

Minute

Development and Infrastructure Committee

Tuesday, 10 September 2019, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



Present

Councillors Graham L Sinclair, Andrew Drever, Norman R Craigie, Robin W Crichton, David Dawson, 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.
- Gareth Waterson, Head of Finance.
- Brian Archibald, Head of Marine Services, Engineering and Transportation (for Items 1 to 13).
- Darren Richardson, Head of Infrastructure and Strategic Projects (for Items 1 to 9).
- Roddy Mackay, Head of Planning, Development and Regulatory Services.
- Karen Bevilacqua, Solicitor.
- Stuart Allison, Economic Development Manager (for Items 15 to 18).
- Peter Bevan, Engineering Services Manager (for Items 11 and 12).
- David Brown, Environmental Health Manager (for Items 6 to 9 and 12 to 14).
- Lorna Richardson, Strategic Projects and Policies Manager (for Items 5 to 8).
- Jayne Venables, Project Co-ordination Manager (for Items 5 to 8).
- Stuart West, Planning Manager (Development and Marine Planning) (for Items 8 and 10 to 15).
- Andrew Hamilton, Performance and Best Value Officer (for Items 1 to 4).

Observing

- John W Mundell, Interim Chief Executive (for Items 1 to 7).
- Wilfred Weir, Executive Director of Education, Leisure and Housing (for Items 1 to 4).
- Laura Cromarty, Transport Manager (for Items 8 and 9).
- David Hartley, Communications Team Leader (for Items 1 to 7).
- Susan Shearer, Senior Planner (Development and Marine Planning) (for Items 10 to 15).
- Matthew Wylie, Road Support Officer (for Items 4 to 7).

Declarations of Interest

- Councillor Robin W Crichton – Item 17.
- Councillor David Dawson – Item 17.
- Councillor J Harvey Johnston – Item 9.
- Councillor Rachael A King – Item 17.
- Councillor James W Stockan – Item 14.

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 Annex B of Item 17, 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. Revenue Expenditure Outturn

After consideration of a joint report by the Executive Director of Development and Infrastructure and the Head of Finance, copies of which had been circulated, and after hearing a report from the Head of Finance, the Committee:

Noted:

2.1. The revenue expenditure outturn statement in respect of Development and Infrastructure for financial year 2018 to 2019, attached as Annex 1 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance, which indicated an overspend of £182,300.

2.2. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 2 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance.

3. Revenue Expenditure Monitoring

After consideration of a joint report by the Executive Director of Development and Infrastructure and the Head of Finance, copies of which had been circulated, and after hearing a report from the Head of Finance, the Committee:

Noted:

3.1. The revenue financial summary statement in respect of Development and Infrastructure for the period 1 April to 30 June 2019, attached as Annex 1 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance, which indicated an underspend of £394,100.

3.2. The revenue financial detail by Service Area statement in respect of Development and Infrastructure for the period 1 April to 30 June 2019, attached as Annex 2 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance.

3.3. The explanations given and actions proposed in respect of significant budget variances, as outlined in the Budget Action Plan, attached as Annex 3 to the joint report by the Executive Director of Development and Infrastructure and the Head of Finance.

4. Development and Infrastructure Service Plan

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:

Resolved to **recommend to the Council** that the Development and Infrastructure Service Plan 2019 to 2022, attached as Appendix 1 to this Minute, be approved.

5. Road Asset Replacement Programme Outturn

After consideration of a report by the Head of Finance, copies of which had been circulated, the Committee:

Noted:

5.1. The summary outturn position of expenditure incurred against the approved Road Asset Replacement Programme for financial year 2018 to 2019, as detailed in section 4.1 of the report by the Head of Finance.

5.2. The detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to the report by the Head of Finance.

6. Road Asset Replacement Programme

After consideration of a report by the Head of Finance, copies of which had been circulated, the Committee:

Noted:

6.1. The summary position of expenditure incurred, as at 30 June 2019, against the approved Road Asset Replacement Programme for financial year 2019 to 2020, as detailed in section 4.1 of the report by the Head of Finance.

6.2. The detailed analysis of expenditure figures and programme updates, attached as Appendix 1 to the report by the Head of Finance.

7. Cycling, Walking and Safer Streets

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 Infrastructure and Strategic Projects, the Committee:

Noted:

7.1. That, for a number of years, Transport Scotland had made grant funding available in respect of Cycling, Walking and Safer Streets projects.

7.2. That, for financial year 2019 to 2020, the Council had been offered a grant of £36,000 in respect of Cycling, Walking and Safer Streets projects.

7.3. The proposal that the grant funding be utilised to create gateway entrances, with countdown signage markers, aimed at reducing speed and encouraging cycling and walking, on the approaches to Kirkwall, Stromness, Stenness Village, Orphir Village and Burray Village.

7.4. That, with immediate effect, to improve governance and accountability regarding use of the recurring capital grant funding source going forward, all associated works would be reported as part of the Road Asset Replacement Programme.

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

7.5. That the Cycling, Walking and Safer Streets grant funding of £36,000 for financial year 2019 to 2020 be used to provide new gateway signage at the following locations:

- Approaches to Kirkwall on the A964, A965, A960 and Grainshore Road.
- Approaches to Stromness on the A965 and Cairston Road.
- A965, Stenness Village.
- A964, Orphir Village.
- A961, Burray Village.

8. Household Refuse and Recycling Service Policies

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 Infrastructure and Strategic Projects, the Committee:

Noted:

8.1. That, during 2012 to 2013, an alternate weekly collection for household refuse was introduced, with a range of procedures in place to support the Council's approach to the service.

8.2. That the range of procedures had been combined into a single document, Household Refuse and Recycling Service Policies, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

8.3. That the policies would be reviewed on a regular basis, taking into account changing legislative, policy and operational requirements, to ensure that they remained current, reflected best practice and represented efficient and effective practices.

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

8.4. That the Household Refuse and Recycling Service Policies, attached as Appendix 2 to this Minute, be endorsed.

9. Orkney Hydrogen Strategy

Councillor J Harvey Johnston declared a non-financial interest in this item, in that a family member was part of the Strategic Projects team, but concluded that his interest did not preclude his involvement in the discussion.

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:

9.1. That, in July 2019, the Council agreed to facilitate consultation on the draft Orkney Hydrogen Strategy 2017 to 2025 on behalf of the Orkney community.

9.2. That public consultation had been undertaken in respect of the Orkney Hydrogen Strategy, with the results attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

9.3. The revised draft Orkney Hydrogen Strategy, attached as Appendix 2 to the report by the Executive Director of Development and Infrastructure, which had been amended to include relevant matters raised through the consultation process.

9.4. That endorsement of the Orkney Hydrogen Strategy would also be sought by the Orkney Partnership, as proxy for the wider Orkney community, at its meeting on 22 September 2019.

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

9.5. That the Orkney Hydrogen Strategy 2017 to 2025, attached as Appendix 3 to this Minute, be adopted insofar as it related to the remit of the Council.

Councillor Stephen Sankey left the meeting during discussion of this item and rejoined the meeting at this point.

10. Inter-Island Air Services

Proposed Summer 2020 Timetable

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

Noted:

10.1. That the inter-island air services timetable for summer 2020 was scheduled to operate from 2 March to 24 October 2020 inclusive.

10.2. That the Air Services Consultative Forum met on 21 August 2019 to discuss the summer 2020 timetable, the main comment being a request from Eday for a fairer service with additional links for education purposes, as detailed in section 4 of the report by the Executive Director of Development and Infrastructure.

10.3. That the proposed timetable, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, was largely consistent with the service operated during summer 2019.

10.4. That, in advance of a service budget being established as part of the budget setting process for 2020 to 2021, the level of service provision was subject to an adequate budget being made available.

The Committee resolved, in terms of delegated powers:

10.5. That the summer 2020 timetable in respect of the inter-island air service, to be operated by Loganair Limited, attached as Appendix 4 to this Minute, be approved.

11. Draft Scottish National Transport Strategy

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

Noted:

11.1. That the Scottish Government's National Transport Strategy was a key document from which Regional Transport Strategies and Local Transport Strategies were produced.

11.2. That the current National Transport Strategy was published in 2006 as a ten year document, being refreshed rather than reviewed in 2016.

11.3. That Transport Scotland, in discussion with stakeholders, was developing a new draft National Transport Strategy, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

11.4. That Transport Scotland was undertaking a formal public consultation on the draft National Transport Strategy, for which responses were required by 31 October 2019.

11.5. The Council's draft response to the public consultation on the draft National Transport Strategy, attached as Appendix 2 to the report by the Executive Director of Development and Infrastructure.

11.6. That, in late September 2019, the draft National Transport Strategy would be considered by the Highlands and Islands Transport Regional Transport Partnership, which could further information and/or influence the final response by the Council.

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

11.7. That powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Chair and Vice Chair of the Committee, to amend the Council's response to the draft National Transport Strategy, if necessary, following consideration of the draft Strategy by the Highlands and Islands Transport Regional Transport Partnership, and thereafter submit a response, on behalf of the Council, to Transport Scotland by the deadline of 31 October 2019.

12. Churchill Barriers

Wave Overtopping

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 Engineering Services Manager, the Committee:

Noted:

12.1. That project work had been ongoing for a number of years to explore options for wave overtopping at Barrier Number 2, a summary of which was attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

12.2. That, on 2 April 2019, when reviewing historic activity in respect of wave overtopping and a tidal energy scheme concession for the Churchill Barriers and considering the next steps, the Development and Infrastructure Committee recommended that consideration of commissioning a study to further assess the viability and cost of beach recharge at Barrier Number 2, be deferred.

12.3. That the recommendation to defer commissioning a study was to enable the Executive Director of Development and Infrastructure to undertake consultation with the community, through South Ronaldsay and Burray Community Council, to seek opinions of residents in the linked south isles on the proposed options for wave overtopping at Barrier Number 2.

12.4. That, on 2 May 2019, when considering the recommendation referred to at paragraph 12.2 above, the Council resolved that the method of consultation to be undertaken with the community on proposed options for wave overtopping at Barrier Number 2 be referred back to the Development and Infrastructure Committee for further consideration.

12.5. The proposed method of consultation to be undertaken with the community on proposed options for wave overtopping at Barrier Number 2, as detailed in section 4 of the report by the Executive Director of Development and Infrastructure.

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

12.6. That the Executive Director of Development and Infrastructure should undertake consultation, by way of a survey based communication, with the following:

- Key national agency stakeholders.
- Orkney Opinions.
- All households in South Ronaldsay and Burray
- All Community Councils.
- The main ferry operators.
- Business representatives, including those servicing the main supermarkets.

12.7. That the consultation would aim to seek views on the following options for wave overtopping at Barrier Number 2:

- Option 1 – Develop a project to resurface the east side of Barrier Number 2, at an estimated cost of £13 million, through the Capital Project Appraisal process. When complete this would reduce closures of the Barriers by around 60%.
- Option 2 – Develop a project to progress with a bridge to replace Barrier Number 2, at an estimated cost of £24.5 million, through the Capital Project Appraisal process. When complete this would eliminate closure in all but the most extreme conditions.
- Option 3 – Progress a study, at an estimated cost of £60,000, to further assess the viability of beach recharge.
- Option 4 – Remove the caisson and take no further action in relation to a project to prevent wave overtopping at Barrier Number 2.
- Option 5 – Improvements to data regarding closures, through improved electronic signage, linking information in respect of tides and weather.

12.8. That the Executive Director of Development and Infrastructure should submit a report, to a meeting of the Committee in early 2020, detailing the outcome of the consultation exercise referred to at paragraph 12.6 above.

13. Harbour Authority Sub-committee

After consideration of the draft Minute of the Meeting of the Harbour Authority Sub-committee held on 27 August 2019, copies of which had been circulated, the Committee:

Resolved:

13.1. On the motion of Councillor Andrew Drever, seconded by Councillor David Dawson, to approve the Minute of the Meeting of the Harbour Authority Sub-committee held on 27 August 2019 as a true record.

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

13.2. That the recommendation at paragraph 7.5 of the Minute of the Meeting of the Harbour Authority Sub-committee held on 27 August 2019, attached as Appendix 5 to this Minute, be approved.

14. Private Water Supplies

Councillor James W Stockan declared a financial interest in this item, in that he was involved in developing a private water supply in Rackwick, Hoy, and was not present during discussion thereof.

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:

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

14.2. 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, namely Type B and Regulated Supplies.

14.3. 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.

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

14.5. That, on 4 June 2019, the Development and Infrastructure Committee deferred consideration of the draft Policy with respect to Type B Private Water Supplies, charges for regulating private water supplies and the criterion in respect of private water supplies' mandatory grants, 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.

14.6. That, to ensure residents living in the isles were not disadvantaged, the Private Water Supply Nominal Islands Cost, as detailed in section 5.5 of the report by the Executive Director of Development and Infrastructure, would be used when calculating charges.

14.7. Options in respect of charging for regulating private water supplies, as outlined in sections 5.7 and 5.12 of the report by the Executive Director of Development and Infrastructure, with the preferred option being as follows:

- Regulated supplies – Option 1, namely to recover, whichever was the least of the following:
 - Actual costs in relation to collecting water samples, the analysis of water samples, carrying out a risk assessment and reviewing a risk assessment.
 - The Private Water Supply Nominal Island Cost for Regulated Supplies.
- Type B supplies – Option 1, namely to recover, whichever was the least of the following, but to waive charges, which would otherwise apply to Type B supplies, where the eligible person was in receipt of a means tested benefit:
 - Actual costs up to the statutory maximums.
 - The Private Water Supply Nominal Island Cost.

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

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

14.9. That the Policy with respect to Type B Private Water Supplies, attached as Appendix 6 to this Minute, be approved.

14.10. That persons in receipt of one or more means tested benefits should receive 100% grant aid in respect of private water supplies.

14.11. That the following charges be implemented in respect of private water supplies:

- Regulated Supplies – recover, whichever was the least of the following:
 - The actual costs in relation to collecting water samples, the analysis of water samples, carrying out a risk assessment and reviewing a risk assessment.
 - The Private Water Supply Nominal Island Cost.
- Type B supplies – recover, whichever was the least of the following, but to waive charges, which would otherwise apply, where the eligible person was in receipt of a means tested benefit:
 - The actual costs up to the statutory maximums.
 - The Private Water Supply Nominal Island Cost.

15. Supplementary Guidance: Housing in the Countryside

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 Planning Manager (Development and Marine Planning), the Committee:

Noted:

15.1. That public consultation had been undertaken in respect of the Supplementary Guidance: Housing in the Countryside.

15.2. The Consultation Report, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which recorded the comments raised by members of the public and stakeholders and the response by the Executive Director of Development and Infrastructure to those comments.

15.3. The revised draft Supplementary Guidance: Housing in the Countryside, attached as Appendix 2 to the report by the Executive Director of Development and Infrastructure, which had been amended to respond to the material planning matters raised through the consultation process, referred to at paragraphs 15.1 and 15.2 above.

On the motion of Councillor W Leslie Manson, seconded by Councillor David Dawson, the Committee resolved to **recommend to the Council**:

15.4. That consideration of the Supplementary Guidance: Housing in the Countryside be deferred, to enable a seminar to be held, to which all members should be invited, and thereafter the Executive Director of Development and Infrastructure should submit a report, to the next available meeting of the Committee, presenting a further revised draft Supplementary Guidance: Housing in the Countryside for consideration.

16. Economic Development Grants

Budget Priorities

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:

16.1. That, in September and December 2018 and January 2019, Members' seminars were held to discuss future priorities for the Economic Development Grants budget, to guide policy and service support options.

16.2. The conclusion that, following the Members' seminars, the current suite of grant schemes, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, broadly responded to the changing needs of the private sector, with no significant policy gap being identified.

16.3. That, in order to establish priorities to guide ongoing development of the Economic Development Service, the following themes were proposed:

- Small and Medium-size Enterprise (SME) business start-up and development.
- Sustainable development of tourism and destination management.
- Energy, renewables and energy-systems management.
- Primary production challenges.
- Internationalisation and marketing.

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

16.4. That the following Economic Development budget priorities be endorsed for inclusion in the Development and Infrastructure Service's service planning process:

- Small and Medium-size Enterprise (SME) business start-up and development.
- Sustainable development of tourism and destination management.
- Energy, renewables and energy-systems management.
- Primary production challenges.
- Internationalisation and marketing.

17. Economic Development Grants

Budget Monitoring Statement and Delegated Approvals

Councillors Robin W Crichton, David Dawson and Rachael A King declared non-financial interests in this item, in that family members were employed by organisations which had received Economic Development Grant funding, however, as the specific applications were not discussed, they 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:

17.1. That, for financial year 2019 to 2020, the approved budget in respect of Economic Development Grants amounted to £495,800.

17.2. Spending to 31 July 2019, in relation to Economic Development Grants, totalling £87,594, of which £76,828 related to grant commitments made in previous financial years and £10,766 to current year commitments.

17.3. That, as at 31 July 2019, the Budget Available for Approval from the Economic Development Grants budget amounted to £356,960, as detailed in Annex A to the report by the Executive Director of Development and Infrastructure.

17.4. Grant approvals made in the period 1 April to 31 July 2019, totalling £138,840, including grants approved under delegated schemes for the same period, totalling £33,215, as detailed in Annex B to the report by the Executive Director of Development and Infrastructure.

18. Conclusion of Meeting

At 15:20 the Chair declared the meeting concluded.

Signed: Graham L Sinclair.