

Minute

Special General Meeting of the Council

Tuesday, 23 June 2020, 12:30.

Microsoft Teams.



Present

Councillors J Harvey Johnston, Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Robin W Crichton, David Dawson, Andrew Drever, Barbara Foulkes, Steven B Heddle, Rachael A King, W Leslie Manson, John T Richards, Stephen Sankey, John A R Scott, Gwenda M Shearer, Graham L Sinclair, James W Stockan, Magnus O Thomson, Owen Tierney and Duncan A Tullock.

Clerk

- Gavin Mitchell, Head of Legal Services.

In Attendance

- John W Mundell, Interim Chief Executive.
- Gavin Barr, Executive Director of Development and Infrastructure.
- Gillian Morrison, Executive Director of Corporate Services.
- James Wylie, Executive Director of Education, Leisure and Housing.
- Gareth Waterson, Head of Finance.
- Karen Greaves, Head of Executive Support.
- Stuart Allison, Economic Development Manager.
- Hazel Flett, Senior Committees Officer.

Observing

- James Buck, Head of Marine Services, Transport and Harbour Master.
- Roddy Mackay, Head of Planning, Development and Regulatory Services.
- Hayley Green, Head of IT and Facilities.
- Jackie Thomson, Development and Regeneration Manager.
- Claire Kemp, Business Gateway Manager.
- Jordan Low, Economic Development Officer.
- Kirsty Groundwater, Project Officer (Communications and Engagement).

Declarations of Interest

- Councillor Robin W Crichton – Item 1.
- Councillor Stephen Sankey – Item 1.

Chair

- Councillor J Harvey Johnston, Convener.

1. Orkney's Economic Response and Recovery

Additional Funding Proposal for Business Support and Job Protection

Councillor Robin W Crichton declared a financial interest in this item, in that he was providing managerial support to Orkney Auction Mart Ltd, a company which had previously benefitted from Covid-19 related assistance to local businesses, and that close family members had also previously benefitted from Covid-19 related assistance to local businesses, and was not present during discussion thereof.

Councillor Stephen Sankey declared a financial interest in this item, in that his company could potentially benefit from proposals to assist local businesses, and was not present during discussion thereof.

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

Noted:

1.1. That, on 16 April 2020, the Council established a Coronavirus Response Fund with an opening balance of £5,000,000.

1.2. That the Business Hardship Grant Scheme was launched on 1 May 2020, with grant support totalling £245,000 being paid to 41 qualifying Orkney businesses as at 19 June 2020.

1.3. That, in addition to its Coronavirus Response Fund, the Council was administering various schemes for disbursement of central Government grant support funding to Orkney businesses, with a total £6,517,000 having been paid out to Orkney businesses as at 19 June 2020.

1.4. That Highlands and Islands Enterprise was responsible for administration of the Pivotal Enterprise Resilience Fund, which had also provided support to Orkney businesses.

1.5. That, notwithstanding the considerable financial support which had been provided to date, Orkney business representatives were highlighting the substantial threat which remained to the future of many Orkney businesses, with the consequential long term threat to the state of the Orkney economy and wider community.

1.6. That, on 11 June 2020, the Council noted the outputs of a business led survey which provided evidence of the low levels of confidence of many Orkney businesses regarding the future, as well as a list of requests, compiled by business representatives, comprising actions which they considered to represent urgent matters for the Council to support in order to assist businesses at this time.

1.7. That, further to consideration of the list of requests referred to at paragraph 1.6 above, the Council resolved that the Chief Executive, in consultation with the Leader, the Chair and Vice Chair of the Development and Infrastructure Committee and the Head of Finance, should undertake further dialogue with business representatives to confirm priority actions for business support.

1.8. That further dialogue with business representatives, including Kirkwall Business Improvement District, regarding the list of requests had been undertaken, with a more detailed proposal for grant support toward the purchase of screens and other equipment to support businesses reopening to the public, as outlined in Appendix 2 to the joint report by the Chief Executive and the Executive Director of Development and Infrastructure, being received by the Council.

1.9. The three options for additional support to Orkney businesses, as set out at section 4.4 of the joint report by the Chief Executive and the Executive Director of Development and Infrastructure, with the preferred option being Option 2, namely payment of a 10% supplement to previous Scottish Government or Council grant funding provided to qualifying Orkney businesses.

1.10. That the proposed 10% supplement, referred to at paragraph 1.9 above, was estimated to cost an initial sum of £676,200.

1.11. That the cost of extending the proposed 10% supplement to additional grant schemes provided by other partner agencies or further approved payments under the Council administered schemes could not be fully quantified but could reasonably be estimated at up to a further cost of at least £500,000.

Councillor J Harvey Johnston, seconded by Councillor James W Stockan, moved that Option 2, namely that the Council should make available an additional grant for Orkney businesses who qualified for support from any of the Scottish Government funded Coronavirus Grant schemes administered by the Council or the Council's Coronavirus Business Support Grant scheme, equal to an additional 10% of sums paid or due to each business, be approved.

Councillor W Leslie Manson, seconded by Councillor Owen Tierney, moved an amendment that the Council should make available an additional grant for Orkney businesses who qualified for support from any of the Scottish Government funded Coronavirus Grant schemes administered by the Council or the Council's Coronavirus Business Support Grant scheme, equal to an additional 20% of sums paid or due to each business.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Alexander G Cowie, Barbara Foulkes, W Leslie Manson and Owen Tierney (4).

For the Motion:

Councillors Stephen G Clackson, Norman R Craigie, David Dawson, Andrew Drever, Steven B Heddle, J Harvey Johnston, Rachael A King, John T Richards, John A R Scott, Gwenda M Shearer, Graham L Sinclair, James W Stockan, Magnus O Thomson and Duncan A Tullock (14).

The motion was therefore carried.

Councillor Stephen G Clackson, seconded by Councillor David Dawson, moved a further amendment, notice of which had been given, that:

(1) Option 2, namely that the Council should make available an additional grant for Orkney businesses who qualified for support from any of the Scottish Government funded Coronavirus Grant schemes administered by the Council or the Council's Coronavirus Business Support Grant scheme, equal to an additional 10% of sums paid or due to each business, be approved.

(2) Any Orkney business which was not eligible for the 10% supplement available under Option 2 should be eligible for a support payment, up to a maximum sum of £500, redeemable against evidence of expenditure on protective screens or other public safety equipment purchased since 23 March 2020 in respect of individual properties, with multiple property owners qualifying for multiple payments.

(3) Orkney businesses should only be eligible for the £500 support payment once officers had determined whether grant assistance had been provided to businesses through schemes not administered by the Council, in which case they would be eligible for the 10% supplement in terms of Option 2.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Stephen G Clackson, Alexander G Cowie, David Dawson, Barbara Foulkes, Steven B Heddle, Rachael A King, W Leslie Manson, John T Richards, John A R Scott, Gwenda M Shearer, Graham L Sinclair and Owen Tierney (12).

For the Motion:

Councillors Norman R Craigie, Andrew Drever, J Harvey Johnston, James W Stockan, Magnus O Thomson and Duncan A Tullock (6).

The amendment was therefore carried.

The Council thereafter resolved:

1.12. That Option 2, namely that the Council should make available an additional grant for Orkney businesses who qualified for support from any of the Scottish Government funded Coronavirus Grant schemes administered by the Council or the Council's Coronavirus Business Support Grant scheme, equal to an additional 10% of sums paid or due to each business, be approved.

1.13. That the cost of the 10% supplement, estimated at an initial cost of at least £676,200, be met from the Council's Coronavirus Response Fund.

1.14. That powers be delegated to the Chief Executive, in consultation with the Leader, the Chair and Vice Chair of Development and Infrastructure, the Executive Director of Development and Infrastructure and the Head of Finance, to extend the 10% supplement to additional schemes of grant assistance that had provided grant support to Orkney businesses, but not administered by the Council.

1.15. That the 10% supplement to additional schemes of grant assistance should not be extended to the Coronavirus Job Retention Scheme, commonly known as the furlough scheme.

1.16. That any Orkney business which was not eligible for the 10% supplement available under Option 2, referred to at paragraph 1.12 above, should be eligible for a support payment, up to a maximum sum of £500, redeemable against evidence of expenditure on protective screens or other public safety equipment purchased since 23 March 2020 in respect of individual properties, with multiple property owners qualifying for multiple payments.

1.17. That Orkney businesses should only be eligible for the £500 support payment once officers had determined whether grant assistance had been provided to businesses through schemes not administered by the Council, as detailed in paragraph 1.14 above, in which case they would be eligible for the 10% supplement in terms of Option 2.

2. Conclusion of Meeting

At 13:50 the Convener declared the meeting concluded.

Signed: Harvey Johnston.