

Minute

Development and Infrastructure Committee

Tuesday, 8 June 2021, 10:30.

Microsoft Teams.



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 Heather N Woodbridge.

Councillors Stephen G Clackson, Alexander G Cowie, Steven B Heddle, John T Richards, Gwenda M Shearer and Owen Tierney, who had been invited for Items 6 and 7.

Clerk

- Angela Kingston, Committees Officer.

In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- James Buck, Head of Marine Services and Transportation.
- Roddy Mackay, Head of Planning, Development and Regulatory Services.
- Colin Kemp, Corporate Finance Senior Manager.
- Karen Bevilacqua, Solicitor.
- Stuart Allison, Economic Development Manager.
- David Custer, Engineering Services Manager (for Items 1 to 4).
- Kenneth Roy, Roads Support Manager (for Items 1 to 3).
- David Sawkins, Deputy Harbour Master (Strategy and Support).

Observing

- Hayley Green, Head of IT and Facilities (for Items 1 to 6).
- David Thomson, Interim Head of Infrastructure and Strategic Projects (for Items 1 to 4).
- David Hartley, Communications Team Leader (for Items 3 to 9).
- Hazel Flett, Senior Committees Officer.
- Rebecca McAuliffe, Press Officer (for Items 1 to 4).

Apologies

- Councillors John A R Scott and Magnus O Thomson, who had been invited for Items 6 and 7.

Not Present

- Councillor Barbara Foulkes, who had been invited for Items 6 and 7.

Declarations of Interest

- Councillor Robin W Crichton – Item 3.
- Councillor Andrew Drever – Item 8.
- Councillor Rachael A King – Item 8.

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 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. Performance Monitoring

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

Scrutinised:

2.1. The performance of Development and Infrastructure for the reporting period 1 October 2020 to 31 March 2021, as set out in sections 3 to 5 and Annexes 1 to 3 of the report by the Executive Director of Development and Infrastructure, and obtained assurance.

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

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

- 06a – Carbon Management Programme and Low Carbon Policies and Projects – Complete Hydrogen Strategy.
- 12 – Port Infrastructure Refurbishment – commercial activities (eg Cruise) to secure affordability of programme of port infrastructure refurbishment, to ensure the piers were safe to use and properly preserved.
- 18 – Manage and implement consequences of Brexit – Support to services where possible. Ensure sufficient resources available to deliver Environmental Health Certification processes.
- 20b – Pursue the delivery of 21st century digital and Broadband capability including wireless connectivity – Explore, and where possible deliver innovative projects to secure 5G or other technology option (noting that action 20 was one action on the Service Plan but had been broken down into 3 actions 20a, 20b and 20c for the purpose of performance reporting, this was due to the different stages within the action, action 20a was still live).

- 20c – Pursue the delivery of 21st century digital and Broadband capability including wireless connectivity – Investigate benefits and opportunities arising from 5G and the Internet. This action was basically a duplication of 20b (above) so recommend removal from Pentana.
- 23a – Orkney Local Biodiversity Action Plan – Orkney Local Biodiversity Action Plan and participation as non-financially contributing partner in the Orkney Native Wildlife Project – New local biodiversity plan in place.
- 23b – Orkney Local Biodiversity Action Plan – Orkney Local Biodiversity Action Plan and participation as non-financially contributing partner in the Orkney Native Wildlife Project – RSPB/Scottish Natural Heritage success in the eradication of stoat population and protection of Orkney native wildlife.

2.3. That the following actions be amended as indicated and thereafter incorporated within the Development and Infrastructure Service Plan:

- 10a – Improve Accessibility to all Transport Services – Continue to pursue funding opportunities where possible – target date extended to 31 December 2022.
- 10b – Improve Accessibility to all Transport Services – Ensure all contracted services had accessibility provision – target date extended to 31 December 2021.
- 11b – New Business and Growth in Current Marine Activities – Review staff and resource capacity and develop business case for increasing those where necessary to deliver strategic objective – target date extended to 31 December 2021.
- 13 – Port Masterplan – Finalise Port Masterplan, identify funding sources and deliver – target date extended to 31 December 2022.
- 14a – Capital Programme Management – Complete Member Seminar engagement – target date extended to 31 December 2021.
- 14b – Capital Programme Management – Revised Capital Programme – target date extended to 31 December 2021.
- 16 – Secure Fair Funding for Transportation Services (full deficit funding) – Continued leading role in Partnership working with Transport Scotland, HITRANS and Highland and Islands Enterprise – target date extended to 31 March 2022.
- 19a – Ensure viable land supply for development, including addressing constraints to housing in Kirkwall – Complete surface water management plan – target date extended to 31 December 2021.
- 19b – Ensure viable land supply for development, including addressing constraints to housing in Kirkwall – Engage with Scottish Water, Scottish Government and development industry to ensure fair distribution of resource to deliver the strategic objectives – target date extended to 31 December 2021.
- 24 – Delivery of the North Isles Landscape Partnership Project – Delivery of the projects outlined in the North Isles Landscape Conservation Plan – target date extended to 31 March 2024.

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

3. Land at Ferry Inn Car Park, Stromness

Councillor Robin W Crichton declared a non-financial interest in this item, in that a close family member was utilising the land on a temporary basis, 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 Roads Support Manager, the Committee:

Noted:

3.1. That, following redevelopment of the Stromness pierhead area and refurbishment and upgrading of the sewerage system in Stromness, completed in 2014 and 2018 respectively, alterations to the remaining car park layout left a section to the east of the Ferry Inn, Stromness, that could no longer serve as a suitable car park.

3.2. That the section of the Ferry Inn Car Park, extending to 190 square metres or thereby, hatched in blue on the drawing attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, was therefore no longer required by the Development and Infrastructure service for operational purposes.

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

3.3. That the area of land at the Ferry Inn Car Park, Stromness, referred to at paragraph 3.2 above, be declared surplus to the operational requirements of the Development and Infrastructure service.

4. Flood Risk Management Plan

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:

4.1. That, in terms of the Flood Risk Management (Scotland) Act 2009, the Council was required to produce a Local Flood Risk Management Plan, with the first Plan being published in 2016 and covering the period up to 2022.

4.2. That the second Flood Risk Management Plan for Orkney, to cover the period from 2022 to 2028, was currently being developed and would detail actions to be adopted to reduce the damage, distress and costly impact of flooding.

4.3. That, in order to satisfy statutory land and marine based planning functions, the Council had a duty to acknowledge and plan for coastal change and flooding to ensure that services and new development were appropriately located and designed.

4.4. The local list of proposed actions based on agreed objectives for tackling floods in highest risk areas, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, for inclusion in the Local Flood Risk Management Plan.

4.5. That, in July 2021, the draft actions proposed within the Plan would be subject to a joint public consultation exercise with the Scottish Environment Protection Agency on the Flood Risk Management Strategy and Local Flood Risk Management Plan for Orkney.

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

4.6. That the local list of proposed actions for inclusion in the Local Flood Risk Management Plan 2022 to 2028, referred to at paragraph 4.4 above, be approved for public consultation.

4.7. That the Executive Director of Development and Infrastructure should review the local list of draft actions for inclusion in the Local Flood Risk Management Plan 2022 to 2028, following consultation feedback, and thereafter submit a report to the Committee, detailing the actions for inclusion in the Plan.

5. Harbour Authority Sub-committee

After consideration of the draft Minute of the Meeting of the Harbour Authority Sub-committee held on 25 May 2021, copies of which had been circulated, the Committee:

Resolved:

5.1. On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, to approve the Minute of the Meeting of the Harbour Authority Sub-committee held on 25 May 2021 as a true record.

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

5.2. That the recommendations at paragraphs 4.6, 4.7, 5.6, 5.7, 6.6, 6.7, 8.8 and 8.9 of the Minute of the Meeting of the Harbour Authority Sub-committee held on 25 May 2021, attached as Appendix 2 to this Minute, be approved.

6. Hatston Pier – Proposed Extension and Reclamation

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 and Transportation, the Committee:

Noted:

6.1. That, in April 2020, the Council approved the Orkney Harbours Masterplan Phase 1 as a Strategic Plan for the Statutory Harbour Authority.

6.2. That one of the proposals contained within the Orkney Harbours Masterplan Phase 1 was to extend the existing Hatston Pier and carry out sea-bed reclamation to provide increased quay/storage areas.

6.3. The Stage 1 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation at Hatston Pier, attached as Appendix 8 to the report by the Executive Director of Development and Infrastructure.

6.4. That, should the proposed extension of and seabed reclamation at Hatston Pier progress through the Capital Project Appraisal process, resources of up to £1,553,838 were required to produce the Stage 2 Capital Project Appraisal, which could be met from the Miscellaneous Piers and Harbours Fund.

6.5. Options for the proposed extension of and seabed reclamation at Hatston Pier, as outlined in section 4 of the report by the Executive Director of Development and Infrastructure, with the preferred option being to progress to a detailed Stage 2 Capital Project Appraisal.

6.6. That, on 25 May 2021, the Harbour Authority Sub-committee recommended to the Development and Infrastructure Committee that the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation of Hatston Pier.

On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, the Committee resolved to **recommend to the Council:**

6.7. That the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation of Hatston Pier.

6.8. That, subject to resources being secured, as an exception to the Capital Project Appraisal process, in order to ensure that progress with the proposed project was in line to meet the preferred developer announcement for the ScotWind off-shore leasing round due in early 2022, the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation at Hatston Pier.

7. Proposed Scapa Deep Water Quay

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 and Transportation, the Committee:

Noted:

7.1. That, in April 2020, the Council approved the Orkney Harbours Masterplan Phase 1 as a Strategic Plan for the Statutory Harbour Authority.

7.2. That one of the proposals contained within the Orkney Harbours Masterplan Phase 1 was to construct a new pier and associated facilities within Scapa Flow.

7.3. The Stage 1 Capital Project Appraisal in respect of the proposed Scapa Deep Water Quay, attached as Appendix 8 to the report by the Executive Director of Development and Infrastructure.

7.4. That, should the proposed Scapa Deep Water Quay progress through the Capital Project Appraisal process, resources of up to £2,628,675 were required to produce the Stage 2 Capital Project Appraisal, which could be met from the Miscellaneous Piers and Harbours Fund.

7.5. Options for the proposed Scapa Flow Deep Water Quay, as outlined in section 4 of the report by the Executive Director of Development and Infrastructure, with the preferred option being to progress to a detailed Stage 2 Capital Project Appraisal.

7.6. That, on 25 May 2021, the Harbour Authority Sub-committee recommended to the Development and Infrastructure Committee that the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisal in respect of the proposed Scapa Deep Water Quay.

On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, the Committee resolved to **recommend to the Council**:

7.7. That the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisal in respect of the proposed Scapa Flow Deep Water Quay.

7.8. That, subject to resources being secured, as an exception to the Capital Project Appraisal process, in order to ensure that progress with the proposed project was in line to meet the preferred developer announcement for the ScotWind offshore leasing round due in early 2022, the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of the proposed Scapa Deep Water Quay.

8. Economic Development Grants

Budget Outturn Statement and Delegated Approvals

Councillors Andrew Drever 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:

8.1. That, during financial year 2020/21, new spending commitments of £303,200 were approved which, relative to the revised Economic Development Grants budget of £303,200 including the capability to over-commit by 5%, resulted in full allocation of the available budget, 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 2021, decreased by £31,515 to £1,051,736.

8.3. Grant approvals made in the period 1 April 2020 to 31 March 2021, totalling £303,200, including grants approved under delegated schemes for the same period, totalling £163,836, as detailed in Annex B to the report by the Executive Director of Development and Infrastructure.

9. Conclusion of Meeting

At 14:57 the Chair declared the meeting concluded.

Signed: Graham L Sinclair.

Development & Infrastructure Risk Register – 31 March 2021

Risks by risk number

Cluster.	Risk number.	Risk.	Owner.
Economic.	1.	BREXIT.	Head of Planning, Development and Regulatory Services.
Political.	2.	Airfields.	Head of Marine Services and Transportation and Harbour Master.
Financial.	3.	Waste.	Head of Infrastructure and Strategic Projects.
Legislative/Regulatory.	4.	Public Health.	Head of Planning, Development and Regulatory Services.
Managerial/Professional.	5.	Workforce Planning.	Executive Director of Development and Infrastructure.
Reputational.	6.	Major Projects, delay or failure.	Executive Director of Development and Infrastructure.
Financial.	7.	Fuel costs.	Executive Director of Development and Infrastructure.
Financial.	8.	Concessionary travel on ferries, air and community transport, loss of funding.	Head of Marine Services and Transportation and Harbour Master.
Financial.	9.	Quarries, reduced income.	Head of Infrastructure and Strategic Projects.

Cluster.	Risk number.	Risk.	Owner.
Financial.	10.	Harbours, reduced income.	Head of Marine Services and Transportation and Harbour Master.
Financial.	11.	Ferries loss of funding and service.	Head of Marine Services and Transportation and Harbour Master.
Financial.	12.	Operational, insufficient funding.	Executive Director of Development and Infrastructure.
Legislative/Regulatory.	13.	Health and Safety, accidents and incidents.	Executive Director of Development and Infrastructure.
Financial.	14.	Property not in use.	Executive Director of Development and Infrastructure.
Financial.	15.	Discretionary services and affordability.	Executive Director of Development and Infrastructure.
Managerial/Professional.	16.	Strategic objectives, delays in projects.	Executive Director of Development and Infrastructure.
Legislative/Regulatory.	17.	Burial Grounds.	Head of Infrastructure and Strategic Projects.
Financial.	18.	COVID-19 – response and recovery internal costs.	Executive Director of Development and Infrastructure.

Risks by cluster

Cluster.	Risk Number.	Risk.	Owner.
Economic.	1.	BREXIT.	Head of Planning, Development and Regulatory Services.
Financial.	3.	Waste.	Head of Infrastructure and Strategic Projects.
Financial.	7.	Fuel costs.	Executive Director of Development and Infrastructure.
Financial.	8.	Concessionary travel on ferries, air and community transport, loss of funding.	Head of Marine Services and Transportation and Harbour Master.
Financial.	9.	Quarries, reduced income.	Head of Infrastructure and Strategic Projects.
Financial.	10.	Harbours, reduced income.	Head of Marine Services and Transportation and Harbour Master.
Financial.	11.	Ferries loss of funding and service.	Head of Marine Services and Transportation and Harbour Master.
Financial.	12.	Operational, insufficient funding.	Executive Director of Development and Infrastructure.
Financial.	14.	Property not in use.	Executive Director of Development and Infrastructure.
Financial.	15.	Discretionary services and affordability.	Executive Director of Development and Infrastructure.
Financial.	18.	COVID-19 COVID-19 – response and recovery internal costs.	Executive Director of Development and Infrastructure.

Legislative/Regulatory.	4.	Public Health.	Head of Planning, Development and Regulatory Services.
Legislative/Regulatory.	13.	Health and Safety, accidents and incidents.	Executive Director of Development and Infrastructure.
Legislative/Regulatory.	17.	Burial Grounds.	Head of Infrastructure and Strategic Projects.
Managerial/Professional.	5.	Workforce Planning.	Executive Director of Development and Infrastructure.
Managerial/Professional.	16.	Strategic objectives, delays in projects.	Executive Director of Development and Infrastructure.
Political.	2.	Airfields.	Head of Marine Services and Transportation and Harbour Master.
Reputational.	6.	Major Projects, delay or failure.	Executive Director of Development and Infrastructure.

Risks by Owner

Owner.	Cluster.	Risk Number.	Risk.
Executive Director of Development and Infrastructure.	Managerial/Professional.	5.	Workforce Planning.
Executive Director of Development and Infrastructure.	Reputational.	6.	Major Projects, delay or failure.
Executive Director of Development and Infrastructure.	Financial.	7.	Fuel costs.
Executive Director of Development and Infrastructure.	Financial.	12.	Operational, insufficient funding.
Executive Director of Development and Infrastructure.	Legislative/Regulatory.	13.	Health and Safety, accidents and incidents.
Executive Director of Development and Infrastructure.	Financial.	14.	Property not in use.
Executive Director of Development and Infrastructure.	Financial.	15.	Discretionary services and affordability.
Executive Director of Development and Infrastructure.	Managerial/Professional.	16.	Strategic objectives, delays in projects.
Executive Director of Development and Infrastructure.	Financial.	18.	COVID-19 – response and recovery internal costs.
Head of Infrastructure and Strategic Projects.	Financial.	3.	Waste.
Head of Infrastructure and Strategic Projects.	Financial.	9.	Quarries, reduced income.
Head of Infrastructure and Strategic Projects.	Legislative/Regulatory.	17.	Burial Grounds.
Head of Marine Services and Transportation and Harbour Master.	Political.	2.	Airfields.

Owner.	Cluster.	Risk Number.	Risk.
Head of Marine Services and Transportation and Harbour Master.	Financial.	8.	Concessionary travel on ferries, air and community transport, loss of funding.
Head of Marine Services and Transportation and Harbour Master.	Financial.	10.	Harbours, reduced income.
Head of Marine Services and Transportation and Harbour Master.	Financial.	11.	Ferries loss of funding and service.
Head of Planning, Development and Regulatory Services.	Economic.	1.	BREXIT.
Head of Planning, Development and Regulatory Services.	Legislative/Regulatory.	4.	Public Health.

Risk Prioritisation Matrix

			IMPACT				
			1.	2.	3.	4.	5.
			Insignificant	Minor	Moderate	Major	Severe
LIKELIHOOD	5.	Almost Certain.	Medium	Medium	High	High	Extreme
	4.	Likely.	Medium	Medium	Medium	High	Extreme
	3.	Possible.	Low	Medium	Medium	High	High
	2.	Unlikely.	Low	Low	Medium	Medium	High
	1.	Rare.	Low	Low	Low	Medium	High

Risk Number.		Risk Title.				Cluster.		Owner.	
01.		The UK exit from the European Union (Brexit).				Economic. Link to Risk Number 4 – Public Health.		Head of Planning, Development and Regulatory Services.	
Likelihood:	5.	Impact:	4.	RAG:	AMBER.	Current Risk Score:	20.	Target Risk Score:	10.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The UK ceased to be an EU Member State on 31 January 2020. The UK remains bound by EU rules, regulations and funds until at least the end of 2020. The transition period is to allow the UK and EU to agree a longer-term free trade and cooperation agreement. The UK-EU negotiations will have implications for local government including the loss of EU funding programmes and proposed UK replacement programmes – Shared Prosperity Fund. A key need will be the expected increased demand for</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, eg requirement for export health certificates and service unable to deliver to demands</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>Tolerate.</p>	<p>01.1 - In partnership with other Highlands and Islands (H&I) local authorities and other stakeholder organisations, the H&I Partnership and H&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 has taken place with the industry and there appears to be no immediate issues in regard locus of the Council, contact will be maintained with the sector should any issues arise.</p> <p>01.3 - Engagement with Scottish Government.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Export Health Certificates and the lack of Environmental Health Officers available nationally to deal with this increased workload.	in terms of additional workload created. Market price adjustments fail to compensate for farm subsidy cuts.			01.4 - Monitoring BREXIT process through COSLA representation. Monitor all impacts. 01.5 – Monitor and support UK/Scottish Government proposals for funding to replace EU funding programmes, to ensure maximum benefits for Orkney, including engagement with UK Government and other H&I local authorities.

Risk Number.	Risk Title.	Cluster.	Owner.						
02.	Airfield closure or non-conformity.	Political.	Head of Marine Services, Transportation and Harbour Master.						
Likelihood:	3.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	9.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	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 post. 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>	Treat.	<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> <p>02.7 - Regular cycle of Safety Action Group and Safety Review Board meetings.</p> <p>02.8 - Developing proposal for Assistant Airfields Officer.</p>

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Risk Number.	Risk Title.				Cluster.	Owner.			
03.	Affordability of Waste collection and disposal.				Financial.	Head of Infrastructure and Strategic Projects.			
Likelihood:	4.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	12.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Affordability of existing waste collection models.	The Council fails in the delivery of this service to the outer islands in Orkney.	<p>The Council will not be able to close the gap towards meeting the Government targets for recycling 70% by 2021.</p> <p>Noting that the delivery of Government targets is intrinsically linked to comprehensive review and re-design of waste collection and disposal, this is currently in development as part of the Capital Project Appraisal process.</p>	Treat.	<p>03.1 – Ongoing programme of review, in particular response to the COVID-19 period redesigned service provision.</p> <p>03.2 – Secure strategy on a longer term for support officer for awareness raising and targeting. This was partially successful through the Innovation Fund, however, this funding has ended, seeking to address/create capacity through income gained by commercial activities to cover this and chasing up income, with the proposal to establish a temporary post again.</p> <p>03.3 – Chinglebraes Replacement Project. Interim increased capacity has been addressed (footprint) in the 2016/17 Capital Replacement Programme. Permanent replacement solution is in development, the Stage 2 Capital Project Appraisal (CPA) will be considered in the 2021/22 financial year.</p> <p>03.4 – The “re-negotiation” of the Shetland Islands Council (SIC) contract for disposal continues. Noted SIC have rebased costs again in 2020/21 for waste processing increasing costs approximately £120k (unbudgeted) outwith normal expected inflation of 3-5%. Meetings continue between OIC and SIC to resolve contract issues.</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>03.5 - 2021/22 budget setting process allocated additional £200,000 baseline budget to Waste service.</p> <p>03.6 - Senior Management Team (SMT) Project Initiation Documents (PIDs). established for commercial waste and domestic waste collection for progression during 2021 – to include consideration of alternative models/efficiencies.</p>

Risk Number.	Risk Title.	Cluster.	Owner.						
04.	Public health protection.	Legislative/Regulatory. Link with Risk 01 – Brexit (additional work pressures on Environmental Health service as a result of Brexit).	Head of Planning, Development and Regulatory Services.						
Likelihood:	5.	Impact:	4.	RAG:	AMBER.	Current Risk Score:	20.	Target Risk Score:	10.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The Council has limited staffing resources to be able to respond to a major public health incident. It	A major animal, food or other public health disease outbreak.	The Council cannot manage within its resources; immediate impact on individuals,	Treat.	04.1 – Regular review and scrutiny of operational plans.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>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 National Health Service Orkney (NHSO).</p>		<p>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>04.2 – Effective partnership working with the National Health Service Orkney (NHSO). 04.3 – D&I Protocol for dealing with major Public Health and Safety incidents. 04.4 – Staffing establishment – full complement of competent officers (qualified, trained, experienced and appropriately authorised). In the meantime, establishing agency officer on a temporary basis. 04.5 – Port Health – Maintain training programme with NHSO. 04.6 – Agreement in place with NHSO to undertake annual up-date to the Port Health Guide and to meet every February to discuss and agree. 04.7 - Establish a formal out of hours Environmental Health Service. 04.8 - Consider and implement recommendations arising out of the external review of the Environmental Health service.</p>

Risk Number.	Risk Title.				Cluster.	Owner.			
05.	Workforce Planning.				Managerial/Professional.	Executive Director of Development and Infrastructure.			
Likelihood:	4.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	12.	Target Risk Score:	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The Council may have insufficient training plans in place and Employee Review and Development (ERD) meetings not being carried out regularly.</p> <p>Challenge of recruitment to key professional posts.</p> <p>Lack of proper training including career grade plans/apprenticeships will impact on the Service in the future.</p> <p>Workforce Plans were approved through Committee in March 2017.</p>	<p>The Council does not have fully trained staff, in the right place, at the right time, to deliver set priorities and/or statutory functions.</p> <p>Unable to recruit to key posts.</p>	<p>The 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.</p>	<p>Treat.</p>	<p>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.</p> <p>05.2 – Workforce Plans implemented within teams. Reviews underway in 2020/21, noted that the budget pressures may well impact on plans given need for scenario reduction amendments (ie 8, 12, 20% options).</p> <p>05.3 - Undertake service review exercises within impacted areas eg Planning, Environmental Health, Garage and Roads.</p>

Risk Number.	Risk Title.				Cluster.	Owner.			
06.	Major project delay or failure.				Reputational.	Executive Director of Development and Infrastructure.			
Likelihood:	5.	Impact:	3.	RAG:	AMBER.	Current Risk Score:	15.	Target Risk Score:	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>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 eg Scale Wind, Islands Deal, Harbours Master Plan.</p> <p>Failure to spend grant funding. Reputational damage. Market capacity to deliver COVID-19 when not at full strength.</p>	<p>Strategic high-level project programme slippage or failure of being over budget.</p> <p>Scale of project management business requirements associated with the Islands Deal.</p>	<p>Failure to deliver major projects.</p>	<p>Treat.</p>	<p>06.1 – Ensuring appropriate consideration of pressures during capital and revenue budget setting and most efficient use of existing resources.</p> <p>06.2 – Establish additional project specific staff and budget resources to ensure new project delivery where required (property and planning resource reviews and commitment to increase resource levels). Challenge has been establishing sufficient management time to progress recruitment process.</p> <p>06.3 - Implement recommendations relevant to the capital programme arising from the external review of the Planning Service. Planning resource and planning agent role within the property team in 2021/22 - as above challenges in progressing recruitment process.</p> <p>06.4 – Seeking to conclude the planning for the next capital programme (period 2024 to 2029) within the 2021/22 financial</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				<p>year and thereby adjusting resource levels to meet delivery demands (noted that for the 2018 to 2023 programme approximately 3.5 posts identified as additional to current levels, recruitment proceeding to conclude within 2021/22).</p> <p>06.5 - Review of the level of support for the next stage of islands deal work beyond Strategic Outline Business Case, noting the effort is outstripping the part-time resource capacity for the one FTE also covering service and other project issues. This would be addressed via future Project Management Officer committed resource across the partners.</p>

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Risk Number.	Risk Title.	Cluster.	Owner.						
07.	Higher fuel costs.	Financial.	Executive Director of Development and Infrastructure.						
Likelihood:	2.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	6.	Target Risk Score:	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The Council faces challenges because of the volatility of fuel costs. The	The Council has a large increase in fuel costs.	The Council is reactive rather than proactive: Roads: increased costs	Tolerate.	07.1 – Fuel surcharge levy has been used in past to recoup money for ferry and tug operation.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>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.</p> <p>Short term vulnerability is lower during COVID-19 as lower costs are anticipated.</p> <p>Longer term a spike in costs is anticipated.</p>		<p>could mean a reduced service. Ferries: increased costs mean a reduced service. Bus routes may become non-viable. Air Public Service Obligation – the Council carries 95% of fuel risk so may become non-viable. The Council calls on contingency and/or contingency reserve for fuel tie in funds which may or may not be required.</p> <p>Tugs: minimise use.</p>		<p>07.2 – Incentives for cheaper supplies.</p> <p>07.3 - Encourage lower fuel usage contingency. Migration to low energy vehicles and other alternative fuels.</p> <p>07.4 - Fuel cost risk held by bus operators.</p> <p>07.5 – Capital project development of renewables to offset energy consumption (electricity rather than oil) through Council owned renewables project and properties.</p> <p>07.6 – Noted the COVID-19 impact of changed working arrangements and how schools and other buildings might reopen which could incur additional fuel costs (ie requirements for ventilation).</p>

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Risk Number.	Risk Title.	Cluster.	Owner.						
08.	Continued lack of Scottish Government support for costs of concessionary travel on ferries, air and community transport.	Financial.	Head of Marine Services, Transportation and Harbour Master.						
Likelihood:	4.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	12.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
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. Any change to Scottish Government Policy on the provision of support to concessions.	Vulnerable people left without ability to meet basic needs, budgets inadequate due to reduction in Scottish Government support.	Tolerate.	08.1 – Outwith Local Authority control – reimbursement of over 60/disabled NEC tax paid by the Scottish Government. 08.2 - Orkney Inter Islands Air and Ferry Study Project/Fair Funding activity.

Risk Number.	Risk Title.	Cluster.	Owner.						
09.	Risk of reduced income from business activities from Quarries Budget overspend due to self-financed strategy which relies on income generation and continued supply.	Financial.	Head of Infrastructure and Strategic Projects.						
Likelihood:	5.	Impact:	4.	RAG:	AMBER.	Current Risk Score:	20.	Target Risk Score:	4.

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Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The Council Quarry has been a significant income resource which has been applied to a self-financing budget approach within D&I. This is market dependent on the availability of	Change in local market for quarry goods. Failure to secure planning permission for the quarry extension. Extensive periods of plant breakdown/time to replace unplanned failure.	Lack of availability of quarry products for Council projects and local markets. D&I self-financed budget strategy leading to overspend.	Treat.	09.1 - Continue to progress planning process for extension, decisions expected during 2021. 09.2 - As contingency/short term solution import stone to ensure continuity of supply. This is being progressed in two stages during 2021 with formal procurement exercise underway for supplemental 40,000 tonne spring 2021.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
infrastructure and ongoing supply.				

Risk Number.	Risk Title.	Cluster.	Owner.						
10.	Risk of reduced income from Harbours business activity as the market changes.	Financial.	Head of Marine Services, Transportation and Harbour Master.						
Likelihood:	4.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	12.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Harbours has become increasingly reliant on the oil industry and cruise liners for generating income. Changes to these markets could have a profound effect on harbour revenues.	The Council fails to identify and exploit new markets /income streams if/when current marine activity reduces. Cruise ships reduce. Oil revenues worsen. COVID-19 has made this so.	Failure to provide a comprehensive 24/7 marine service; reputational 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 overspend. Inability to provide funds to the Strategic Reserve Fund.	Treat.	10.1 - Development and marketing of infrastructure and services. 10.2 – New business eg 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 Harbour Master Plan. Costs associated balance against implications for Council wide financial planning. 10.5 - Post COVID-19 recovery planning.

Risk Number.		Risk Title.				Cluster.	Owner.			
11.		Loss of Service due to lack of funding for Ferry and Terminal Replacement.				Financial.	Head of Marine Services, Transportation and Harbour Master.			
Likelihood:	5.	Impact:	5	RAG:	RED.	Current Risk Score:	25.	Target Risk Score:	4.	

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>The Council does not have sufficient funds for Ferry and Terminal maintenance and replacement programme.</p> <p>If Scottish Government funding is not forthcoming the costs of additional essential lifeline services could impact on other service priorities.</p>	<p>The Council cannot maintain or develop its essential assets to provide public services.</p>	<p>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.</p>	<p>Treat.</p>	<p>11.1 - Contact with Scottish Government, Orkney Inter Islands Air and Ferry studies and Fair Funding process including beginning discussion on transfer of responsibility and fair funding.</p> <p>11.2 – Establish revised funding mechanism for revenue and capital elements of transportation services with the Scottish Government.</p> <p>11.3 - Pursue Transfer of Responsibility for Ferries with the Scottish Government.</p> <p>11.4 - Contribute to National Planning Framework (NPF) 4 and Ferries Plan 2 to ensure appropriate cover of lifeline transport service needs.</p>

Risk Number.	Risk Title.				Cluster.	Owner.			
12.	Insufficient Operational equipment and infrastructure funding.				Financial.	Executive Director of Development and Infrastructure.			
Likelihood:	5.	Impact:	3.	RAG:	AMBER.	Current Risk Score:	15.	Target Risk Score:	9.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
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. COVID-19 or similar pressures.	Plant, equipment and infrastructure deteriorate; services are not delivered; Council's reputation at risk; risk of accidents and potential claims.	Tolerate.	<p>12.1 – Funded asset management plans (ie annual programmes for repair and replacement across roads, fleet, property, marine and harbours).</p> <p>12.2 – Capital programme planning and prioritisation focusing on repairs, renewals and additions that mitigate rising costs through a revised business focussed Capital Project Appraisal process and linked to the Asset Management Plan.</p> <p>12.3 – Consideration of the priorities for the Capital Programme for 2024 to 2029.</p> <p>12.4 - Cross working with the estates team to reduce the size of the “estate” in the current Medium-Term Resource Strategy (MTRS) planning period to then see a fall in demand for maintenance (pressure on funding the asset replacement/ infrastructure funds).</p> <p>12.5 - Through the budget process reviewing the standards of service delivery to set a “lower bar” in terms of the</p>

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				performance target in areas such as roads and street cleansing. This then impacts on the volume of work and the plant and equipment/vehicles needed.

Risk Number.	Risk Title.	Cluster.	Owner.						
13.	Accidents and health and safety incidents.	Legislative/Regulatory.	Executive Director of Development and Infrastructure.						
Likelihood:	2.	Impact:	4.	RAG:	YELLOW.	Current Risk Score:	8.	Target Risk Score:	6.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
The risk of not managing accidents and health and safety incidents. Particular operational vulnerabilities are: Hand and Arm Vibration Syndrome (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.	Tolerate.	13.1 - Training programme(s), reporting, implementing improvements. Work Methods Safety meetings and reviews. Safety Management Systems and Audit. 13.2 – Maintaining a comprehensive schedule of staff and management meetings and culture in relation to Health and Safety matters eg quarterly cross service management health and safety meetings, toolbox talks etc. 13.3 - Development and Infrastructure Health and Safety Induction process and introduction of new Near Miss Process in Spring 2021.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
				13.4 - Ongoing review of Health and Safety issues at various management forums including weekly Heads of Service and quarterly union meetings. Also plan to review new H&S Policy at Spring 2021 Managers General meeting.

Risk Number.	Risk Title.	Cluster.	Owner.
14.	Residual Liability for properties no longer in original use.	Financial.	Executive Director of Development and Infrastructure.

Likelihood:	3.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:	9.	Target Risk Score:	6.
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Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
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	Current liability (has been the case for many years).	Financial, staff resources for inspection, planning, penalties. Specialist studies are required. Public health and reputation.	Treat.	14.1 – Asset Management planning and mitigation. 14.2 - Prioritise inspection and immediate remedial action through existing service budgets with corresponding risk of overspend. 14.3 - Additional budget pressures for approval for the final works programme. 14.4 - On-going revenue pressures and impacts (not a mainstream budget). 14.5 – Cross-cutting work to support the Project Initiation Document (PID) work in

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
is at risk of claim arising from injury etc.				estates team on accelerating (if possible) disposal routes.

Risk Number.	Risk Title.	Cluster.	Owner.						
15.	Affordability of Development and Infrastructure Services and likelihood of reduction in spending on discretionary services.	Financial.	Executive Director of Development and Infrastructure.						
Likelihood:	4.	Impact:	4.	RAG:	AMBER.	Current Risk Score:	16.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
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 overspends.	Treat.	15.1 – Ensure full awareness and understanding of consequences through the budget setting process. 15.2 – Strong Senior Management Team (SMT)/Improvement Support Team Board approach to budget setting. 15.3 – Follow through budget savings with service changes quickly and resolutely following decisions. 15.4 – SMT Project Initiation Document (PID) process for Economic Development, Asset Planning, Waste, Fleet, Marine Services and Transportation underway during 2021.

Risk Number.		Risk Title.				Cluster.		Owner.		
16.		Failure to progress strategic objectives due to the inevitable focus on day to day service delivery on demands/challenges.				Managerial/Professional.		Executive Director of Development and Infrastructure.		
Likelihood:	5.	Impact:	3.	RAG:	AMBER.	Current Risk Score:		15.	Target Risk Score:	2.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Lack of progress on strategic outcomes. Loss of opportunity. Medium to long term failure of service. Extreme resource requirements relating to COVID-19 response and recovery.	Volume of attention required on day to day activities and priorities that removes time, resource commitment and focus away from progressing strategic objectives, eg both operational such as responding to day to day questions and/or requests and also corporate processes, eg Freedom of Information (FOI), performance management 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 eg stress, sickness and/or a drop in morale.	Treat.	16.1 - Seek to focus resources on delivery of the Council Plan approved strategic objectives/projects for the service. 16.2 - Managing expectations in regard to the responsiveness of day to day operational demands and also corporate demands. 16.3 - Re-calibration of service standards eg review service response standards/times for non-safety critical or strategic outcome items.

Risk Number.		Risk Title.				Cluster.		Owner.		
17.		Burial grounds – Safety issues.				Legislative/Regulatory.		Head of Infrastructure and Strategic Projects.		
Likelihood:	2.	Impact:	3.	RAG:	YELLOW.	Current Risk Score:		6.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
Unstable headstones could topple over.	A fatal accident occurred in a Scottish mainland Council burial ground. Scottish Government letter to all Council's highlighting responsibilities. Health and Safety Executive (HSE) have issued guidance to all Local Authorities to ensure adequate health and safety measures are in place for graveyards.	Injury or death to members of the public or maintenance workers etc. Civil action resulting in the payment of compensation for injury or damage etc. Reputation should members of the public be harmed. Enforcement action from the HSE.	Treat.	17.1 – Continue inspection and maintenance programme. 17.2 - Implement revised Code of Practice and additional resources following Council approval in February 2021 – implement during 2021. 17.3 – A close out meeting with the Council's Internal Audit team to take place to ensure audit recommendations are fully complete and signed off.

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Risk Number.		Risk Title.				Cluster.		Owner.		
18.		COVID-19 – unforeseen pressures from response and recovery (medium to long term).				Financial.		Executive Director of Development and Infrastructure.		
Likelihood:	4.	Impact:	4.	RAG:	AMBER.	Current Risk Score:		16.	Target Risk Score:	4.

Vulnerability.	Trigger.	Consequences.	Options.	Mitigating Actions.
<p>Impact on D&I baseline services in relation to COVID-19.</p>	<p>Costs or loss of income that exceeds the approved budget.</p> <p>No corresponding financial support from other council or government funds to match this.</p>	<p>Significant overspend in D&I approximately £6m across Infrastructure and Strategic Projects (£1.5m - £2m)/Marine and Harbours (£4 to £4.5m) meaning cessation of revenue service principally (ie planned, cyclical, reactive works) becomes a likely outcome.</p> <p>The eventual cost/loss of income becomes greater than the ability to reduce revenue expenditure and may impact on core establishment costs (ie employees).</p> <p>Operationally in reducing or stopping several processes (ie limiting to emergency and health and safety focused operations in 2021/22 most likely). This would see less activity on the ground and lower risk works would not be completed until a future time.</p>	<p>Treat.</p>	<p>18.1 - Need to consider re-prioritisation or stopping of revenue/capital work due to rising costs. In the context that the level of costs/loss of income are obtainable from unspent revenue budgets (ie works are needing to proceed in 2021/22).</p> <p>18.2 - In the event the level of cost/loss of income exceed available revenue budgets not spent, then consideration of reducing establishment costs over 2021/22.</p> <p>18.3 - Application to corporate reserve fund to address gaps in funding where other mitigation measures do not fully cover COVID-19 costs.</p> <p>18.4 - Community pressures and expectations for services to return to pre COVID-19 levels will not be possible in every circumstance with the existing level of people and financial resource. Expectations will need to be managed.</p>

Minute

Harbour Authority Sub-committee

Tuesday, 25 May 2021, 10:30.

Microsoft Teams.



Present

Councillors Graham L Sinclair, Andrew Drever, Robin W Crichton, David Dawson, Magnus O Thomson, Owen Tierney and Heather N Woodbridge.

Clerk

- Angela Kingston, Committees Officer.

In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- James Buck, Head of Marine Services and Transportation and Harbour Master.
- David Sawkins, Deputy Harbour Master (Strategy and Support).
- Colin Kemp, Corporate Finance Senior Manager.
- Karen Bevilacqua, Solicitor.

Observing

- Gareth Waterson, Head of Finance.
- Richard Wild, Deputy Harbour Master: Operations.
- Hazel Flett, Senior Committees Officer (for Items 1 to 6).

Declarations of Interest

- No declarations of interest were intimated.

Chair

- Councillor Graham L Sinclair.

1. Disclosure of Exempt Information

The Sub-committee noted the proposal that the public be excluded from the meeting for 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. Form of Voting

The Sub-committee resolved that, should a vote be required in respect of the business to be considered at this meeting, notwithstanding Standing Order 21.4, the form of voting should be by calling the roll (recorded vote).

3. Orkney Harbours Masterplan Phase 1 Update

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 and Transportation and Harbour Master, the Sub-committee:

Noted:

3.1. That, on 16 April 2020, the Council approved the Orkney Harbours Masterplan Phase 1 as a Strategic Plan for the Harbour Authority.

3.2. That, during summer/autumn 2020, as part of ongoing feasibility works, and following subsequent discussions with potential developers, it became apparent that the original plans for the proposed Scapa Deep Water Quay would not be suitable for off-shore wind developments, resulting in changes to the layout and size of the proposed Scapa Deep Water Quay.

3.3. That, although there were no changes to the layout or size of the proposed extension to Hatston Pier, as contained within the approved Orkney Harbours Masterplan Phase 1, provision of an aquaculture and fish processing facility at Hatston would not be included in plans for the extension of Hatston Pier meantime.

3.4. That initial drawings had been produced in respect of a new fuel tank arrangement for carbon-based fuels to be provided at Hatston in the future, which might result in the proposed extension to Scapa Pier no longer being required.

3.5. That there was possible use of Hatston as an operational and maintenance base for offshore wind developers.

3.6. That further consideration would be required in respect of additional reclaimed land next to Copland's Dock, Stromness, for any further necessary use with regard to offshore wind developers' operations and maintenance/storage area.

3.7. That, with remediation of land at Lyness now at the procurement/tender stage, use of Lyness for larger items and long-term storage with respect to offshore wind developments remained a possibility.

4. Orkney Harbours Masterplan Phase 2

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 and Transportation and Harbour Master, the Sub-committee:

Noted:

4.1. That, due to the wide geographic spread of the Orkney Harbour Authority area, the Orkney Harbours Masterplan was split into two phases, with Phase 1 comprising Scapa Flow and Kirkwall/Hatston and Phase 2 comprising all other ports/harbours.

4.2. That, on 16 April 2020, the Council approved the Orkney Harbours Masterplan Phase 1 as a strategic plan for the Statutory Harbour Authority.

4.3. That the proposed Orkney Harbours Masterplan Phase 2 would align with a strict set of guidelines in the Department for Transport Guidance on the Preparation of Port Master Plans, issued in December 2008, and would align with results from the ongoing studies being carried out in connection with internal ferry services in Orkney.

4.4. That the proposed Orkney Harbours Masterplan Phase 2 would provide a structured framework for the physical development and transformation of the relevant parts of Orkney's harbours over a 20 year period.

4.5. That the cost of developing the proposed Orkney Harbours Masterplan Phase 2, including the Strategic Environmental Assessment and Habitats Regulations Appraisal, was estimated at £165,000.

The Sub-committee resolved to **recommend to the Council:**

4.6. That, subject to budget provision being made available, the Executive Director of Development and Infrastructure should progress works in respect of the Orkney Harbours Masterplan Phase 2.

The Sub-committee resolved to **recommend to the Policy and Resources Committee:**

4.7. That, in order to progress works in respect of the Orkney Harbours Masterplan Phase 2, the Miscellaneous Piers and Harbours revenue budget for financial year 2021/22 be enhanced by £165,000, utilising prior year accumulated balances held in the Miscellaneous Piers and Harbours Fund.

5. Hatston Pier – Proposed Extension and Seabed Reclamation

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 and Transportation and Harbour Master, the Sub-committee:

Noted:

5.1. That, in April 2020, the Council approved the Orkney Harbours Masterplan Phase 1 as a Strategic Plan for the Statutory Harbour Authority.

5.2. That one of the proposals contained within the Orkney Harbours Masterplan Phase 1 was to extend the existing Hatston Pier and carry out seabed reclamation to provide increased quay/storage areas.

5.3. The Stage 1 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation at Hatston Pier, attached as Appendix 8 to the report by the Executive Director of Development and Infrastructure.

5.4. That, should the proposed extension of and seabed reclamation at Hatston Pier progress through the Capital Project Appraisal process, resources of up to £1,553,838 would be required in order to develop the Stage 2 Capital Project Appraisal, which could be met from the Miscellaneous Piers and Harbours Fund.

5.5. Options for the proposed extension of and seabed reclamation at Hatston Pier, as outlined in section 4 of the report by the Executive Director of Development and Infrastructure, with the preferred option being to progress to a detailed Stage 2 Capital Project Appraisal.

On the motion of Councillor Graham L Sinclair, seconded by Councillor David Dawson, the Sub-committee resolved to **recommend to the Development and Infrastructure Committee:**

5.6. That the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation of Hatston Pier.

5.7. That, subject to resources being secured, as an exception to the Capital Project Appraisal process, in order to ensure that progress with the proposed project was in line to meet the preferred developer announcement for the ScotWind offshore leasing round due in early 2022, the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of the proposed extension of and seabed reclamation at Hatston Pier.

6. Proposed Scapa Deep Water Quay

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 and Transportation and Harbour Master, the Sub-committee:

Noted:

6.1. That, in April 2020, the Council approved the Orkney Harbours Masterplan Phase 1 as a Strategic Plan for the Statutory Harbour Authority.

6.2. That one of the proposals contained within the Orkney Harbours Masterplan Phase 1 was to construct a new pier and associated facilities within Scapa Flow.

6.3. The Stage 1 Capital Project Appraisal in respect of the proposed Scapa Deep Water Quay, attached as Appendix 8 to the report by the Executive Director of Development and Infrastructure.

6.4. That, should the proposed Scapa Deep Water Quay progress through the Capital Project Appraisal process, resources of up to £2,628,675 would be required in order to develop the Stage 2 Capital Project Appraisal, which could be met from the Miscellaneous Piers and Harbours Fund.

6.5. Options for the proposed Scapa Flow Deep Water Quay, as outlined in section 4 of the report by the Executive Director of Development and Infrastructure, with the preferred option being to progress to a detailed Stage 2 Capital Project Appraisal.

On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, the Sub-committee resolved to **recommend to the Development and Infrastructure Committee:**

6.6. That the Executive Director of Development and Infrastructure should submit a report, to the Policy and Resources Committee, regarding funding required to develop the Stage 2 Capital Project Appraisal in respect of the proposed Scapa Flow Deep Water Quay.

6.7. That, subject to resources being secured, as an exception to the Capital Project Appraisal process, in order to ensure that progress with the proposed project was in line to meet the preferred developer announcement for the ScotWind offshore leasing round due in early 2022, the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a Stage 2 Capital Project Appraisal in respect of the proposed Scapa Deep Water Quay.

7. Competent Harbour Authority – Pilotage

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 and Transportation and Harbour Master, the Sub-committee:

Noted:

7.1. That the Examining Body of the Competent Harbour Authority met on 21 September 2020, 7 October 2020, 17 November 2020, 3 February 2021 and 12 February 2021, to conduct a total of five Pilotage Exemption Certificate examinations and one Class Two Pilotage examination, all of which were successful.

7.2. That the number of Acts of Pilotage decreased from 892 in 2019/20 to 633 in 2020/21, due to the loss of cruise liner pilotage as a direct effect of the COVID-19 pandemic.

7.3. That the report by the Executive Director of Development and Infrastructure would be passed to the Designated Person as part of his Port Marine Safety Code assurance requirement.

8. Towage Services

On the motion of Councillor Graham L Sinclair, seconded by Councillor Andrew Drever, the Sub-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 paragraphs 1 and 6 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, copies of which had been circulated, and after hearing a report from the Head of Marine Services and Transportation and Harbour Master, the Sub-committee:

Resolved to **recommend to the Council** what action should be taken with regard to towage services.

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 Magnus O Thomson joined the meeting during discussion of this item.

9. Conclusion of Meeting

At 12:39 the Chair declared the meeting concluded.

Signed: Graham L Sinclair.