

# Minute

## Policy and Resources Committee

Monday, 29 November 2021, 10:00.

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/Executive Director, Orkney Health and Care.
- Hayley Green, Interim Executive Director of Environmental, Property and IT Services.
- Gareth Waterson, Interim Executive Director of Finance, Regulatory, Marine and Transportation Services.
- James Wylie, Executive Director of Education, Leisure and Housing.
- Karen Greaves, Head of Executive Support.
- Andrew Groundwater, Head of HR and Performance.
- Colin Kemp, Interim Head of Finance (for Items 1 to 8).
- Gavin Mitchell, Head of Legal Services.
- Roddy Mackay, Head of Planning, Development and Regulatory Services (for Items 1 to 7).
- Kenny MacPherson, Interim Head of IT and Facilities (for Items 1 to 8).
- Lorna Richardson, Interim Head of Roads, Fleet and Waste (for Items 1 to 7).
- Rosemary Colsell, Procurement Manager (for Items 1 to 7).
- Les Donaldson, Safety and Resilience Manager (for Items 1 to 3).
- Alex Rodwell, Improvement Support Manager (for Items 1 to 4).
- Ian Rushbrook, Capital Programme Manager (for Items 1 to 8).

## Observing

- Stuart Allison, Economic Development Manager (for Items 1 to 7).
- Paul Kemp, Strategic Finance Manager (for Items 1 to 4).
- Steven Bruce, Project Officer (ReFlex Project) (for Items 1 to 8).

- Lorraine Stout, Press Officer (for preliminaries and Item 1).
- Rebecca McAuliffe, Press Officer (for Items 1 to 8).

## **Declaration of Interest**

- Councillor Stephen Sankey – Item 5.

## **Chair**

- Councillor James W Stockan.

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

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

## **2. Procurement Annual Report**

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

Noted:

**2.1.** That, in terms of Section 18 of the Procurement Reform (Scotland) Act 2014, the Council must prepare an annual procurement report on its regulated procurement activities as soon as reasonably practicable after the end of the financial year to which the report related.

**2.2.** That the Council was required to notify the Scottish Ministers when the Procurement Annual Report had been published.

**2.3.** That the Scottish Government issued guidance and a template which public authorities could use to report on procurement performance.

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

**2.4.** That the Procurement Annual Report, including the undernoted appendices, attached as Appendix 1 to this Minute, be approved for publication:

- Appendix 1: Contracts awarded 1 April 2020 to 31 March 2021.
- Appendix 2: Council's Procurement Service Improvement Plan 2020 to 2021.
- Appendix 3: Forward Plan Regulated and Unregulated Procurement 2021 to 2023.

## **3. Evaluation of Service Health and Safety Performance**

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

Scrutinised the Evaluation of Service Health and Safety Performance for 2020/21, attached as Appendix 1 to the report by the Interim Executive Director of Environmental, Property and IT Services, and obtained assurance.

Councillors Andrew Drever and Stephen Sankey left the meeting at this point.

#### **4. Improvement Support Team – Annual Report**

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing reports from the Head of Executive Support and the Improvement Programme Manager, the Committee:

Noted:

**4.1.** That, on 18 February 2020, when considering a review of the Change Programme, the Policy and Resources Committee recommended:

- That the projects [listed in section 3.1 of the report by the Chief Executive] be approved as priorities for the Change Team.
- That the Change Team be renamed the Improvement Support Team, with the purpose to support services in the delivery of projects, improvements and initiatives; be they incremental or transformational in nature.
- That the Improvement Support Team be established on a permanent basis.

**4.2.** That, due to the urgent support required for the Orkney Partnership's Children's Services' Improvement Plan, arising from the joint inspection of children and young people in need of care and protection, the Senior Management Team adjusted the priorities for the Change Team referred to above.

**4.3.** That the undernoted projects were supported by the Improvement Support Team during 2020/21:

- Orkney Partnership's Children's Services' Improvement Plan.
- Grounds Maintenance.
- Customer Services Platform.
- Electronic Document and Records Management System.

**4.4.** That, recently, the capacity of the Improvement Support Team had been expanded to enable the team to reinstate parked projects and support other priorities of the Senior Management Team.

**4.5.** That the undernoted projects were the most significant areas of support for the Improvement Support Team during 2021/22:

- Orkney Partnership's Children's Services' Improvement Plan.
- Grounds Maintenance.
- Customer Services Platform.
- Electronic Document and Records Management System.
- Our People Our Plan.
- Replacement Information Management System for New Horizons.

**4.6.** That, as part of the budget setting process for 2020/21, the Senior Management Team agreed 13 projects for progressing to Project Initiation Documents with a view to achieving efficiencies, which would be reviewed for achievability.

**4.7.** That the Our People Our Plan priority project, the 13 Project Initiation Documents and the revised 'Change Programme' were to be collectively 'badged' together as a single Senior Management Team improvement agenda.

## **5. Economic Recovery Steering Group**

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

After consideration of a report by the Interim Executive Director of Finance, Regulatory, Marine and Transportation Services, copies of which had been circulated, and after hearing a report from the Head of Planning, Development and Regulatory Services, the Committee:

Noted:

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

**5.2.** That progress updates in relation to the ASPIRE Orkney programme of activity had been presented to the Policy and Resources Committee on 23 February, 20 April and 22 June 2021.

**5.3.** That ASPIRE Orkney Limited was incorporated, as a private company limited by guarantee without share capital, on 26 April 2021, to support the activities described by the ASPIRE Orkney vision and programme plan.

**5.4.** The main activities undertaken by ASPIRE Orkney Limited between June and October 2021 as detailed in section 4 of the report by the Interim Executive Director of Finance, Regulatory, Marine and Transportation Services.

Councillor Stephen Sankey rejoined the meeting at this point and declared a financial interest in this item, in that his business was in receipt of a COVID-19 Business Hardship Support Grant. However, as the item related to a general update, rather than specific grant funding, he concluded that his interest did not preclude his attendance for the remainder of the item but that he would take no part in the remaining discussion.

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

**5.5.** That the Interim Executive Director of Finance, Regulatory, Marine and Transportation Services should submit a report, to the meeting of the Committee to be held on 21 June 2022, providing a progress update on ASPIRE Orkney Limited's Business Plan and the ASPIRE Orkney Action Plan.

## 6. Integrated Waste Facility – Stage 2 Capital Project Appraisal

After consideration of a report by the Interim Executive Director of Environmental, Property and IT Services, copies of which had been circulated, and after hearing a report from the Interim Head of Roads, Fleet and Waste, the Committee:

Noted:

**6.1.** That, on 26 September 2018, the Development and Infrastructure Committee recommended that, subject to resources being secured, as an exception to the Capital Project Appraisal process, due to concerns over the sustainability of the current waste disposal route and the necessity of planning to meet more stringent recycling targets, the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of proposed new waste management facilities.

**6.2.** That, on 7 September 2021, when reviewing the preferred treatment options and the proposed site for a new waste facility, the Development and Infrastructure Committee recommended that the proposal to progress development of new waste management facilities be reaffirmed, based on the following:

- In Vessel Composter for organic (food and garden) waste.
- Mechanical pre-treatment (shredding) for residual waste.
- Sorting facility for mixed dry recyclable materials.

**6.3.** That, on 2 November 2021, the Asset Management Sub-committee recommended that the site of the former Abattoir/Cull Hall at Hatston Industrial Estate, incorporating the existing Household Waste Recycling Centre and associated infrastructure, be designated as the preferred site for the proposed new Integrated Waste Facility.

**6.4.** That an application had been made to the Scottish Government's Recycling Improvement Fund in respect of eligible capital costs relating to the proposed new Integrated Waste Facility, representing approximately £12,000,000 of the gross capital cost of £17,206,000.

**6.5.** That efficiency savings associated with the resulting changes in collection methods, increased income from the sale of recyclable materials and a reduction in disposal costs due to reduced residual volumes would cover only part of the cost of the associated loan charges.

**6.6.** That, should the proposed new Integrated Waste Facility project be approved and added to the capital programme, an asset transfer in respect of the former Abattoir building, which was currently held on the Strategic Reserve Fund as an investment property, would be effected at market value, currently £500,000.

On the motion of Councillor James W Stockan, seconded by Councillor Graham L Sinclair, the Committee resolved to **recommend to the Council**:

**6.7.** That, subject to the successful outcome of the grant application to the Scottish Government's Recycling Improvement Fund, the Stage 2 Capital Project Appraisal in respect of the proposed new Integrated Waste Facility, attached as Appendix 2 to this Minute, be approved.

**6.8.** That, as an exception to the Capital Project Appraisal process, due to concerns over the sustainability of the current waste disposal route and the necessity of planning to meet more stringent recycling targets, the provision of a new Integrated Waste Facility be added to the capital programme for 2023/24 onwards, at a gross capital cost of £17,206,000.

**6.9.** That the capital cost of the Integrated Waste Facility be part-funded by external grant funding of £12,000,000, with the remaining capital financing requirement financed through borrowings.

**6.10.** That a contribution of £500,000, to be met from General Fund unearmarked Reserves, be made to the Strategic Reserve Fund to reflect the arms-length transfer of the former Abattoir building at Hatston Industrial Estate to the General Fund in order to accommodate the new Integrated Waste Facility.

## **7. 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.

## **8. Orkney College**

### **Proposed Installation of Solar Photovoltaic Panels and Battery Storage**

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 a joint report by the Interim Executive Director of Environmental, Property and IT Services and the Executive Director of Education, Leisure and Housing, copies of which had been circulated, and after hearing a report from the Capital Programme Manager, the Committee:

Noted:

**8.1.** That an opportunity had arisen whereby photovoltaic panels and a battery system could be installed at Orkney College.

**8.2.** That, should the proposal to install the photovoltaic panels and battery system at Orkney College be approved, it was envisaged that electricity costs at Orkney College would reduce, as would emissions through increased renewable generation.

**8.3.** The proposal that, should the installation at Orkney College prove successful, consideration be given to installations of similar systems on further suitable sites.

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

**8.4.** What action should be taken with regard to the installation of Solar Photovoltaic Panels and Battery Storage at Orkney College.

**8.5.** That, should the installation at Orkney College prove successful, powers be delegated to the Interim Executive Director of Environmental, Property and IT Services, in consultation with the Head of Finance and the Solicitor to the Council, to approve installations of similar systems on further suitable sites.

**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 Owen Tierney joined the meeting at this point.

## **9. Proposed Corporate Management Structure**

### **Our People Our Plan – Priority 1: Operating Model**

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 1 and 11 of Part 1 of Schedule 7A of the Act.

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

Resolved to **recommend to the Council** what action should be taken with regard to a proposed corporate management structure, including Appendices 3 to 5 of this Minute.

**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.**

This page is intentionally left blank.



This page is intentionally left blank.

## **10. Conclusion of Meeting**

At 15:12 the Chair declared the meeting concluded.

Signed: James W Stockan.