

## Minute

### Development and Infrastructure Committee

Tuesday, 27 March 2018, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### Present

Councillors Graham L Sinclair, Andrew Drever, Norman R Craigie, David Dawson, J Harvey Johnston, Rachael A King, W Leslie Manson, Gwenda M Shearer, James W Stockan, Magnus O Thomson, Duncan A Tullock and Kevin F Woodbridge.

### Clerk

- Angela Kingston, Committees Officer.

### In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- Brian Archibald, Head of Marine Services, Engineering and Transportation (for Items 1 to 4).
- Roddy Mackay, Head of Planning, Development and Regulatory Services.
- Colin Kemp, Corporate Finance Senior Manager.
- Karen Bevilacqua, Solicitor.
- Stuart Allison, Economic Development Manager.
- Claire Kemp, Business Gateway Manager (for Items 3 to 9).
- Hazel Flett, Senior Committees Officer.
- Gavin Cameron, Funding Development Officer.

### Observing

- Kirsty Groundwater, Press Officer.

### Declarations of Interest

- Councillor Norman R Craigie – Item 8.
- Councillor Rachael A King – Item 7.
- Councillor Kevin F Woodbridge – Item 8.

### Chair

- Councillor Graham L Sinclair.

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

The Committee noted the proposal that the public be excluded from the meeting for consideration of Item 8, together with Annex B of Item 7, 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. Inter-Island Ferry Services**

### **Proposed Winter 2018 to 2019 Timetables**

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 Head of Marine Services, Engineering and Transportation, the Committee:

Noted:

**2.1.** That the inter-island ferry services timetables for winter 2018 to 2019 were scheduled to operate from 24 September 2018 to 4 May 2019.

**2.2.** That draft timetables in respect of ferry services to be operated by Orkney Ferries Limited during winter 2018 to 2019 were presented to the Ferry Services Consultative Forum for consideration on 14 February 2018, with main comments and representations from transport representatives outlined in section 5 of the report by the Executive Director of Development and Infrastructure.

**2.3.** That, on 15 March 2018, the proposed timetables, together with feedback from the Ferry Services Consultative Forum, were considered by the Board of Orkney Ferries Limited and recommended to the Council for implementation.

**2.4.** That the proposed timetables, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, remained consistent with those operated during winter 2017 to 2018, with the exception of accommodating a Tuesday and Thursday return link from Eday to Sanday for education purposes on a trial basis.

**2.5.** That, in the event the proposed trial for education purposes, referred to above, did not proceed, the timetable in respect of the Outer North Isles would revert to the level of service operated during 2017 to 2018, as detailed in Appendix 2 to the report by the Executive Director of Development and Infrastructure.

The Committee resolved, in terms of delegated powers:

**2.6.** That, subject to the trial of a Tuesday and Thursday return link from Eday to Sanday proceeding, the timetables in respect of ferry services to be operated by Orkney Ferries Limited during winter 2018 to 2019, attached as Appendix 1 to this Minute, be approved.

**2.7.** That, should the trial referred to at paragraph 2.6 above not proceed, the timetable in respect of ferry services to be operated to the Outer North Isles during winter 2018 to 2019, attached as Appendix 2 to this Minute, be approved.

Councillor James W Stockan joined the meeting at this point.

### **3. Inter-Island Air Services**

#### **Proposed Winter 2018 to 2019 Timetable**

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 Head of Marine Services, Engineering and Transportation, the Committee:

Noted:

**3.1.** That the inter-island air services timetable for winter 2018 to 2019 was scheduled to operate from 28 October 2018 to 24 February 2019.

**3.2.** That the draft timetable in respect of air services to be operated by Loganair Limited during winter 2018 to 2019 was presented to the Air Services Consultative Forum for consideration on 14 February 2018, with main comments and representations from transport representatives outlined in section 5 of the report by the Executive Director of Development and Infrastructure.

**3.3.** That the proposed timetable, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, was largely consistent with that operated during winter 2017 to 2018, with the exception of the last week day flight to North Ronaldsay and the on-request service to Sanday and Stronsay on a Sunday.

Councillor J Harvey Johnston, seconded by Councillor James W Stockan, moved that (1) the timetable in respect of inter-island air services, to be operated by Loganair Limited during winter 2018 to 2019, be approved; and (2) powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Chair and Vice Chair of the Committee, to amend the timetable, should funding be secured in respect of an additional scheduled flight on a Sunday for Sanday and Stronsay.

Councillor Kevin F Woodbridge, seconded by Councillor Duncan A Tullock, moved an amendment that, should there be no eligible S1 and S2 pupils from Eday, the flight on a Monday morning should revert to a direct flight from North Ronaldsay to Kirkwall.

On a vote being taken 5 members voted for the amendment and 7 for the motion, and the Committee:

Resolved, in terms of delegated powers:

**3.4.** That the timetable in respect of inter-island air services, to be operated by Loganair Limited during winter 2018 to 2019, attached as Appendix 3 to this Minute, be approved.

**3.5.** That powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Chair and Vice Chair of the Committee, to amend the timetable, should funding be secured in respect of an additional scheduled flight on a Sunday for Sanday and Stronsay.

#### **4. Harbour Authority Sub-committee**

After consideration of the draft Minute of the Meeting of the Harbour Authority Sub-committee held on 13 March 2018, copies of which had been circulated, the Committee:

Resolved:

**4.1.** On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, to approve the Minute of the Meeting of the Harbour Authority Sub-committee held on 13 March 2018 as a true record.

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

**4.2.** That the recommendations at paragraphs 1.5 and 2.6 of the Minute of the Meeting of the Harbour Authority Sub-committee held on 13 March 2018, attached as Appendix 4 to this Minute, be approved.

#### **5. New Business Start Up Grant Scheme**

After consideration of a report by 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 Economic Development Manager, the Committee:

Noted:

**5.1.** That uptake of the New Business Start Up Grant Scheme, which had been offered by the Council since 2011, had been steady.

**5.2.** That the purpose of the New Business Start Up Grant Scheme was to boost the business birth rate and support competitiveness, growth and survival rates of infant businesses.

**5.3.** That the New Business Start Up Grant Scheme was last reviewed on 5 February 2013.

**5.4.** The proposal to amend the criteria in respect of the New Business Start Up Grant Scheme, by including currently ineligible sectors of professional services, private health care, property development and retail goods premises.

**5.5.** That the annual Economic Development Grants budget included an allocation of £40,000 in respect of New Business Start Up Grants, which was dependent on an appropriate budget allocation being made available to the Committee in the future, and might therefore be subject to review on an annual basis.

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

**5.6.** That the criteria in respect of the New Business Start Up Grant Scheme be amended, in that the following sectors should become eligible for support:

- Professional services.
- Private health care.
- Property development.
- Retail goods premises.

## **6. Local Growth Accelerator Programme**

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 Business Gateway Manager, the Committee:

Noted:

**6.1.** That the Local Growth Accelerator Programme, delivered by Business Gateway Orkney, offered an enhanced, intensive business support service to potential growth enterprises in Orkney.

**6.2.** That, in March 2015, the Council agreed, subject to European Regional Development Fund assistance being secured, a budget allocation of up to £201,500 over four years to deliver the Local Growth Accelerator Programme.

**6.3.** That Business Gateway Orkney successfully applied for 50% European Regional Development Fund assistance, enabling it to procure and commission the Local Growth Accelerator Programme, with the Programme anticipated to commence in April 2015.

**6.4.** That, as final approval for the Local Growth Accelerator Programme was not received from the Scottish Government until April 2016, together with lower than anticipated contract costs and slower uptake of the Programme, it was now considered unlikely that European Regional Development Fund funding criteria would be met.

**6.5.** That a requirement still existed for a scaled back Local Growth Accelerator Programme service provision, as detailed in section 7 of the report by the Executive Director of Development and Infrastructure.

**6.6.** Options in respect of the Local Growth Accelerator Programme, as outlined in section 8 of the report by the Executive Director of Development and Infrastructure, with the preferred option being Option 4, namely to withdraw from the European Regional Development Fund programme, but continue to offer the service utilising the Council funding previously allocated.

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

**6.7.** That the Executive Director of Development and Infrastructure should undertake to formally withdraw the Local Growth Accelerator Programme from the current European Regional Development Fund arrangements.

**6.8.** That Business Gateway Orkney should continue to offer a Local Growth Accelerator Programme service, utilising the Economic Development Grant budget previously committed from 2015 to 2019.

## **7. Economic Development Grants**

### **Budget Monitoring Statement and Delegated Approvals**

Councillor Rachael A King declared a non-financial interest in this item, in that a family member was employed by an organisation which had received economic development grant funding, however, as the specific application was not discussed, she did not leave the meeting.

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 Economic Development Manager, the Committee:

Noted:

**7.1.** That, for financial year 2017 to 2018, the revised approved budget in respect of Economic Development Grants amounted to £579,200.

**7.2.** Spending to 28 February 2018, in relation to Economic Development Grants, totalling £276,757, of which £185,601 related to grant commitments made in previous financial years and £91,156 to current year commitments.

**7.3.** Grant approvals made in the period 1 April 2017 to 28 February 2018, totalling £557,903, as detailed in Annex B to the report by the Executive Director of Development and Infrastructure.

**7.4.** That, as at 28 February 2018, the Budget Available for Approval from the Economic Development Grants budget amounted to £21,297.

**7.5.** Grants approved under delegated schemes to March 2018, totalling £207,569, as detailed in Annex B to the report by the Executive Director of Development and Infrastructure.

**7.6.** That, as at 6 March 2018, the Economic Development Grants budget was fully committed for financial year 2017 to 2018.

## **8. Provision of Abattoir Services in Orkney**

### **Abattoir Challenge Fund**

On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, the Committee resolved that the public be 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 Local Government (Scotland) Act 1973 as amended.

Councillor Norman R Craigie declared a non-financial interest in this item, in that a close family member was part of the consortium who had submitted an application to the Abattoir Challenge Fund, and left the meeting at this point.

Councillor Kevin F Woodbridge declared a financial interest in this item, in that he was a mutton producer and might utilise any future facility, and left the meeting at this point.

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

Noted:

**8.1.** That, in October 2017, the Council resolved that an Abattoir Challenge Fund of up to £50,000 be established for the purpose of encouraging the private sector to become directly involved in developing a solution to the provision of abattoir services in Orkney, with powers delegated to the Development and Infrastructure Committee to determine applications for support from the Fund.

The Committee resolved, in terms of delegated powers:

**8.2.** That a grant, up to a maximum sum of £50,000, to be met from the Abattoir Challenge Fund, be offered to Orkney Meat Processors Limited.

**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.**

## **9. Conclusion of Meeting**

At 12:10 the Chair declared the meeting concluded

Signed: Graham L Sinclair.