

## Minute

### Development and Infrastructure Committee

Tuesday, 28 March 2023, 09:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### Present

Councillors David Dawson, Gillian Skuse, Graham A Bevan, P Lindsay Hall, Kristopher D Leask, W Leslie Manson, Raymond S Peace, Mellissa-Louise Thomson, Duncan A Tullock and Heather N Woodbridge.

### Present via remote link (Microsoft Teams)

Councillor James W Stockan.

### Clerk

- Angela Kingston, Committees Officer.

### In Attendance

- Gareth Waterson, Corporate Director for Enterprise and Sustainable Regeneration.
- Roddy Mackay, Head of Planning and Community Protection (for Items 1 to 7).
- Lorna Richardson, Head of Neighbourhood Services.
- Stuart Allison, Service Manager (Enterprise) (for Items 5 to 10).
- Laura Cromarty, Service Manager (Transportation).
- Hazel Flett, Service Manager (Governance).
- Shonagh Merriman, Service Manager (Corporate Finance).
- Kenneth Roy, Team Manager (Roads Support) (for Items 1 and 2).
- Karen Bevilacqua, Solicitor.
- James Green, Team Manager (Marine Planning) (for Items 5 to 7).
- Morag Robertson, Economic Development Officer (for Items 5 to 10).

### In Attendance via remote link (Microsoft Teams)

- Oliver Reid, Chief Executive.

### Observing

- Sweyn Johnston, Head of Enterprise and Economic Growth (for Items 6 to 10).
- Veer Bansal, Solicitor.
- Daniel Morris, Graduate Marine Planner (for Items 5 to 7).

### Apology

- Councillor Owen Tierney.

## **Declarations of Interest**

- No declarations of interest had been intimated.

## **Chair**

- Councillor David Dawson.

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

The Committee noted the proposal that the public be excluded from the meeting for consideration of Item 11, together with Annex B of Item 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. Road Asset Replacement Programme and Roads Revenue Maintenance Programme**

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Neighbourhood Services, the Committee:

Noted:

**2.1.** That, on 15 February 2022, the Development and Infrastructure Committee approved the Road Asset Replacement Programme for 2022/23, together with indicative programmes for 2023/24 and 2024/25.

**2.2.** That a multi-year approach to the replacement of road assets allowed for greater flexibility to vary the timing of individual projects where constraints and/or pressures emerged.

**2.3.** That, on 21 December 2021, when considering the allocation of one-off funding towards a series of projects considered to provide excellent recovery prospects from the COVID-19 pandemic, the Policy and Resources Committee recommended the allocation of funding to a series of recovery projects, which included a one-off allocation of £500,000 towards ditching and offlets.

**2.4.** That, on 23 February 2023, when considering a strategy for managing the Council's General Fund Reserves in the context of setting the revenue budget for 2023/24, the Policy and Resources Committee recommended that the one-off allocation towards ditching and offlets be reduced to £400,000 as part of the budget setting process for financial year 2023/24.

**2.5.** The proposed Road Asset Replacement Programme for 2023/24, together with indicative programmes for 2024/25 and 2025/26, attached as Appendix 1 to the report by the Corporate Director for Neighbourhood Services and Infrastructure.

**2.6.** That, although approval was sought for a multi-year programme in respect of Road Asset Replacement, the Corporate Director for Neighbourhood Services and Infrastructure would continue to submit reports, on an annual basis, presenting updated programmes for subsequent years.

**2.7.** The proposed Roads Revenue Maintenance Programme for 2023/24, attached as Appendix 2 to the report by the Corporate Director for Neighbourhood Services and Infrastructure.

The Committee resolved, in terms of delegated powers:

**2.8.** That the Road Asset Replacement Programme for 2023/24, together with indicative programmes for 2024/25 and 2025/26, attached as Appendix 1 to this Minute, be approved.

**2.9.** That the Roads Revenue Maintenance Programme for 2023/24, attached as Appendix 2 to this Minute, be approved.

**2.10.** That powers be delegated to the Corporate Director for Neighbourhood Services and Infrastructure, in consultation with the Head of Finance, to adjust the Roads Asset Replacement Programme and the Roads Revenue Maintenance Programme, referred to at paragraphs 2.8 and 2.9 above, as variations arose and in order to maximise use of budget allocations.

### **3. Review of Orkney Ferries Limited Fares and Books of Tickets**

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Service Manager (Transportation), the Committee:

Noted:

**3.1.** That, on 18 May 2021, the Development and Infrastructure Committee recommended that a revised inter-island fare structure be implemented by Orkney Ferries Limited during June 2021.

**3.2.** That, as part of the revised fare structure, the Development and Infrastructure Committee also recommended that the sale of multi books of tickets by Orkney Ferries Limited should cease from June 2021, with the exception of the books of 50 tickets, the sale of which should be extended until 31 March 2022.

**3.3.** That, on 15 February 2022, when considering a review of the fare structure for inter-island ferry services operated by Orkney Ferries Limited, the Development and Infrastructure Committee recommended that the Interim Executive Director of Finance, Regulatory, Marine and Transportation Services should undertake a review of discounted books of tickets, to determine whether to continue current practice or consider implementation of an alternative discount for islanders, and thereafter submit a report, to the Development and Infrastructure Committee, detailing the findings of that review.

**3.4.** That the Council had previously resolved that, for 2023/24 onwards, ferry fares on services operated by Orkney Ferries Limited be increased annually in line with the fare uprating assumptions applied by Transport Scotland on contracted ferry services.

**3.5.** That Transport Scotland had recently announced a ferry fare freeze on contracted ferry services during 2023/24, for at least six months.

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

**3.6.** That the sale of books of 50 tickets be retained by Orkney Ferries Limited until such time as a suitable back-office and booking system was in place, at which time further consideration should be given to alternative discounts for island residents where appropriate.

**3.7.** That the sale of books of 50 tickets continue at the existing rate charged by Orkney Ferries Limited, until September 2023, following which a 5% uplift should be applied, in addition to any percentage uplift to be applied by Transport Scotland on contracted ferry services.

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

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Service Manager (Transportation), the Committee:

Noted:

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

**4.2.** That, although fare income on public bus services declined during the COVID-19 pandemic, passenger growth had been steady and the revenue to be generated from passenger fares on Council subsidised routes, which excluded the X1 service, was anticipated to be approximately £100,000 per annum.

**4.3.** That, on 1 March 2022, the Policy and Resources Committee recommended that passenger fare income from subsidised public bus routes be utilised to establish a Sustainable and Green Transport Fund, rather than being applied as a saving against the recurring service pressure growth for the school and public bus service contract, noting that the Fund would be used specifically for sustainable transport initiatives, including active travel, as a means to off-set existing transport CO<sup>2</sup> emissions and to invest in sustainable and green transport solutions for the future.

**4.4.** That, as outlined in the report presented to the Policy and Resources Committee on 1 March 2022, the Sustainable and Green Transport Fund was to be used as match funding to promote and enhance community transport and public bus services during 2023/24, such as the continuation of evening bus services, currently funded through external grant funding and match funded from the Sustainable and Green Transport Fund.

**4.5.** That continuation of the Sustainable and Green Transport Fund allowed the Council to seek external grant funding and match fund projects, therefore bringing in more funding and roll out of projects across Orkney.

**4.6.** That, as an alternative to being allocated to the Sustainable and Green Transport Fund, passenger fare income could be applied as a saving against the recurring service cost of the school and public bus service contract.

4.7. That, on 23 February 2023, when considering a strategy for managing the Council's General Fund Reserves in the context of setting the revenue budget for 2023/24, the Policy and Resources Committee recommended that the Corporate Director for Enterprise and Sustainable Regeneration should submit a report, to the Development and Infrastructure Committee, regarding the future of the Sustainable and Green Transport Fund.

Councillor David Dawson, seconded by Councillor Duncan A Tullock, moved that:

- The Sustainable and Green Transport Fund be retained, on the same basis as agreed by Council in March 2022.
- Should passenger carryings continue to increase and fare income exceed the estimated £100,000 per annum, that portion of income in excess of the allocation of £100,000 to the Sustainable and Green Transport Fund, should be used as a service savings measure from 2023/24 onwards.

Councillor Kristopher D Leask, seconded by Councillor W Leslie Manson, moved an amendment that the Sustainable and Green Transport Fund be retained, on the same basis as agreed by Council in March 2022.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Graham A Bevan, P Lindsay Hall, Kristopher D Leask, W Leslie Manson, Raymond S Peace, Gillian Skuse and Mellissa-Louise Thomson (7).

For the Motion:

Councillors David Dawson, James W Stockan, Duncan A Tullock and Heather N Woodbridge (4).

The Amendment was therefore carried, and the Committee:

Resolved to **recommend to the Council:**

4.8. That the Sustainable and Green Transport Fund be retained, on the same basis as agreed by Council in March 2022, namely:

- That a proportion of the passenger fare income from subsidised public bus routes on mainland Orkney, estimated at £25,000 in 2023/24, be retained to meet the cost of the review of contract rates for public bus services, capped at a maximum of 3% per annum.
- That the remaining income received through passenger fares from subsidised public bus routes, estimated at up to £75,000 during 2023/24, be set aside in the Sustainable and Green Transport Fund.
- That application of the Sustainable and Green Transport Fund be delegated to the Corporate Director for Enterprise and Sustainable Regeneration.

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

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

After consideration of the draft Minute of the Meeting of the Harbour Authority Sub-committee held on 14 March 2023, copies of which had been circulated, the Committee:

Resolved:

**5.1.** On the motion of Councillor David Dawson, seconded by Councillor Gillian Skuse, to approve the Minute of the Meeting of the Harbour Authority Sub-committee held on 14 March 2023 as a true record.

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

**5.2.** That the recommendations at paragraphs 2.5 and 2.6 of the Minute of the Meeting of the Harbour Authority Sub-committee held on 14 March 2023, attached as Appendix 3 to this Minute, be submitted to the Policy and Resources Committee for consideration.

## **6. Orkney Islands Marine Region: Finfish Farming Spatial Guidance**

### **Consultation Draft**

After consideration of a report by the Corporate Director for Neighbourhood Services and Infrastructure, copies of which had been circulated, and after hearing a report from the Team Manager (Marine Planning), the Committee:

Noted:

**6.1.** That the Orkney Islands Marine Region: Finfish Farming Spatial Guidance – Consultation Draft, attached as Appendix 1 to the report by the Corporate Director for Neighbourhood Services and Infrastructure, had been prepared to support implementation of Sector Policy 2A: Finfish and Shellfish Farming of the Orkney Islands Regional Marine Plan: Consultation Draft.

**6.2.** That the Orkney Islands Regional Marine Plan: Consultation Draft was endorsed by the Development and Infrastructure Committee on 8 November 2022 and subsequently submitted to Marine Scotland for approval by Scottish Ministers in December 2022.

**6.3.** The purpose of the Finfish Farming Spatial Guidance, as follows:

- Identify areas of greater and lesser sensitivity and/or constraint for finfish farming development and/or activities in the Orkney Islands marine region.
- Provide greater clarity for stakeholders on the significance and sensitivity of identified environmental, historic, social, economic and infrastructure features to finfish farming development and/or activities.
- Inform stakeholder understanding and participation in the planning and decision-making process for finfish farming development and/or activities.

**6.4.** The proposal that the Finfish Farming Spatial Guidance be deposited for public consultation in Summer 2023, alongside the Orkney Islands Regional Marine Plan: Consultation Draft, prior to the proposed adoption of the spatial guidance by the Council.

**6.5.** That, following public consultation, should the Finfish Farming Spatial Guidance be adopted by the Council as non-statutory planning guidance, it would constitute a significant material consideration in the determination of relevant planning applications.

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

**6.6.** That the Orkney Islands Marine Region: Finfish Farming Spatial Guidance – Consultation Draft, referred to at paragraph 6.1 above, be endorsed for public consultation.

**6.7.** That the Corporate Director for Neighbourhood Services and Infrastructure should submit a report, to the meeting of the Development and Infrastructure Committee to be held in November 2023, detailing the outcome of the public consultation, referred to at paragraph 6.6 above, together with the final version of the spatial guidance for adoption by the Council as non-statutory planning guidance.

## **7. Tree Preservation Order at Grainbank, Kirkwall**

The Committee noted that this item had been withdrawn.

## **8. Archaeological Investigations**

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Economic Development Officer, the Committee:

Noted:

**8.1.** That six applications for financial assistance had been received in respect of archaeological investigation projects to be undertaken during the 2023 season, comprising three mainland-based projects and three island-based projects, with total project costs of £496,486.

**8.2.** That the six applications requested assistance totalling £80,319, which exceeded the available budget of £40,000 by approximately 100.8%.

**8.3.** The proposed offers of grant for the 2023 season, as detailed in Annex A to the report by the Corporate Director for Enterprise and Sustainable Regeneration.

**8.4.** That, in advance of the Council's budget setting process for 2023/24 being concluded, any decision on the award of grant funding towards archaeological investigations for the 2023 season was subject to an adequate service revenue budget being established.

The Committee resolved, in terms of delegated powers:

**8.5.** That, subject to an adequate service revenue budget for 2023/24 being established, a sum of up to £40,000 be allocated within the Economic Development Grants budget in respect of archaeological investigations.

**8.6.** That, subject to the annual budget for Economic Development Grants for 2023/24 being confirmed, offers of grant, as detailed in Appendix 4 to this Minute, should be made in respect of archaeological investigations for the 2023 season.

## **9. Economic Development Grants**

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

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, copies of which had been circulated, and after hearing a report from the Service Manager (Enterprise), the Committee:

Noted:

**9.1.** That, for financial year 2022/23, the approved budget in respect of Economic Development Grants amounted to £306,300.

**9.2.** Spending to 28 February 2023, in relation to Economic Development Grants, totalling £221,454, of which £108,411 related to grant commitments made in previous financial years and £113,043 to current year commitments.

**9.3.** That, as at 28 February 2023, the budget available for approval from the Economic Development Grants budget amounted to £52,225, as detailed in Annex A to the report by the Corporate Director for Enterprise and Sustainable Regeneration.

**9.4.** Grant approvals made in the period 1 April 2022 to 28 February 2023, totalling £254,075, including grants approved under delegated schemes for the same period, totalling £130,405, as detailed in Annex B to the report by the Corporate Director for Enterprise and Sustainable Regeneration.

## **10. Exclusion of Public**

On the motion of Councillor David Dawson, seconded by Councillor Gillian Skuse, 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.

## **11. Community Transport Services**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 4 and 6 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Corporate Director for Enterprise and Sustainable Regeneration, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Service Manager (Transportation), the Committee:



Noted:

**11.1.** That, on 15 February 2022, when considering the allocation of budget for 2022/23, through continuation of the Community Transport Grant Scheme, the Development and Infrastructure Committee recommended that the Interim Executive Director of Finance, Regulatory, Marine and Transportation Services should undertake a review of the Community Transport Grant Scheme, particularly demand responsive door-to-door transport services for the entire Orkney community, and submit a report, to the Committee, by the end of the calendar year 2022.

**11.2.** That, during 2022, a review of community transport services was carried out, with a view to broadening the scope of the existing service and consider ways to provide additional funding to support flexible on-demand services.

**11.3.** The main recommendations arising from the review of community transport services, outlined in sections 4 and 5 of the report by the Corporate Director for Enterprise and Sustainable Regeneration.

**11.4.** That, in advance of the Council's budget setting process for 2023/24 being concluded, any decision on the award of grant funding towards community transport schemes and projects was subject to an adequate service revenue budget being established, as well as continuation of the Sustainable and Green Transport Fund.

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

**11.5.** That, subject to the annual revenue budget for community transport for 2023/24 being confirmed, funding of £21,500 be allocated in respect of a Community Transport Small Grant Scheme for projects under the value of £10,000.

**11.6.** That powers be delegated to the Corporate Director for Enterprise and Sustainable Regeneration to determine applications for assistance to the Community Transport Small Grant Scheme.

**11.7.** That powers be delegated to the Corporate Director for Enterprise and Sustainable Regeneration, in consultation with the Head of Legal and Governance, to conclude, where required, grant funding agreements, on the Council's standard terms and conditions, in respect of awards made from the Community Transport Small Grant Scheme.

**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.**

## **12. Conclusion of Meeting**

At 11:15 the Chair declared the meeting concluded.

Signed: David Dawson.