastructure Committee, on an annual basis, outlining the investments made from the Sustainable and Green Transport Fund, together with proposed projects for subsequent years.

## **14. Green Freeport Status**

After consideration of a joint report by the Chief Executive and the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Head of Marine Services and Transportation, the Committee:

Noted:

**14.1.** That the Scottish and UK Governments had now come to an agreement to allow the Scottish Government to start the process of awarding two Green Freeports in Scotland over the coming months.

**14.2.** That the process would consist of a formal application, after the release of a full prospectus, which was expected in March 2022, that defined the guiding rules for regions that wished to make a bid, based on a draft prospectus which was released in March 2021.

**14.3.** That the formal process was expected to commence and be completed during the summer of 2022, with awards later in the year and Green Freeport designation awarded in 2023.

**14.4.** That any application made by Orkney would be focussed more on innovation and research and development opportunities and link in different types of sites across Orkney.

**14.5.** That an application was unlikely to be submitted that was based on the Freeport model in other nations, which was primarily focussed on large trade flows of goods to and from tax free sites.

**14.6.** That there may be an approach from other regions to open a discussion to include Orkney in a consortium bid although any consideration would need to be within the prospectus guidelines, with the limitation of the outer boundary defined as within a 45 kilometre distance in any direction.

**14.7.** That it was expected that a regional distribution for deciding the successful applications would be considered to ensure that there was not an imbalance in the positioning of Green Freeports in one region.

**14.8.** The options available to the Council noting that, until the prospectus was published, there remained unknown factors:

- To progress an application for Orkney to become a Green Freeport.
- To decline to submit an application in the bid process for Orkney to become a Green Freeport.

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

**14.9.** That the Corporate Director for Enterprise and Sustainable Regeneration should commission the preparation of a draft application for the establishment of a Green Freeport in Orkney.

**14.10.** That, should Government deadlines for the submission of bids allow, the draft application for the establishment of a Green Freeport in Orkney be reported to the Policy and Resources Committee for consideration prior to submission.

**14.11.** That, should Government deadlines necessitate that a submission required to be made in the pre-election period or immediately after the Local Government election scheduled for 5 May 2022, powers be delegated to the Chief Executive to submit the application for establishment of a Green Freeport in Orkney.

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

## **15. Human Resources Sub-committee**

After consideration of the draft Minute of the Meeting of the Human Resources Sub-committee held on 1 February 2022, copies of which had been circulated, the Committee:

Resolved:

**15.1.** On the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, to approve the Minute of the Meeting of the Human Resources Sub-committee held on 1 February 2022 as a true record.

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

**15.2.** That the recommendation at paragraph 2.2 of the Minute of the Meeting of the Human Resources Sub-committee held on 1 February 2022, attached as Appendix 11 to this Minute, be approved.

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

After consideration of the draft Minute of the Meeting of the Police and Fire Sub-committee held on 22 February 2022, 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 22 February 2022, attached as Appendix 12 to this Minute, as a true record.

## **17. Exclusion of Public**

On the motion of Councillor James W Stockan, seconded by Councillor W Leslie Manson, 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.

## **18. Proposed New Care Facility, Kirkwall**

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 8 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a joint report by the Chief Officer/Corporate Director, Orkney Health and Care and the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Capital Programme Manager, the Committee:

Noted:

**18.1.** That, on 16 February 2021, when considering anticipated increases to the capital costs associated with the new care facility in Kirkwall, as well as the anticipated programme timeframe, the Policy and Resources Committee recommended:

- That the existing provision within the General Fund capital programme in respect of the proposed new Kirkwall care facility be increased by £1,180,000, from £12,270,000 to £13,450,000.
- That the total cost of the proposed new Kirkwall care facility be funded by General Fund borrowing of £13,450,000.
- That, to assist with affordability of the current five-year capital programme for 2020 to 2025, powers be delegated to the Head of Finance to apply a contribution of £8,070,000 from the Strategic Reserve Fund to fund projects on the General Fund capital programme.
- That the revised project programme, detailed in Appendix 5 to the Minute, be approved, namely construction of the proposed new Kirkwall care facility anticipated to begin in Autumn 2021, with delivery anticipated in Winter 2023.

**18.2.** That discussions had taken place with the Scottish Government regarding eligibility for grant funding in respect of infrastructure works at Soulisquoy.

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

**18.3.** That the existing provision within the General Fund capital programme in respect of the new Kirkwall care facility be increased.

**18.4.** That the total cost of the new Kirkwall care facility be funded by General Fund borrowing and grant receipts.

**18.5.** That, should the grant funding noted at paragraph 18.2 above not be forthcoming, powers be delegated to the Head of Finance to increase the borrowing on the new Kirkwall care facility to fund the works associated with the Soulisquoy infrastructure part of the project.

**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.**

## **19. Orkney's Community Wind Farm Project – Project Progression**

Councillor J Harvey Johnston declared a non-financial interest in this item, in that a close family member was part of the Strategic Projects Team, and was not present during discussion thereof.

Councillor Duncan A Tullock declared a non-financial interest in this item, in that one of the sites was owned by a close family member, 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 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 Strategic Projects Director, 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.**

Councillor Rachael A King rejoined the meeting at this point.

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

### **Contracts for Difference Auction**

Councillor J Harvey Johnston declared a non-financial interest in this item, in that a close family member was part of the Strategic Projects Team, and was not present during discussion thereof.

Councillor Duncan A Tullock had previously declared a non-financial interest in this item, in that one of the sites was owned by a close family member, and had left the meeting before consideration of Item 19 above.

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 Strategic Projects Director, 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.**

## **21. Orkney's Community Wind Farm Project – Corporate Structure**

Councillor J Harvey Johnston declared a non-financial interest in this item, in that a close family member was part of the Strategic Projects Team, and was not present during discussion thereof.

Councillor Duncan A Tullock had previously declared a non-financial interest in this item, in that one of the sites was owned by a close family member, and had left the meeting before consideration of Item 19 above.

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, the Committee:

Resolved to **recommend to the Council** what action should be taken with regard to the corporate structure for Orkney's Community Wind Farm Project.

**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 J Harvey Johnston rejoined the meeting at this point.

## **22. 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, 8 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 1 February 2022, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor Robin W Crichton, to approve the Minute of the Meeting of the Asset Management Sub-committee held on 1 February 2022, attached as Appendix 13 to this Minute, as a true record.

### **23. 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 paragraphs 6 and 9 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 23 February 2022, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, to approve the Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 23 February 2022, attached as Appendix 14 to this Minute, as a true record.

### **24. Investments 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 Investments Sub-committee held on 24 February 2022, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor James W Stockan, to approve the Minute of the Meeting of the Investments Sub-committee held on 24 February 2022, attached as Appendix 15 to this Minute, as a true record.

### **25. Conclusion of Meeting**

At 15:48 the Chair declared the meeting concluded.

Signed: James W Stockan.