

## Minute

### Development and Infrastructure Committee

Tuesday, 4 June 2019, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### Present

Councillors Graham L Sinclair, Norman R Craigie, Robin W Crichton, David Dawson, Andrew Drever, J Harvey Johnston, Rachael A King, W Leslie Manson, Stephen Sankey, James W Stockan, 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 7 and 11 to 13).
- Andrew Groundwater, Head of HR and Performance (for Items 5 to 13).
- Roddy Mackay, Head of Planning, Development and Regulatory Services (for Items 1 to 11).
- Colin Kemp, Corporate Finance Senior Manager.
- Karen Bevilacqua, Solicitor.
- Stuart Allison, Economic Development Manager (for Items 3.1 to 11).
- David Brown, Environmental Health Manager (for Items 1 to 5).
- Hazel Flett, Senior Committees Officer.
- Adele Lidderdale, Hydrogen Projects Officer (for Items 4 to 6).
- Jordan Low, Economic Development Officer (for Items 3.1 to 11).
- Malcolm Parsons, Airfield Superintendent/Technician (for Items 8 to 13).

### Observing

- Sweyn Johnston, Strategic Projects Officer (for Items 4 to 6).

### Declarations of Interest

- Councillor Rachael A King – Item 8.
- Councillor Stephen Sankey – Item 11.

### 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 12, together with Annex B of Item 8, 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. Appointment of Vice Chair**

The Chair called for nominations for Vice Chair, and the Committee:

Resolved, in terms of delegated powers, that Councillor Andrew Drever be appointed Vice Chair of the Development and Infrastructure Committee.

## **3. Appointments to Sub-committees, Working Groups and Other Bodies**

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

Noted:

**3.1.** Council policy on appointments and/or nominations to external bodies, as outlined in section 6 of the report by the Chief Executive.

**3.2.** The proposal that, as the term of this Council was five years, appointments made at this meeting should last for the remainder of the term of this Council, namely for three years until May 2022.

The Committee resolved:

**3.3.** To confirm constitutional arrangements, approve revised remits and thereafter make appointments, where required, to the various Sub-committees, consultative groups and other bodies, referred to at paragraphs 3.5 to 3.18 below, which fell within the remit of the Development and Infrastructure Committee.

**3.4.** That the appointments to the various Sub-committees, consultative groups and other bodies, referred to at paragraphs 3.5 to 3.18 below, should be for the remainder of the term of this Council, namely for three years to May 2022.

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

The Chair called for nominations, from membership of the Development and Infrastructure Committee, for three appointments to the Harbour Authority Sub-committee and, after a secret ballot, the result of which was as follows:

- Councillor Robin W Crichton – 9 votes.
- Councillor David Dawson – 11 votes.
- Councillor Rachael A King – 1 vote.
- Councillor Stephen Sankey – 4 votes.
- Councillor Kevin F Woodbridge – 11 votes.

The Committee resolved, in terms of delegated powers:

**3.5.1.** That the following members be appointed to serve on the Harbour Authority Sub-committee:

- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.
- Councillor Robin W Crichton.
- Councillor David Dawson.
- Councillor Kevin F Woodbridge.

The Chair called for nominations for two further appointments to the Harbour Authority Sub-committee, who should not necessarily be members of the Development and Infrastructure Committee, and, after a secret ballot, the result of which was as follows:

- Councillor Rachael A King – 6 votes.
- Councillor Stephen Sankey – 2 votes.
- Councillor Magnus O Thomson – 10 votes.
- Councillor Owen Tierney – 6 votes.

Councillor Rachael A King intimated her wish to withdraw from the ballot, and the Committee:

Resolved to **recommend to the Council:**

**3.5.2.** That the following additional members be appointed to serve on the Harbour Authority Sub-committee:

- Councillor Magnus O Thomson.
- Councillor Owen Tierney.

### **3.6. Community Benefit Member/Officer Working Group**

The Committee resolved, in terms of delegated powers, that the following members be appointed to serve on the Community Benefit Member/Officer Working Group:

- Leader.
- Depute Leader.
- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.
- Councillor Rachael A King.

### **3.7. Planning and Regulatory Services Consultative Group**

The Committee resolved, in terms of delegated powers, that the following members be appointed to serve on the Planning and Regulatory Services Consultative Group:

- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.

- Chair, Planning Committee.
- Vice Chair, Planning Committee.
- Councillor Norman R Craigie.
- Councillor David Dawson.
- Councillor Stephen Sankey.

### **3.8. Roads and Environmental Services Consultative Group**

The Committee resolved, in terms of delegated powers, that the following members be appointed to serve on the Roads and Environmental Services Consultative Group:

- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.
- Councillor Norman R Craigie.
- Councillor Robin W Crichton.
- Councillor J Harvey Johnston.
- Councillor Stephen Sankey.
- Councillor Duncan A Tullock.

### **3.9. Transport Fairer Funding Consultative Group**

The Committee resolved, in terms of delegated powers:

**3.9.1.** That the remit of the Transport Fairer Funding Consultative Group be extended to include wider transportation infrastructure, including air services.

**3.9.2.** That the following members be appointed to serve on the Transport Fairer Funding Consultative Group:

- Leader.
- Depute Leader.
- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure.
- Councillor Robin W Crichton.
- Councillor Duncan A Tullock.
- Councillor Kevin F Woodbridge.

### **3.10. Regulatory Appeals Panel**

The Committee noted the current arrangements regarding the Regulatory Appeals Panel, whereby the Panel comprised three members of the Committee, appointed by the Chief Executive, in terms of delegated powers, as and when required, depending on availability and the nature of the appeal.

### **3.11. Destination Orkney Strategic Partnership**

The Committee resolved, in terms of delegated powers:

**3.11.1.** To confirm membership and participation on the Destination Orkney Strategic Partnership in an advisory capacity only, whilst representing the function and remit of the stakeholder organisation represented.

**3.11.2.** That the following members be appointed to represent the Council on the Destination Orkney Strategic Partnership:

- Leader.
- Depute Leader (substitute).
- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee (substitute).

### **3.12. Highlands and Islands Transport Partnership**

The Committee resolved, in terms of delegated powers, that the following members be appointed to represent the Council on the Highlands and Islands Transport Partnership:

- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee (substitute).

### **3.13. Northern Roads Collaboration Forum**

The Committee noted, that, following formation of the Northern Roads Collaboration Joint Committee in 2017, there was no longer a requirement to appoint representatives to the Northern Roads Collaboration Forum.

### **3.14. Orkney Local Plan District Partnership**

The Committee resolved, in terms of delegated powers, that Councillor David Dawson be reappointed to represent the Council on the Orkney Local Plan District Partnership.

### **3.15. Orkney Renewable Energy Forum**

The Committee resolved, in terms of delegated powers, that the following members be appointed to represent the Council on the Orkney Renewable Energy Forum, in an observer status only:

- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.

### **3.16. Road Safety Forum**

The Committee resolved, in terms of delegated powers, that the following members be appointed to represent the Council on the Road Safety Forum:

- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.
- Councillor David Dawson.

### **3.17. Orkney Energy Strategy Stakeholder Group**

The Committee resolved, in terms of delegated powers:

**3.17.1.** To confirm the remit of the Orkney Energy Strategy Stakeholder Group as follows:

- To oversee development and review of the Orkney Energy Strategy.
- To oversee development and delivery of an action plan to progress the Orkney Energy Strategy.

**3.17.2.** That membership of the Orkney Energy Strategy Stakeholder Group should comprise the following:

- Convener.
- Leader.
- Depute Leader.
- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.
- Head of Strategic Projects and Infrastructure.
- Head of Marine Services, Engineering and Transportation.
- Head of Planning, Development and Regulatory Services.
- Head of Housing, Homelessness and Schoolcare Accommodation Services.
- Chair, Orkney Renewable Energy Forum.
- Innovation Manager, Community Energy Scotland.
- Managing Director, EMEC.
- Area Manager, Orkney, Highlands and Islands Enterprise.

### **3.18. Hydrogen Project Board**

The Committee noted:

**3.18.1.** That, when reviewing appointments, consideration had been given to disestablishing the Hydrogen Project Board, with the remit thereafter subsumed within the remit of the Orkney Energy Strategy Stakeholder Group, referred to at paragraph 3.17 above.

The Committee resolved, in terms of delegated powers:

**3.18.1.** That the Hydrogen Project Board be retained meantime in order to retain specific focus on hydrogen projects.

**3.18.2.** To confirm the constitutional arrangements in respect of the Hydrogen Project Board as follows:

- Convener.
- Leader.
- Chair, Development and Infrastructure Committee.
- Vice Chair, Development and Infrastructure Committee.

## 4. Performance Monitoring

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

Scrutinised:

**4.1.** The performance of Development and Infrastructure for the reporting period 1 October 2018 to 31 March 2019, as set out in sections 3 to 5 and Annexes 1, 2 and 3 of the report by the Executive Director of Development and Infrastructure, and obtained assurance.

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

**4.2.** That the following actions, which had been progressed to completion, be removed from the Development and Infrastructure Service Plan:

- 08 – Core Paths Plan – Review of Core Paths Plan.
- 10a – Roads – To close off the Roads Asset Management Plan work.
- 10b – Roads – To progress the Roads Management and Maintenance Plan work.
- 19 – Digital Connectivity – Ensuring ubiquitous world class digital connectivity in Orkney by way of adding to the Highlands and Islands digital roll-out. Working with Community Broadband Scotland to match local communities and interested parties' digital aspirations. This included developing and supporting pipelines projects.
- 24 – STAG Appraisal for Transport Scotland Connectivity to the Scottish Mainland – Work with the Scottish Government and HITRANS to complete the STAG appraisal for transport connectivity to the Scottish Mainland in order to influence the service specification requirements.
- 30 – Kirkwall Harbour Coastal Flood Risk Management – Deliver the Kirkwall Harbour Coastal Flood Risk Management project.
- 36 – Environmental Services (Recycling on Egilsay, Wyre and Graemsay) – Complete implementation of recycling solutions for Egilsay, Wyre and Graemsay.

**4.3.** That the Development and Infrastructure Risk Register, attached as Appendix 1 to this Minute, be approved.

## 5. Private Water Supplies

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 Environmental Health Manager, the Committee:

Noted:

**5.1.** That, in Scotland, private water supplies were defined as those not provided by Scottish Water and where the water was intended for human consumption.

**5.2.** The two types of private water supplies, covered by different regulations and legislation, as detailed in section 3 of the report by the Executive Director of Development and Infrastructure.

**5.3.** That, in November 2006, the Council agreed a policy in respect of private water supplies, which set out procedures for sampling, charging and grant eligibility.

**5.4.** That, following an internal audit report on private water supplies presented to the Monitoring and Audit Committee on 7 June 2018, the following recommendations were made:

- A policy, setting out how the Council would regulate Type B supplies, should be prepared.
- A review of the criteria for demonstrating undue hardship in respect of private water supply grants should be undertaken.
- A review of charges for Regulation 2 and Type B supplies should be undertaken.

**5.5.** Options in respect of charging for regulating private water supplies, as outlined in sections 5.5 and 5.10 of the report by the Executive Director of Development and Infrastructure, with the preferred options being as follows:

- Regulated supplies – Option 1, namely to recover costs in relation to collecting water samples, the analysis of water samples, carrying out a risk assessment and reviewing a risk assessment.
- Type B supplies – Option 1, namely to recover costs up to the statutory maximum but to waive charges, which would otherwise apply to Type B supplies, where the eligible person was in receipt of a means tested benefit.

**5.6.** The criterion proposed in respect of private water supply grants, as detailed in section 6.3 of the report by the Executive Director of Development and Infrastructure.

Councillor Duncan A Tullock, seconded by Councillor Robin W Crichton, moved that (1) the Type B Private Water Supplies Policy be approved; (2) persons in receipt of one or more means tested benefits should receive 100% grant aid in respect of private water supplies; and (3) the following charges in respect of private water supplies be implemented:

- Regulated supplies – recover costs in relation to collecting water samples, the analysis of water samples, carrying out a risk assessment and reviewing a risk assessment.
- Type B supplies – recover costs up to the statutory maximum but to waive charges, which would otherwise apply to Type B supplies, where the eligible person was in receipt of a means tested benefit.

Councillor James W Stockan, seconded by Councillor Kevin F Woodbridge, moved an amendment that costs in respect of travel and officer time, associated with sampling Regulated and Type B supplies in the North and South isles, be excluded from any charges.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Norman R Craigie, David Dawson, Andrew Drever, J Harvey Johnston, Rachael A King, W Leslie Manson, Stephen Sankey, Graham L Sinclair, James W Stockan and Kevin F Woodbridge (10).



For the Motion:

Councillors Robin W Crichton and Duncan A Tullock (2).

The amendment then became the motion.

Councillor W Leslie Manson, seconded by Councillor Norman R Craigie, moved a further amendment, notice of which had been given, that consideration of the draft Type B Private Water Supplies Policy, charges for regulating private water supplies and the criterion in respect of private water supplies mandatory grants be deferred, to the next meeting of the Committee, to allow officers to provide further clarification, particularly in regard to isles-proofing the policy and associated charges to ensure that it did not disadvantage residents living in the isles.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Norman R Craigie, Robin W Crichton, W Leslie Manson, Graham L Sinclair, Duncan A Tullock and Kevin F Woodbridge (6).

For the Motion:

Councillors David Dawson, Andrew Drever, J Harvey Johnston, Rachael A King, Stephen Sankey and James W Stockan (6).

On the casting vote of the Chair, the Committee:

Resolved to **recommend to the Council:**

**5.7.** That consideration of the draft Type B Private Water Supplies Policy, charges for regulating private water supplies and the criterion in respect of private water supplies mandatory grants be deferred, to the next meeting of the Committee, to allow officers to provide further clarification, particularly in regard to isles-proofing the policy and associated charges to ensure that it did not disadvantage residents living in the isles.

## **6. Draft Orkney Hydrogen Strategy**

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 Hydrogen Projects Officer, the Committee:

Noted:

**6.1.** That, in October 2016, the Council approved the Orkney Hydrogen Economic Strategy, a Council document produced for the purpose of aiding an application for specific funding, and as such was considered unsuitable to direct further development of hydrogen in Orkney.

**6.2.** That, in February 2017, the Council agreed to facilitate the consultation process for the draft Orkney Sustainable Energy Strategy 2017 to 2025 on behalf of the Orkney community, with the final document published in September 2017 and endorsed by the Orkney Partnership.

**6.3.** The proposal that a new Orkney Hydrogen Strategy, to be owned and developed by the wider Orkney community, with the Council facilitating the consultation process, be prepared to supersede the Orkney Hydrogen Economic Strategy.

**6.4.** The draft Orkney Hydrogen Strategy, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which would sit within and support the strategic aims of the Orkney Sustainable Energy Strategy 2017 to 2025.

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

**6.5.** That the draft Orkney Hydrogen Strategy, referred to at paragraph 6.4 above, be approved for consultation.

**6.6.** That the Executive Director of Development and Infrastructure should submit a report, to the next meeting of the Committee, detailing the outcome of the consultation exercise, referred to at paragraph 6.5 above, and presenting a final version of the Orkney Hydrogen Strategy for adoption in so far as it related to the remit of the Council.

## **7. Town Centre Fund**

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 Planning, Development and Regulatory Services, the Committee:

Noted:

**7.1.** That the Scottish Government had confirmed an award of capital grant, amounting to £200,000, to the Council as part of the Town Centre Fund.

**7.2.** That the aim of the Town Centre Fund was to enable local authorities to support economic investments in towns with a population of over 1,000 which encouraged town centres to diversity and flourish.

**7.3.** That the decision on use of the Town Centre Fund grant allocation rested with the Council, with the grant, which was for capital expenditure, required to be used in financial year 2019 to 2020.

**7.4.** That Financial Regulations permitted the Head of Finance, in exceptional circumstances, and in consultation with the Leader, the Depute Leader and the Chief Executive, to approve any capital expenditure which he considered was in the interest of the Council and which was fully funded.

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

**7.5.** That, following consideration of feedback from Kirkwall BID Limited, the Stromness Community Development Trust and Kirkwall and Stromness ward members, powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Chair and Vice Chair of the Development and Infrastructure Committee, to identify a range of potential projects, to utilise the Town Centre Fund.

## **8. 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:

**8.1.** That, during financial year 2018 to 2019, new spending commitments of £532,938 were approved which, relative to the revised Economic Development Grants budget of £591,700 including the capability to over-commit by 20%, resulted in an uncommitted amount of £58,762 for the year, as detailed in Annex A to the report by the Executive Director of Development and Infrastructure.

**8.2.** That the level of outstanding spending commitments held in the Economic Development Grants Fund, as at 31 March 2019, increased by £139,993 to £1,120,001.

**8.3.** Grant and non-grant approvals made in the period 1 April 2018 to 31 March 2019, totalling £532,938, including grants approved under delegated schemes for the same period, totalling £255,044, as detailed in Annex B to the report by the Executive Director of Development and Infrastructure.

## **9. Economic Development Grants Budget**

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:

**9.1.** That, in July 2008, the Council agreed that the Development Committee be authorised to overcommit the annual allocation towards development activities, now known as the Economic Development Grants budget, by a maximum of 20%.

**9.2.** That, in 2011, the Economic Development Grants Fund was established to recognise the extent of grant commitments which, as at 31 March 2019, stood at £1,120,001.

**9.3.** That, up until financial year 2018 to 2019, the annual Economic Development Grants budget had become fully committed earlier each financial year.

**9.4.** That, due to an improvement in the number of fully delivered projects that had received Economic Development grant awards, the annual budget risked being exceeded.

**9.5.** The analysis of the Economic Development Grants budget, as detailed in section 4 of the report by the Executive Director of Development and Infrastructure.

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

**9.6.** That, with effect from 1 April 2019, the Development and Infrastructure Committee be authorised to overcommit the annual allocation to the Economic Development Grants budget by a maximum of 5%.

**9.7.** That the Executive Director of Development and Infrastructure should undertake a review of the practice, referred to at paragraph 9.6 above, which would operate within normal budgetary control limits, at the end of each financial year, with the results being reported to the Committee as part of the Budget Outturn Statement in respect of Economic Development Grants.

**9.8.** That the review, referred to at paragraph 9.7 above, should also include a review of long standing grant commitments being carried in the Economic Development Grants Fund.

## **10. Training Grant Pilot 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 Officer, the Committee:

Noted:

**10.1.** That there was currently a dearth of financial support available in Orkney towards staff development and training that was open to all businesses.

**10.2.** The proposal to establish a one year pilot scheme offering grant assistance to eligible businesses towards non-statutory staff development and training.

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

**10.3.** That a one year pilot scheme, providing grant assistance to eligible businesses towards non-statutory staff development and training, up to a maximum sum of £1,000 to any single business during the period of the pilot scheme, and at a maximum rate of 90% of total eligible costs, be approved.

**10.4.** That an allocation of up to £40,000 be used from the Economic Development Grants budget towards the pilot training grant scheme.

**10.5.** That powers be delegated to the Executive Director of Development and Infrastructure to determine applications from eligible businesses in respect of the training grant pilot scheme.

## **11. Orkney Marketing**

### **Proposed Programme of Activities and Budget**

Councillor Stephen Sankey declared a financial interest in this item, in that he owned a tourism business which had received funding from the Orkney Marketing Programme, and was not present during discussion thereof.

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:

**11.1.** That, since 1995, the Orkney Marketing Programme had operated as a jointly funded partnership between the Council and Highlands and Islands Enterprise.

**11.2.** That the Marketing Programme was industry led, with its activities prioritised through the Orkney Marketing Advisory Group, comprising representatives from the industry membership groups of the Energy, Creative, Tourism and Food and Drink sectors.

**11.3.** That approved Orkney Marketing Programme activities were procured, contracted and delivered by Highlands and Islands Enterprise programme management staff, acting on behalf of the partnership.

**11.4.** That several additional sector support projects, which co-ordinated with and were mutually supportive of the Orkney Marketing Programme, had secured LEADER Programme funding that would run until 30 September 2020.

**11.5.** That, as yet, there was no clarity on future external post Brexit funding options beyond September 2020.

**11.6.** That, recognising current circumstances, uncertain external funding options and the priority of providing continuity of marketing support delivered through contract procurement, Orkney Marketing Advisory Group had endorsed a programme of activities covering the period of current LEADER funding, namely April 2019 to September 2020, amounting to a total budget of £189,500.

**11.7.** That the proposed Orkney Marketing Programme up to September 2020 would enable preparations to be made to plan for and approach new external funding sources as and when those were confirmed by UK and Scottish Governments.

**11.8.** The proposal that the programme budget, referred to at paragraph 11.6 above, be jointly funded by the Council and Highlands and Islands Enterprise, as follows:

- Council contribution – 60% of total costs up to a maximum sum of £77,700 for 2019 to 2020 and £36,000 for April to September 2020.
- Highlands and Islands Enterprise contribution – 40% of total costs up to a maximum sum of £51,800 for 2019 to 2020 and £24,000 for April to September 2020.

The Committee resolved, in terms of delegated powers:

**11.9.** That, subject to approval of the contribution from Highlands and Islands Enterprise, referred to at paragraph 11.8 above, which comprised a number of individual project contributions, the following budget allocations be awarded towards the activities of Orkney Marketing:

- A budget allocation up to a maximum sum of £77,700 for financial year 2019 to 2020.
- A provisional budget allocation up to a maximum sum of £36,000 for April to September 2020, subject to confirmation of a Marketing revenue budget for 2020 to 2021.

## 12. Airfields Strategy and Investment Plan

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 paragraph 1 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended.

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, the Committee:

Noted:

**12.1.** That the Council, as the Accountable Body for airfield operations, carried the full risk of ensuring that the infrastructure and equipment for all aspects of airfield operations were fit for purpose.

**12.2.** That, since approval of the North Isles Airfield Strategy by Council in July 2014, works identified in that strategy had largely been completed, with the exception of upgrading the four remaining terminal buildings at Eday, Papa Westray, Stronsay and Westray.

**12.3.** That, whilst reviewing the Strategy, a number of priorities had been identified, as detailed in section 4 of the report by the Executive Director of Development and Infrastructure.

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

**12.4.** That the North Isles Airfield Management Strategy 2019, attached as Appendix 2 to this Minute, be approved.

## 13. Conclusion of Meeting

At 15:30 the Chair declared the meeting concluded.

Signed: Graham L Sinclair.

# Development and Infrastructure Risk Register – March 2019

## Strategic Risks

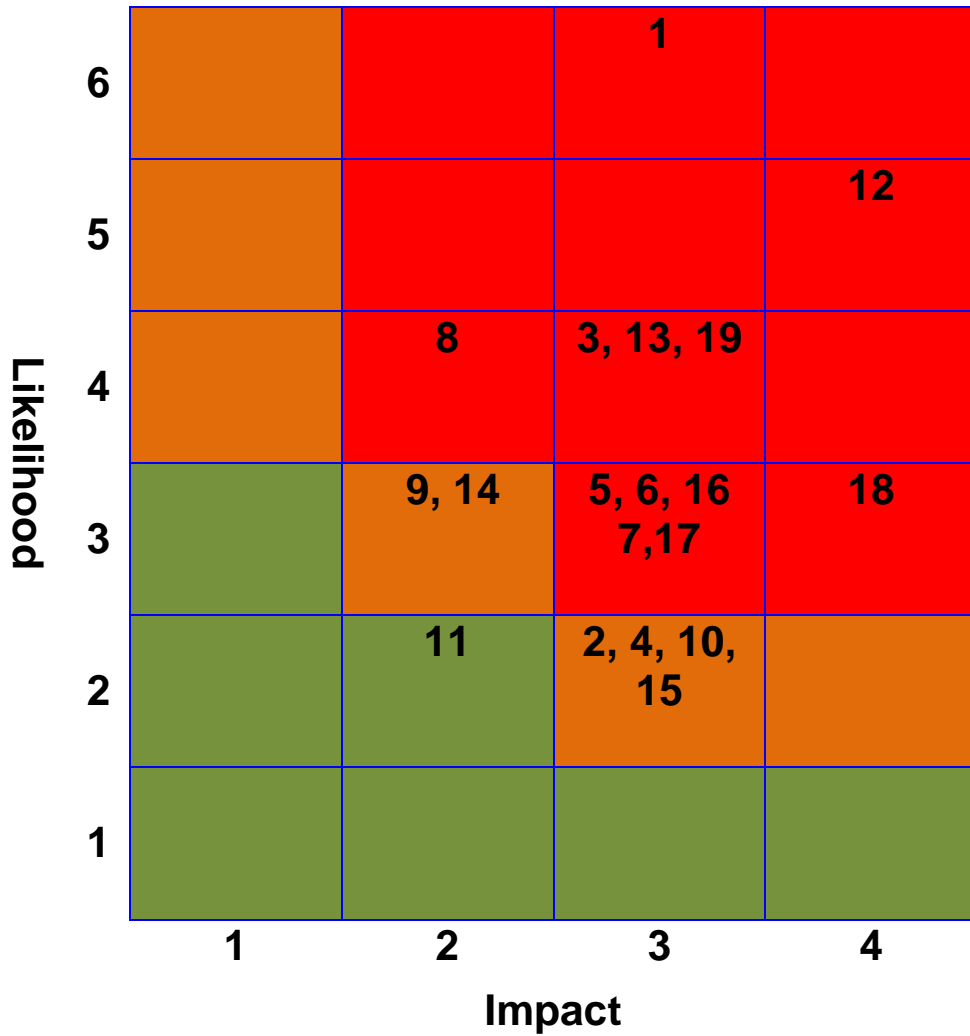
Cluster.	Risk number.	Owner.
Financial.	12, 8, 10.	Head of Marine Services, Engineering and Transportation.
Financial.	11.	Head of Planning, Development and Regulatory Services.
Financial	9	Head of Infrastructure and Strategic Projects
Financial.	17, 18, 19.	Executive Director of Development and Infrastructure.
Staffing.	19.	Executive Director of Development and Infrastructure.
Economic Recovery and Sustainability.	1.	Head of Planning, Development and Regulatory Services.
Political.		
Partnerships.	4.	Head of Planning, Development and Regulatory Services.
Governance.		
Communication.		

## Operational Risks

<b>Cluster.</b>	<b>Risk Number.</b>	<b>Owner.</b>
Financial.	3.	Head of Infrastructure and Strategic Projects.
Financial.	13, 14, 15, 16.	Executive Director of Development and Infrastructure.
Staffing.	5, 15, 16.	Executive Director of Development and Infrastructure.
Economic Recovery and Sustainability.	2.	Head of Marine Services, Engineering and Transportation.
Economic Recovery and Sustainability.	6, 7.	Executive Director of Development and Infrastructure.
Political.		
Partnerships.		
Governance.		
Communication.		



# Risk Matrix



**KEY**

Impact:  
 4 = Catastrophic  
 3 = Critical  
 2 = Significant  
 1 = Negligible

Likelihood:  
 6 = Very High  
 5 = High  
 4 = Significant  
 3 = Low  
 2 = Very Low  
 1 = Almost Impossible

## Risk Title: 01 – The UK exit from the European Union (Brexit)

Likelihood.	6.	Impact.	3.	RAG.	Red.	Current Risk Score.	18.	Target Risk Score.	6.
Vulnerability.	Trigger.	Consequences.	Mitigating Actions.						
<p>BREXIT presents an as yet unknown risk to existing, established Policy and support for a range of sectors in Orkney.</p> <p>UK Government Shared Prosperity Fund</p>	<p>Residency challenges/insecurity of migrant labour force. Risk of substantial change across a range of sectors for example cut in direct payments to farmers post Brexit.</p> <p>Export tariffs and transportation delays, additional costs, and restricted access to European and global markets threaten viability of livestock farming, fishing and food and drink sectors.</p> <p>Changes to food exports, e.g. export health certificates.</p> <p>Market price adjustments fail to compensate for farm subsidy cuts.</p> <p>Service unable to deliver to demands e.g. health certificates.</p>	<p>Disruption of trade/business. Skills shortages in several sectors. Reduced viability could lead to falling production of livestock and crops and cause land abandonment. Loss of competitive access to EU markets leads to; reduced fishing effort; Loss of employment opportunities in key economic sectors. Sustainability of fragile communities at risk. Lack of capital investment funds.</p>	<p>01.1 - In partnership with other Highlands and Islands local authorities and other stakeholder organisations, the H&amp;I Partnership and H&amp;I Agricultural Support Group (HIASG) are engaged in on-going discussions with the Scottish Government and is lobbying Ministers and parliaments at all levels.</p> <p>01.2 – Engagement with the fish catching and processing sectors, aquaculture businesses and other sectoral groups. Engagement with Scottish Government.</p> <p>01.3 - Monitoring BREXIT process through OIC EU team and COSLA representation. Monitor all impacts.</p> <p>01.4 - Training of additional staff in health certificates and Business Ring option.</p>						

**Risk Title: 02 – Airfield closure or non-conformity.**

Likelihood.	2.	Impact.	3.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	6.
Vulnerability.	Trigger.			Consequences.			Mitigating Actions.		
<p>Insufficient plans in place to ensure delivery of training and exercises take place. The Council may not have sufficient funds to sustain assets, replace ageing assets and develop key assets.</p> <p>Difficulty of staff recruitment in some areas.</p>	<p>Failure to carry out training of staff. Insufficient resilience of staff – singleton posts. Changed standards for runways, facilities and equipment. Material deterioration of runways.</p> <p>Shortage of staff to muster fire team for any island.</p>			<p>Failure to provide a service to the outer islands of Orkney; Airfields deteriorate; plan/vehicles deteriorate; scarce resources; reputational risk to Council; closure of islands airfields.</p> <p>Failure to monitor health due to lack of supplier or sufficient budget.</p>			<p>02.1 – Improved training and exercise programme.</p> <p>02.2 – Plant and vehicle replacement programme.</p> <p>02.3 – Recruitment drive for new employees and review of terms and conditions.</p> <p>02.4 - Airfield inspection and maintenance programme and introduction of Airfields Strategy.</p> <p>02.5 – Delivery of the Airfields investment plans for runways, buildings and plant.</p> <p>02.6 - Re-introduce/replace the health assessment programme.</p>		

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**Risk Title: 03 – Affordability of Waste collection and disposal.**

Likelihood.	4.	Impact.	3.	RAG.	Red.	Current Risk Score.	12.	Target Risk Score.	4.
Vulnerability.	Trigger.			Consequences.			Mitigating Actions.		
<p>The Council may fail to deliver the AWC (Alternate Weekly Collection) service to the outer islands in Orkney.</p> <p>The risks are all in context of significant service cuts of circa £65k per annum</p>	<p>The Council fails in the delivery of this service to the outer islands in Orkney.</p>			<p>Council will not be able to close the gap towards meeting the Government targets for recycling 70% by 2020.</p>			<p>03.1 – Ongoing programme of review, in particular AWC (alternate weekly collection). Round review for efficiencies, linked to commercial trade waste roll-out. Preventative spend proposal for funding gaps. Progress is also being made on efficiencies through the Change Programme to improve recycling and commercial waste roll out.</p>		

<p>against current deficit in excess of £200k.</p> <p>There is also an additional focus in the new Council Plan on new activities e.g. plastics.</p> <p>Loss of income generated through the sale of recyclates due to changes in international markets which leads to additional storage costs.</p>			<p>03.2 – Secure strategy on a longer term for support officer for awareness raising and targeting.</p> <p>03.3 – Chinglebraes Replacement Project. Interim maintenance is within the 2016/17 capital replacement programme. Permanent replacement solution in development for 2021/22 going forward for CPA consideration in 2016/17.</p> <p>03.4 – Re-negotiations with Shetland on disposal cost to increase certainty of expenditure.</p>
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### Risk Title: 04 – Public health protection.

Likelihood.	2.	Impact.	3.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	6.
Vulnerability.	Trigger.			Consequences.			Mitigating Actions.		
<p>The Council has limited staffing resources to be able to respond to a major public health incident. It has to be recognised that within a small team there will always be capacity issues when a significant incident arises. There is a need for close co-ordination with NHSO.</p>	<p>A major animal, food or other public health disease outbreak.</p>			<p>Council cannot manage within its resources; immediate impact on individuals, families, friends and staff members involved in the incident; possible legal proceedings and associated costs; community resources unable to cope with scale of events; Council's reputation at risk.</p>			<p>04.1 – Regular Review and scrutiny of operational plans.</p> <p>04.2 – Effective partnership working with NHSO.</p> <p>04.3 – D&amp;I Protocol for dealing with major Public Health &amp; Safety incidents.</p> <p>04.4 – Staffing establishment – full complement of competent officers (qualified, trained, experienced and appropriately authorised).</p> <p>04.5 – Port Health – Maintain training programme with National Health Service Orkney. Up-date to go to MOWG before the end of 2018.</p> <p>04.6 – Agreement in place with NHSO to undertake annual up-date to the Port Health</p>		

			Guide and to meet every February to discuss and agree. 04.7 - Establish a formal out of hours Environmental Health Service.
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**Risk Title: 05 – Workforce Planning.**

<b>Likelihood.</b>	3.	<b>Impact.</b>	3.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	9.	<b>Target Risk Score.</b>	6.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		
The Council may have insufficient training plans in place and ERDs (employee review development) not carried out regularly. Lack of proper training including career grade plans/ apprenticeships will impact on the Service in the future. Workforce Plans were approved through Committee in March 2017.	The Council does not have fully trained staff, in the right place, at the right time, to deliver set priorities and/or statutory functions.			Council cannot manage with an untrained workforce. Existing workforce becomes demoralised; service standards drop; an increased risk of non-compliance with changes in legislation, practices etc.			05.1 – Appropriate systems in place to measure competency and ensure training and people development is undertaken as required. With a particular focus on statutory services. 05.2 – Workforce Plans implemented within teams.		

**Risk Title: 06 – Major project delay or failure.**

<b>Likelihood.</b>	3.	<b>Impact.</b>	3.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	9.	<b>Target Risk Score.</b>	6.
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<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Mitigating Actions.</b>
The risk of insufficient financial and/or staff resources, to meet current and future demand, makes it difficult for the Council to realise its priorities.	Strategic high level project programme slippage or failure of being over budget.	Failure to deliver major projects.	06.1 – Ensuring appropriate consideration of pressures during capital and revenue budget setting and most efficient use of existing resources. 06.2 – Establish additional project specific staff and budget resources to ensure new project delivery where required.

### **Risk Title: 07 – Higher fuel costs.**

<b>Likelihood.</b>	3.	<b>Impact.</b>	3.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	9.	<b>Target Risk Score.</b>	6.
<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Mitigating Actions.</b>						
The Council faces challenges because of the volatility of fuel costs. The running costs for plant and vehicles, aircraft, buses, ferries, tugs, etc. is directly affected by the cost of fuel. This is particularly challenging for contracted services where the Council is obliged to honour agreements.	The Council has a large increase in fuel costs.	Council is reactive rather than proactive: Roads: increased costs could mean a reduced service. Ferries: increased costs mean a reduced service. Bus routes may become non-viable. Air Public Service Obligation – Council carries 95% of fuel risk – may become non-viable. Council calls on contingency and/or contingency reserve for fuel ties in funds which may or may not be required. Tugs: minimise use.	07.1 – Fuel surcharge levy has been used in past to recoup money for ferry and tug operation. 07.2 – Incentives for cheaper supplies. 07.3 - Encourage lower fuel usage; contingency. Migration to low energy vehicles and other alternative fuels. 07.4 - Fuel cost risk held by bus operators. 07.5 – Capital project development of renewables to offset energy consumption (electricity rather than oil) through Council owned renewables project and properties.						

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### **Risk Title: 08 – Continued lack of Scottish Government support for costs of concessionary travel on ferries, air and community transport.**

<b>Likelihood.</b>	4.	<b>Impact.</b>	2.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	8.	<b>Target Risk Score.</b>	4.
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<b>Vulnerability.</b>	<b>Trigger.</b>	<b>Consequences.</b>	<b>Mitigating Actions.</b>
The Council may not have sufficient funds for dealing with concessions on Ferries, Air and Dial-a-Bus. This vulnerability is also increasing due to the increased ageing population.	Ageing population. Reducing Scottish Government proportion of grant/Scottish Government “pot” is capped.	Vulnerable people left without ability to meet basic needs; budgets inadequate due to reduction in government support.	08.1 - Outwith Local Authority control – reimbursement of over 60/disabled NEC tax paid by the Scottish Government. 08.2 - STAG Project/Fair Funding activity.

**Risk Title: 09 – Risk of reduced income from business activities from Quarries Budget overspend due to self-financed strategy which relies on income generation**

<b>Likelihood.</b>	3.	<b>Impact.</b>	2.	<b>RAG.</b>	Amber.	<b>Current Risk Score.</b>	6.	<b>Target Risk Score.</b>	4.
<b>Vulnerability.</b>	<b>Trigger.</b>		<b>Consequences.</b>			<b>Mitigating Actions.</b>			
The Council Quarry has also been a significant income resource which has been applied to a self-financing budget approach within D&I. This is market dependent and availability of infrastructure.	Change in local market for quarry goods.		Lack of availability of quarry products for Council projects. D&I self-financed budget strategy leading to overspend.			09.1 - Continue to invest in quarry infrastructure and expansion potential.			

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**Risk Title: 10 – Risk of reduced income from Harbours business activity as the market changes.**

<b>Likelihood.</b>	2.	<b>Impact.</b>	3.	<b>RAG.</b>	Amber.	<b>Current Risk Score.</b>	6.	<b>Target Risk Score.</b>	6.
<b>Vulnerability.</b>	<b>Trigger.</b>		<b>Consequences.</b>			<b>Mitigating Actions.</b>			
Harbours has become increasingly reliant on the	The Council fails to identify and exploit new markets		Failure to provide a comprehensive 24/7 marine service; reputational			10.1 - Development and Marketing of infrastructure and services.			

oil industry and cruise liners for generating income. Changes to these markets could have a profound effect on harbour revenues.	/income streams if/when current marine activity reduces. Cruise ships reduce. Oil revenues worsen.	risk to Council; dissatisfied service users and elected members; failure to deliver the range of services expected. D&I self-financed budget strategy leading to over spend. Inability to provide funds to the Strategic Reserve Fund.	10.2 – New business e.g. Ship to Ship transfer in Scapa Flow and other oil and gas related activity. 10.3 - Identify and exploit new markets and invest in infrastructure and skilled people. 10.4 - Implementation and investment in the Port Master Plan.
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**Risk Title: 11 – Insufficient Fee income for Planning and Building Standards.**

<b>Likelihood.</b>	2.	<b>Impact.</b>	2.	<b>RAG.</b>	Green.	<b>Current Risk Score.</b>	4.	<b>Target Risk Score.</b>	4.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		
The risk of insufficient financial resources to meet current and future demand as there is an over-reliance on highly unpredictable fee income (primarily building warrants and planning fees) to fund elements of the service.	The Council faces changes in the national and local economy. This impacts on the level of development activity and in turn impacts on the number of planning applications and building warrants (and associated fee income) received by the Council.  For 2019/2020 exceptional development activity reduces risk for this year only.			Council cannot manage with insufficient budget; service standards drop; existing workforce becomes overstretched and demoralised; failure to provide a comprehensive e-planning service.			11.1 – Promote new development opportunities located within Orkney. 11.2 – Continue to seek baseline funding for core services revenue and capital. 11.3 - Support any Scottish Government proposals to increase fees.		

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**Risk Title: 12 – Loss of Service due to lack of funding for Ferry and Terminal Replacement**

<b>Likelihood.</b>	5.	<b>Impact.</b>	4.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	20.	<b>Target Risk Score.</b>	3.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		



The Council does not have sufficient funds for Ferry and Terminal maintenance and replacement programme.	The Council cannot maintain or develop its essential assets to provide public services.	Ferries reach end of life with no replacement – rapid service deterioration. Excessive support costs as aged ferries kept running. Excessive running costs of old ferries. No opportunities to achieve expected service levels. Crisis purchase of new ferries – loss of bargaining power.	12.1 - Contact with Scottish Government STAG (Scottish Transport Appraisal Guidelines) process including beginning discussion on transfer of responsibility and fair funding. 12.2 – Establish revised funding mechanism for revenue and capital elements of transportation services with Scottish Government.
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**Risk Title: 13 – Insufficient Operational equipment and infrastructure funding.**

<b>Likelihood.</b>	4.	<b>Impact.</b>	3.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	12.	<b>Target Risk Score.</b>	9.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		
The Council may not have sufficient funds to sustain assets, replace ageing assets and develop key assets and infrastructure. Essential plant and equipment have to be maintained to ensure they can support the Council's services.	The Council does not have sufficient budget to maintain or develop its essential assets or infrastructure to provide public services; the Council cannot implement an asset management strategy.			Plant, equipment and infrastructure deteriorate; services are not delivered; Council's reputation at risk; risk of accident and potential claim.			13.1 – Asset Management planning. 13.2 – Capital programme planning and prioritisation focusing on repairs, renewals and additions that mitigate rising costs through a revised business focussed CPA process and linked to the Asset Management Plan.		

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**Risk Title: 14 – Compensation claims arising from Insufficient funding to maintain path and countryside access infrastructure.**

<b>Likelihood.</b>	3.	<b>Impact.</b>	2.	<b>RAG.</b>	Amber.	<b>Current Risk Score.</b>	6.	<b>Target Risk Score.</b>	4.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		

The Council may not be able to maintain a variety of paths and tracks, including bridges, boardwalks, gates and stiles.	The Council not undertaking regular inspections resulting in defects not being identified and repaired.	Failure to provide a service; risk of a trip hazard or modest fall and at worst could result in a fatality; financial claims from third party if they suffer accident, injury, loss or damage; reputational damage to Council.	14.1 - Comprehensive inspections currently being undertaken. 14.2 – Review of access strategy and action plan. 14.3 - Seek to identify additional budget capacity through the Council's Growth Bid process.
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**Risk Title: 15 – Accidents and health and safety incidents.**

Likelihood.	2.	Impact.	3.	RAG.	Amber.	Current Risk Score.	6.	Target Risk Score.	9.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		
The risk of not managing accidents and health and safety incidents. Particular Operational vulnerabilities are: HAVS, Quarrying accident, lifting injury, machinery injury, heavy vehicle – moving injury. Waste related injury/contamination, Drowning/hypothermia. Harbours infrastructure, ladders etc.	The Council not managing accidents and health and safety incidents appropriately.			An increased risk in the number of accidents/incidents; loss of productivity; loss of equipment; an increased risk of legal challenges; risk of financial claims and financial penalties.			15.1 - Training programme(s) Reporting Implementing improvements. Work Methods Safety meetings and reviews. Safety Management Systems and Audit. 15.2 – Maintaining a comprehensive schedule of staff and management meetings and culture in relation to Health and Safety matters e.g. quarterly cross service management health and safety meetings, tool box talks etc. 15.3 - Development and Infrastructure Health and Safety Induction process and introduction of an induction DVD.		

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**Risk Title: 16 – Operational failure to carry out works and inspections of Council owned properties (including Council Houses), or failure of elements e.g. mechanical and electrical systems within properties.**

Likelihood.	3.	Impact.	3.	RAG.	Red.	Current Risk Score.	9.	Target Risk Score.	6.
		<b>Trigger.</b>		<b>Consequences.</b>			<b>Mitigating Actions.</b>		

<p>The Council can lose business opportunities and income from rental property. Availability of staff revenue budget to fund repairs.</p>	<p>The Council's lack of agility in Council processes, procedures and legal requirements.</p>	<p>Financial loss; reduced rental income; business opportunities move elsewhere; initiatives suppressed; buildings remain vacant; speculative investment delayed beyond the point of opportunity; reputational harm. Failure of building or other building systems leading to injury or environmental hazards.</p>	<p>16.1 – Annual work programme/5 year plan. Statutory requirements and regulations. Regular engagement with Clients. Housing asset management plan. Council asset management plan. 16.2 – Not increasing the asset base for inspection without corresponding increase in funding. 16.3 - Provision of sufficient budget to deliver current demands.</p>
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**Risk Title: 17 – Residual Liability for properties no longer in original use.**

Likelihood.	3.	Impact.	3.	RAG.	Red.	Current Risk Score.	9.	Target Risk Score.	6.
Vulnerability.	Trigger.			Consequences.			Mitigating Actions.		
<p>The Council is exposed to significant expenditure to remediate sites to appropriate level. Public liability arising from the fact that sites are no longer in active use. Hence not necessarily secure or part of an inspection regime. The alternative is the Council does nothing and is at risk of claim arising from injury etc.</p>	<p>Current liability (has been the case for many years).</p>			<p>Financial, staff resources for inspection, planning, penalties. Specialist studies are required. Public health and reputation.</p>			<p>17.1 – Asset Management planning and mitigation. 17.2 Prioritise inspection and immediate remedial action through existing service budgets with corresponding risk of overspend. 17.3 - additional budget pressures for approval for the final works programme.</p>		

**Risk Title: 18 - Affordability of Development and Infrastructure Services and likelihood of reduction in spending on discretionary services.**

<b>Likelihood.</b>	3.	<b>Impact.</b>	4.	<b>RAG.</b>	Red.	<b>Current Risk Score.</b>	12.	<b>Target Risk Score.</b>	4.
<b>Vulnerability.</b>	<b>Trigger.</b>			<b>Consequences.</b>			<b>Mitigating Actions.</b>		
Political expectation that service levels will not change despite budget reductions. Discretionary services likely to be the focus for reductions in funding.	Budget reductions below baseline service level requirement.			Budget overspend.			18.1 – Ensure full awareness and understanding of consequences through budget setting process. 18.2 – Strong SMT/Change Programme Board approach to budget setting. 18.3 – Follow through budget savings with service changes quickly and resolutely following decisions.		

**Risk Title: 19 - Failure to progress strategic objectives due to the inevitable focus on day to day service delivery on demands/challenges**

Likelihood.	4.	Impact.	3.	RAG.	Red.	Current Risk Score.	12.	Target Risk Score.	2.
Vulnerability.	Trigger.	Consequences.	Mitigating Actions.						
Lack of progress on strategic outcomes. Loss of opportunity. Medium to long term failure of service.	Volume of attention required on day to day activities and priorities that removes time, resource commitment and focus away from progressing strategic objectives, e.g. both operational such as responding to day to day questions and/or requests and also corporate processes, e.g. FOI, performance etc.	Strategies not delivered. Service failure. Negative impact on service delivery.  Deterioration in long term performance of the service.  In-efficiencies.  Pressure on staff leading to poor health and wellbeing e.g. stress, sickness and/or a drop in morale.	19.1 - Seek to focus resources on delivery of the Council Plan approved strategic objectives/projects for the service. 19.2 - Managing expectations in regard to the responsiveness of day to day operational demands and also corporate demands. 19.3 - Re-calibration of service standards e.g. review service response standards/times for non-safety critical or strategic outcome items.						

# North Isles Airfield Management Strategy 2019

1. The purpose of this Strategy is to establish a framework for considering the Council's responsibilities as an Airfield Operator, and to ensure that there is a basis for prioritising future investment in core infrastructure, including consideration of relationships between the different elements of infrastructure and to ensure that collectively this is operated to the ALARP principle.

2. The Strategy establishes the following principles for the operation of the Council's airfields:

- Principle 1: Airfield Operator will ensure the safe provision of lifeline air services to the six outer north isles aerodromes, including night landings at North Ronaldsay, and take all reasonable and practical steps possible in order to maintain a 100% safety record.
- Principle 2: In considering investment and funding priorities for Airfield Operations, the Council will follow best practice as laid down in the Airfield Safety Management System and in accordance with risk managed to the ALARP principle.
- Principle 3: In accordance with ALARP, the Council will maintain a high standard of airfield facilities and rescue and fire fighting capability through the provision of modern fit for purpose equipment, infrastructure and training.

3. The following priorities have been identified in the Strategy for Investment Planning purposes:

- Priority 1 – upgrading airfield terminal building facilities.
- Priority 2 – updated runway maintenance plan.
- Priority 3 – establishing an apron resurfacing plan.

4. The priority at 1 above was approved by the Council following recommendations by Development and Infrastructure Committee on 10 June 2014. Upgrades to the four airfield terminal buildings at Eday, Papa Westray, Stronsay and Westray remain outstanding.

5. The priority at 2 above was approved by the Council following recommendations by Development and Infrastructure Committee on 5 February 2015. Approval is now required for an updated runway maintenance plan for 2023 to 2025.

6. The priority at 3 above to resurface the airfield aprons will require approval for the period 2019 to 2022.

Annex A: Terminal buildings.

Annex B: Runway resurfacing.

Annex C: Apron Resurfacing.

Annex A.

## Terminal Building Upgrades

The terminal buildings at Eday, Papa Westray, Stronsay and Westray are 30+ years old, the toilet facilities are inadequate and cement fibre roof tiles are overdue for replacement.

Following the Multi Agency Exercises the Airfield Rescue and Fire Fighting Service (RFFS), NHS, Scottish Fire and Rescue Service (SFRS) and Police Service of Scotland (PSS) have all commented adversely on the waiting room and the watch room being combined. For the RFFS, SFRS and PSS the lack of a dedicated watch room/emergency operations room means that members of the public will be in the same room as those handling the incident compromising confidentiality and potentially making key communications chaotic. IT cannot be installed because of the inability to fulfil the data protection responsibilities placed on the Council.

The buildings suffer from restricted views of the airfield manoeuvring area compromising the ability to respond to an incident on the airfield within the two minutes mandated by the Civil Aviation Authority (CAA).

Car parking is also a problem with too few parking spaces at the four airfields that have not been modernised and should be addressed when the terminal buildings are being upgraded, it would also be an ideal opportunity to install electric car charge points at the airfields.

## Financial Implications

	Total	2019/20	2021/22	2022/23	2023/24
Capital Expenditure	£000	£000	£000	£000	£000
Eday	£130	£0	£0	£128	£2
Papa Westray	£130	£0	£128	£2	£0
Stronsay	£130	£0	£128	£2	£0
Westray	£130	£0	£0	£128	£2
Less: Anticipated Grants or Other Contributions					
Net Capital Expenditure	£520	£0	£256	£260	£4
Associated Revenue Implications					
Associated Finance and Loan Charges					
Estimated cost of detailed Stage 2 CPA					

Notes:

Cost of working up a detailed project appraisal will be met from the Airfields budget.

30 April 2019.

Annex B.

## Hard Runway Maintenance Plan

This forms part of the Airfield Management Strategy and deals specifically with the hard runways.

### Inspection Procedure

The runways are inspected annually by the Council's Engineer as required by the Civil Aviation Authority (CAA). An annual runway condition report is compiled and recorded as a means of quantifying the rate at which the runways are wearing. The CAA inspectors also make an annual visual inspection of the runways and comment accordingly in their audit report.

### Current Status

Between 2015 and 2018 all of the hard runways were resurfaced with recycled bitumen using a 16mm screened sub base material to restore the runway profile, topped off with 25mm of 10mm crushed recycled bitumen.

A programme of maintenance based on the next 7 year cycle of refurbishment is now required. The cost of the maintenance programme is shown below.

To refurbish with a surface layer of recycled bitumen would cost approximately:

Eday.	every 14 years.	£60k (significantly fewer flights).
North Ronaldsay.	every 7 years.	£85k (note two hard runways).
Papa Westray.	every 7 years.	£65k.
Sanday.	every 7 years.	£55k.
Stronsay.	every 7 years.	£65k.
Westray.	every 7 years.	£60k.

This equates to approximately £52k per year for all runways.

2 May 2019.



## Runway Resurfacing and Maintenance Programme for resurfacing the runways with recycled bitumen

Costs in £000s.

Airfield	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32
Eday			120	3													58
North Ronaldsay			130	4						83	2						83
Papa Westray	68	2						63	2						63	2	
Sanday		94	2						53	2						53	2
Stronsay	68	2						63	2						63	2	
Westray		94	2						58	2						58	2
Totals	136	192	254	7				126	115	87	2				126	115	145

All dates shown beyond 18/19 are provisional and subject to results of annual inspections.

All costs are current prices.

## Runway Resurfacing and Maintenance Programme for resurfacing the runways with recycled bitumen

Costs in £000s.

Airfield	32/33	33/34	34/35	35/36	37/38	39/40
Eday	2					
North Ronaldsay	2					
Papa Westray					63	2
Sanday						53
Stronsay					63	2
Westray						58
Totals					126	115

All dates shown beyond 18/19 are provisional and subject to results of annual inspections.

All costs are current prices.

Annex C.

## Apron Maintenance Plan

This forms part of the Airfield Management Strategy and deals specifically with the aprons.

### Inspection Procedure

The aprons are inspected annually by the Council's Engineer as required by the Civil Aviation Authority (CAA). An annual condition report is compiled and recorded as a means of quantifying the rate at which the aprons are wearing. The CAA inspectors also make an annual visual inspection of the aprons and comment accordingly in their audit report.

### Current Status

The aprons on the airfields are used for passenger embarkation and disembarkation and casualty transfers using the air ambulance and Coastguard helicopters. The surfaces of the aprons are now beyond their designed life and are showing signs of wear and tear with many stones becoming loose and some pot holes beginning to form. From a safety perspective the loose stone chips are a hazard when the helicopters land as they are blown towards personnel, the terminal buildings and cars in the adjacent car parks.

The apron at Westray has been successfully resurfaced using a slurry dressing which has sealed the surface eliminating the safety issue caused by the loose stones.

A programme of maintenance based on a 7 year cycle of refurbishment is now required. The cost of the maintenance programme is shown below.

To refurbish with a surface slurry would cost approximately:

Eday	every 7 years	£25k
North Ronaldsay	every 7 years	£36k
Papa Westray	every 7 years	£21k
Sanday	every 7 years	£16k
Stronsay	every 7 years	£21k
Westray	every 7 years	£18k

This equates to approximately £20k per year for all aprons.

2 May 2019.

## Apron Resurfacing and Maintenance Programme for resurfacing the aprons with slurry dressing

Costs in £000

Airfield	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	29/30	29/30	29/30
Eday				24	1						24	1			
North Ronaldsay				35	1						35	1			
Papa Westray			20	1						20	1				
Sanday		15	1						15	1					
Stronsay			20	1						20	1				
Westray	17	1						17	1						17
Totals	17	16	41	61	2			17	16	41	61	2			17

All dates shown beyond 18/19 are provisional and subject to results of annual inspections.

All costs are current prices.

## Apron Resurfacing and Maintenance Programme for resurfacing the aprons with slurry dressing

Costs in £000

Airfield	30/31	31/32	32/33	33/34	34/35	35/36	37/38	38/39	39/40
Eday			24	1					
North Ronaldsay			35	1					
Papa Westray		20	1						20
Sanday	15	1						15	1
Stronsay		20	1						20
Westray	1						17	1	
Totals	16	41	61	2			17	16	41

All dates shown beyond 18/19 are provisional and subject to results of annual inspections.

All costs are current prices.