

MINUTE of the MEETING of the DEVELOPMENT AND INFRASTRUCTURE COMMITTEE of ORKNEY ISLANDS COUNCIL held in COUNCIL OFFICES, KIRKWALL on 16 FEBRUARY 2017 at 10.30am

Present: Councillors James W Stockan, Graham L Sinclair, Andrew Drever, Maurice C Davidson, James Foubister, T Stephen Hagan, Steven B Heddle, Rachael A King, W Leslie Manson, Gwenda M Shearer and William T Stout

Councillors Robin W Crichton and Owen Tierney, who had been invited for Items 2 and 3

Clerk to the Committee: Angela Kingston, Committees Officer

In Attendance: Gavin Barr, Executive Director of Development and Infrastructure
Brian Archibald, Head of Marine Services, Engineering and Transportation (for Items 1 to 11, 13 to 20 and 29 to 32)
Roddy MacKay, Head of Planning, Development and Regulatory Services
Darren Richardson, Head of Infrastructure and Strategic Projects (for Items 1 to 27)
Colin Kemp, Corporate Finance Senior Manager
Sheila M Shearer, Solicitor
Jackie Thomson, Development and Regeneration Manager (for Items 1 to 6 and 17 to 30)
Stuart Allison, Economic Development Manager (for Items 16 to 30)
Peter Bevan, Engineering Services Manager (for Items 13 to 17)
Simon Butcher, Roads and Environmental Services Manager (for Items 4 to 17)
Stuart West, Planning Manager (Development and Marine Planning) (for Items 1 to 5)
James Green, Senior Policy Planner (Development and Marine Planning) (for Items 1 to 4)
Gavin Cameron, Funding Development Officer (for Items 17 to 19)
Morag Robertson, Development Officer (for Items 16 to 24)

Observing: Andrew Groundwater, Head of HR and Performance (for Items 25 to 27)
David Hartley, Communications Team Leader (for Items 18 to 32)
Jonathan Walters, Environmental Services Facilities Manager (for Items 4 to 14)
Ross Irvine, Access Officer (Development and Marine Planning) (for Items 1 to 4)
Jordan Low, Economic Development Officer (for Items 18 to 24)
Caroline Paterson, Economic Development Officer (for Items 18 to 30)

Apologies: Councillor David R Tullock

Councillors Stephen G Clackson and J Harvey Johnston, who had been invited for Item 18

Declarations

of Interest:

Councillor James Foubister – Item 30

Councillor Rachael A King – Items 21 and 25

Councillor Gwenda M Shearer – Items 26 and 28

Councillor James W Stockan in the Chair

1. REVENUE EXPENDITURE MONITORING REPORT AS AT 30 NOVEMBER 2016

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

NOTED:-

- 1.1. the revenue expenditure statement in respect of Development and Infrastructure for the period 1 April to 30 November 2016, indicating an overspend of £68,900; and
- 1.2. 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.

2. PLANNING POLICY DOCUMENTS PROCEDURE

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

NOTED:-

- 2.1. the three tiers of planning policy documents currently produced by the Council, namely:-
 - 2.1.1. Supplementary Guidance;
 - 2.1.2. Planning Policy Advice; and
 - 2.1.3. Development Management Guidance;
- 2.2. the current procedure followed by Development and Marine Planning to produce planning policy documents, as set out in section 5.1 of the report by the Executive Director of Development and Infrastructure; and

- 2.3. the proposed revised procedure in respect of planning policy documents, as detailed in section 5.3 of the report by the Executive Director of Development and Infrastructure, which would streamline the current process and prevent unnecessary delays that might stifle development.

The Committee resolved to **RECOMMEND to the Council:-**

- 2.4. that the following revised procedure in respect of the production of planning policy documents be approved:-
 - 2.4.1. Development and Marine Planning produce draft document for consultation purposes;
 - 2.4.2. briefing note issued to all Elected Members advising that consultative draft document prepared, providing details of the consultation and a copy of the document;
 - 2.4.3. providing no serious concerns raised requesting the document to be debated prior to public consultation, draft document released for six week consultation;
 - 2.4.4. updated document reported to Committee and subsequently approved by Council;
 - 2.4.5. document adopted as Planning Policy Advice or Supplementary Guidance; and
 - 2.4.6. if document set as Supplementary Guidance, notification sent to Scottish Ministers.

3. SUPPLEMENTARY GUIDANCE: AQUACULTURE CONSULTATION DRAFT

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 Senior Policy Planner (Development and Marine Planning), the Committee:-

NOTED:-

- 3.1. that, as the policy provision relating to Aquaculture in the Proposed Plan had changed, updated supplementary guidance was required to provide detail of how the policy would be applied in the assessment of planning applications; and
- 3.2. the draft Supplementary Guidance: Aquaculture, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

The Committee resolved to **RECOMMEND to the Council:-**

- 3.3. that the draft Supplementary Guidance: Aquaculture, referred to at paragraph 3.2 above, be approved for consultation; and
- 3.4. that the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 6 June 2017, detailing the outcome of the consultation exercise, referred to at paragraph 3.3 above, and presenting a final version of the Supplementary Guidance: Aquaculture for adoption by the Council.

4. ORKNEY OUTDOOR ACCESS STRATEGY

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 Senior Policy Planner (Development and Marine Planning), with reference to the Minute of the Meeting of the Development and Infrastructure Committee held on 13 September 2016, paragraph 8, the Committee:-

NOTED:-

- 4.1. that public consultation had been undertaken in respect of the draft Orkney Outdoor Access Strategy;
- 4.2. the Participation Statement and Consultation Report, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which recorded the steps taken to ensure full and proper consultation was undertaken, the comments raised by members of the public and stakeholders and the response by the Executive Director of Development and Infrastructure to those comments;
- 4.3. the revised draft of the Orkney Outdoor Access Strategy, attached as Appendix 2 to the report by the Executive Director of Development and Infrastructure, which had been amended to respond to matters raised through the consultation process, referred to at paragraphs 4.1 and 4.2 above; and
- 4.4. that, in order to ensure successful implementation of the strategy, the Executive Director of Development and Infrastructure intended to develop an action plan for consideration by the Committee on 12 September 2017.

The Committee resolved to **RECOMMEND to the Council:-**

- 4.5. that the Orkney Outdoor Access Strategy, attached as Appendix 1 to this Minute, be approved.

5. WORLD HERITAGE SITE MASTERPLANNING AND STRATEGIC MANAGEMENT

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

NOTED:-

- 5.1. that, in December 1999, the Heart of Neolithic Orkney was inscribed on the list of World Heritage Sites;
- 5.2. that the World Heritage Site comprised six individual component sites in the West Mainland, each of which were scheduled monuments;
- 5.3. that, with the exception of Maeshowe and Skara Brae, the monuments were free to access by members of the public;
- 5.4. that the Council, along with other partner agencies, was a signatory to the World Heritage Site Management Plan, which included aims and objectives relating to projects in and around the World Heritage Site;
- 5.5. that, in December 2016, the Council agreed to lease the former West Mainland Day Centre to Historic Environment Scotland, subject to Historic Environment Scotland committing to a process of positive engagement with the Council to pursue a progressive programme of activity to establish a strategic master plan; and
- 5.6. that the strategic master plan, referred to at paragraph 5.5 above, would consider key issues such as long-term visitor management, infrastructure provision and upgrades, opportunities for creating a World Heritage Centre Gateway Centre and potential future governance arrangements for the World Heritage Site.

The Committee resolved to **RECOMMEND to the Council:-**

- 5.7. that the Executive Director of Development and Infrastructure should submit, to the meeting of the Committee to be held in September 2018, a draft strategic master plan for the World Heritage Site.

6. KIRKWALL TOWNSCAPE HERITAGE INITIATIVE PLACES AND SPACES PROJECT

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 Development and Regeneration Manager, the Committee:-

NOTED:-

- 6.1. that the Kirkwall Townscape Heritage Initiative (KTHI), incorporating a Conservation Area Regeneration Scheme (CARS), was a fully funded five-year programme, established in 2014, with a total budget of £3.445M;
- 6.2. that, in 2013, the Council set aside a sum, up to £200,000, from the Renewable Energy/Redevelopment and Regeneration Fund as part of its commitment towards a KTHI public realm project;
- 6.3. that public realm works had previously been incorporated within a more extensive placemaking scheme;
- 6.4. that, in February 2016, the Council resolved to take no further action with regard to the placemaking scheme referred to at paragraph 6.3 above, and the project was subsequently removed from the capital programme;
- 6.5. that, since the decision was taken not to progress the more extensive placemaking scheme, the KTHI project team had been consulting with local community organisations with a view to developing an alternative public realm project, Kirkwall Places and Spaces, as an integral part of the KTHI programme;
- 6.6. that delivery of a public realm project was a key component in the overall KTHI programme and non-delivery would potentially place the programme funding at risk;
- 6.7. the Stage 1 Capital Project Appraisal, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, in respect of the Kirkwall Places and Spaces project; and
- 6.8. that a sum of up to £10,500 was required in order to develop the Stage 2 Capital Project Appraisal in respect of the Kirkwall Places and Spaces project.

The Committee resolved to **RECOMMEND to the Council:-**

- 6.9. that the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Policy and Resources Committee to be held on 28 February 2017, regarding the funding required to develop a Stage 2 Capital Project Appraisal in respect of the Kirkwall Places and Spaces project; and
- 6.10. that, as an exception to policy, the Executive Director of Development and Infrastructure should submit, to the meeting of the Policy and Resources Committee to be held on 26 September 2017, a Stage 2 Capital Project Appraisal in respect of the Kirkwall Places and Spaces project.

7. NAMING OF ROADS
HOUSING DEVELOPMENT AT GRAINBANK, KIRKWALL

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

NOTED:-

7.1. that Kirkwall and St Ola Community Council had suggested that the new roads off Pickaquoy Drive, Kirkwall, detailed on the plan attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, be named as follows:-

- 7.1.1. road 1 marked green – Ayre View Road or Busant Drive;
- 7.1.2. indicative road 1 marked purple – Gold Drive; and
- 7.1.3. indicative road 2 marked red – Zetland Road.

On the motion of Councillor W T Stout, seconded by Councillor J Foubister, the Committee resolved to **RECOMMEND to the Council:-**

7.2. that the new roads off Pickaquoy Drive, Kirkwall, detailed on the plan attached as Appendix 2 to this Minute, be named as follows:-

- 7.2.1. road 1 marked green – Busant Drive;
- 7.2.2. indicative road 1 marked purple – Gold Drive; and
- 7.2.3. indicative road 2 marked red – Zetland Road.

8. NAMING OF ROADS
HOUSING DEVELOPMENT AT GRAINAYRE, KIRKWALL

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

NOTED:-

8.1. that the developer had suggested that the new road off Hatston Brae (A965), Kirkwall, marked green on the plan attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, be named Ousemouth Drive; and

8.2. that Kirkwall and St Ola Community Council had suggested that the new road, referred to at paragraph 8.1 above, be named Flett's Park.

Councillor J Foubister, seconded by Councillor A Drever, moved that the new road off Hatston Brae (A965), Kirkwall, be named J T Flett Park.

Councillor S B Heddle, seconded by Councillor T S Hagan, moved an amendment that the new road be named Ousemouth Drive.

On a vote being taken 3 members voted for the amendment and 6 for the motion, and the Committee:-

Resolved to **RECOMMEND to the Council**:-

8.3. that the new road off Hatston Brae (A965), Kirkwall, marked green on the plan attached as Appendix 3 to this Minute, be named J T Flett Park.

9. ROAD ASSET REPLACEMENT PROGRAMME 2017/18 TO 2019/20

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 Head of Infrastructure and Strategic Projects, the Committee:-

NOTED:-

- 9.1. that a multi-year approach to the replacement of road assets allowed for greater flexibility to vary the timing of individual projects where constraints and/or pressures emerged, such as weather, unplanned events or resource levels;
- 9.2. that, in July 2016, the Council approved an application to the Innovation Fund in respect of a phased three year programme, over the period 2016/17 to 2018/19, to accelerate the conversion of street lighting from the existing SON lanterns to more reliable and energy efficient LED lanterns;
- 9.3. the proposed replacement programmes for 2017/18 and 2018/19, together with an indicative programme for 2019/20, in respect of the Council's Roads Assets, at an estimated cost of £1,178,000 per annum in 2017/18 and 2018/19 and an indicative cost of £950,000 in 2019/20, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure; and
- 9.4. that, although approval was sought for a multi-year programme, the Executive Director of Development and Infrastructure would continue to submit reports, on an annual basis, to provide progress updates of the current year's programme and present an updated programme for subsequent years.

The Committee resolved to **RECOMMEND to the Council**:-

- 9.5. that the Road Asset Replacement Programmes for 2017/18 and 2018/19, together with an indicative programme for 2019/20, attached as Appendix 4 to this Minute, be approved; and
- 9.6. that powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Head of Finance, to adjust the three year programme, referred to at paragraph 9.5 above, as variations arose in order to maximise use of the annual capital allocation.

Councillor S B Heddle left the meeting during discussion of this item.

10. ROADS FOR ADOPTION

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

NOTED:-

- 10.1. that construction consent had previously been granted in respect of the following new roads:-
 - 10.1.1. Burnett Brae, Kirkwall;
 - 10.1.2. Douglas Loan, Kirkwall;
 - 10.1.3. Moar Drive, Kirkwall;
 - 10.1.4. Rendall Road, Kirkwall;
 - 10.1.5. Robertson Loan, Kirkwall; and
 - 10.1.6. Watersfield Crescent, Kirkwall;
- 10.2. that, following completion of works in accordance with the conditions of the construction consent, applications had been received from the developers requesting that the new roads, listed at paragraph 10.1 above, be added to the list of publically maintained roads; and
- 10.3. that future maintenance of roads contained within the list of publicly maintained roads was funded from within the existing roads revenue budget.

The Committee resolved to **RECOMMEND to the Council:-**

- 10.4. that the roads detailed in Appendix 5 to this Minute be adopted and added to the list of publicly maintained roads.

11. REVIEW OF SPEED LIMITS AT ISLAND SCHOOLS

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, with reference to the Minute of the Meeting of the Transport and Infrastructure Committee held on 9 November 2010, paragraphs 2.4, 2.9 and 2.10, the Committee:-

NOTED:-

- 11.1. that, in November 2003, the Scottish Government made funding available for projects leading to the creation of safer routes to schools, one element of which was the introduction of part-time 20 mph speed limits in the vicinity of all schools;
- 11.2. that part-time 20 mph speed limits were subsequently introduced at some schools, as detailed in section 5.2 of the report by the Executive Director of Development and Infrastructure, however, as there was insufficient funding, it was not possible at that time to introduce lower speed limits at the remaining schools on the Mainland or to any of the outer isles schools;

- 11.3. that a mandatory 20 mph speed limit at Papdale Primary School and part-time 20 mph speed limits at St Andrews Primary School and Stenness Primary School had since been introduced, utilising a combination of grant funding for Cycling, Walking and Safer Streets projects, funding from Sustrans and the Council's Road Asset capital replacement programme;
- 11.4. that, with the exception of Shapinsay and Westray schools which were situated within 30 mph limits, the speed limit in the vicinity of all other schools, not currently within a part-time 20 mph speed limit, was 40 mph;
- 11.5. that concerns continued to be raised in relation to current speed limits in the vicinity of schools, in particular from Sanday and North Walls, with correspondence also being received from Rousay and Stronsay;
- 11.6. that traffic counts had been carried out in the vicinity of the island schools currently covered by a 40 mph speed limit, the outcome of which was detailed in Annex A to the report by the Executive Director of Development and Infrastructure;
- 11.7. options in respect of introducing 20 mph speed limits at island schools, as outlined in section 6 of the report by the Executive Director of Development and Infrastructure, with the preferred option being Option 3, namely to introduce a mandatory, variable part-time 20 mph speed limit within the existing 40 mph speed limits at island schools; and
- 11.8. that introducing the proposed 20 mph part-time speed limits, referred to at paragraph 11.7 above, was estimated to cost £224,500, as summarised in Annex B to the report by the Executive Director of Development and Infrastructure.

The Committee **RESOLVED, in terms of delegated powers:-**

- 11.9. that, subject to availability of funding, mandatory, variable part-time 20 mph speed limits be introduced at the following island schools:-
 - 11.9.1. North Walls Junior High School;
 - 11.9.2. Sanday Junior High School;
 - 11.9.3. Stronsay Junior High School;
 - 11.9.4. Westray Junior High School;
 - 11.9.5. Shapinsay Primary School;
 - 11.9.6. Rousay Primary School;
 - 11.9.7. Eday Primary School; and
 - 11.9.8. Papa Westray Primary School.

The Committee resolved to **RECOMMEND to the Council:-**

- 11.10. that the Executive Director of Development and Infrastructure should progress a Stage 1 Capital Project Appraisal in respect of a phased programme for the introduction of mandatory, variable part-time 20 mph speed limits in the vicinity of island schools.

12. PROPOSED REGULATION OF LONG STAY OFF-STREET CAR PARK AT FERRY ROAD, STROMNESS

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

NOTED:-

- 12.1. the proposal to regulate long stay car parking on the west side of Ferry Road, Stromness, as detailed on the plan attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure.

The Committee **RESOLVED, in terms of delegated powers:-**

- 12.2. that long stay car parking on the west side of Ferry Road, Stromness, be regulated by the introduction of the appropriate car park order.

13. CHARTER FOR HOUSEHOLD RECYCLING IN SCOTLAND

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:-

- 13.1. that, in 2014, the Zero Waste Task Force, consisting of Scottish Government, COSLA, SOLACE, Zero Waste Scotland and the Waste Managers Network, reviewed waste management practices;
- 13.2. that, following the review referred to at paragraph 13.1 above, objectives had been developed into the Household Recycling Charter (the Charter) and associated Code of Practice, attached as Appendices 1 and 2 respectively to the report by the Executive Director of Development and Infrastructure, approved by COSLA and introduced by Scottish Government in December 2015;
- 13.3. that, in February 2016, the COSLA spokesperson for Development, Economy and Sustainability and the Cabinet Secretary for Rural Affairs, Food and Environment issued a joint letter, requesting that local authorities sign up to the Charter;
- 13.4. that, should the Council agree to sign up to the Charter, the Council would commit to investigating how to adopt systems in the Code of Practice, even if it was not in a position to make immediate changes to collection systems; and
- 13.5. that signing up to the Charter would increase the opportunity for the Council to seek external funding support in respect of any significant transitional plan costs, including new waste facilities.

The Committee resolved to **RECOMMEND to the Council:-**

- 13.6. that the Council should sign up to the Charter for Household Recycling in Scotland and associated Code of Practice.

**14. INTER-ISLES AIR SERVICE
PROPOSED WINTER 2017/18 TIMETABLE**

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

NOTED:-

- 14.1. that the Inter-Island Air Services PSO Contract had been awarded, following a competitive tendering process, to Loganair Limited, for the period 1 April 2017 to 31 March 2021;
- 14.2. that the inter-isles air service timetable for winter 2017/18 was scheduled to operate from 29 October 2017 to 25 February 2018 inclusive;
- 14.3. that the Air Services Consultative Forum met on 25 January 2017 to discuss the winter 2017/18 timetable, with details of the main issues arising outlined at section 5 of the report by the Executive Director of Development and Infrastructure; and
- 14.4. the proposed timetable, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which was comparable with the service operated during winter 2016/17.

The Committee resolved to **RECOMMEND to the Council:-**

- 14.5. that the winter 2017/18 timetable in respect of the inter-isles air service, attached as Appendix 6 to this Minute, be approved.

Councillor J Foubister left the meeting at this point.

**15. ORKNEY FERRIES
PROPOSED WINTER 2017/18 TIMETABLES**

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

NOTED:-

- 15.1. that the inter-island ferry services timetable for winter 2017/18 was scheduled to operate from 25 September 2017 to 5 May 2018 inclusive;
- 15.2. that the Ferry Services Consultative Forum met on 25 January 2017 to discuss the winter 2017/18 timetables, with details of the main issues arising outlined in section 6 of the report by the Executive Director of Development and Infrastructure; and

- 15.3. that the proposed timetables in respect of ferry services to be operated by Orkney Ferries Limited during winter 2017/18, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, were considered by the Board of Orkney Ferries Limited on 15 December 2016 and 1 February 2017.

The Committee **RESOLVED, in terms of delegated powers:-**

- 15.4. that the winter 2017/18 timetables in respect of ferry services to be operated by Orkney Ferries Limited, attached as Appendix 7 to this Minute, be approved.

16. HYSEAS III HYDROGEN FERRY CONSORTIUM

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:-

- 16.1. that the Scottish Government's climate change policies indicated aspirations for lower, and ideally zero, emission transportation;
- 16.2. that the Council was currently involved in two hydrogen projects, Surf n'Turf and BIG HIT, which saw the production of hydrogen converted to electricity, and hydrogen being used in hydrogen powered vehicles;
- 16.3. that a project had been developed, HYSEAS III, which aimed to take the concept of a hydrogen powered passenger and vehicle ferry through to a construction project, as detailed in section 5 of the report by the Executive Director of Development and Infrastructure;
- 16.4. that the Council, as a ferry service provider, had been invited to become a consortium member of HYSEAS III, which included Transport Scotland as an associate member; and
- 16.5. that membership would not, at this stage, commit the Council to any particular course of action or to any additional costs, as detailed in section 5.6 of the report by the Executive Director of Development and Infrastructure.

The Committee resolved to **RECOMMEND to the Council:-**

- 16.6. that the invitation to become a consortium member of the HYSEAS III project be accepted, subject to no financial or other commitment at this stage other than staff resource, ferry operations expertise and access to information relating to future ferry needs, the Surf n'Turf project and the BIG HIT project.

Councillor J Foubister rejoined the meeting during discussion of this item.

17. HARBOUR STREET, KIRKWALL
PROPOSED STREET AND PAVEMENT IMPROVEMENTS

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:-

- 17.1. that, in November 2016, the Development and Infrastructure Committee considered proposals for street and pavement improvements to Harbour Street and Shore Street, Kirkwall, and recommended that public consultation be undertaken, including with businesses on Harbour Street and Shore Street and Kirkwall and St Ola Community Council;
- 17.2. that the Kirkwall Harbour Flood Prevention Scheme contract was awarded in January 2017 with a completion date of 18 November 2017;
- 17.3. the Consultation Report, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which indicated that the majority of respondents were in support of proposed changes to the existing road and pavement layout on Harbour Street and Shore Street, Kirkwall, with support being particularly strong from the adjacent hotel businesses;
- 17.4. the revised proposals in respect of street and pavement improvements to Harbour Street and Shore Street, Kirkwall, detailed in section 7 of the report by the Executive Director of Development and Infrastructure and attached as Appendix 2, which took into account comments received during the consultation process, referred to at paragraph 17.3 above; and
- 17.5. that Sustrans had indicated it would welcome a funding application in respect of the proposed street and pavement improvements to Harbour Street and Shore Street, Kirkwall, referred to at paragraph 17.4 above.

Councillor J W Stockan, seconded by Councillor G L Sinclair, moved that (1) subject to full external grant funding being confirmed, the proposed street and pavement improvements to Harbour Street and Shore Street be included as a variation to the Kirkwall Harbour Flood Prevention Scheme contract; and (2) a revised Stage 2 Capital Project Appraisal in respect of the amended scope of the Kirkwall Harbour Flood Prevention Scheme be submitted to the Policy and Resources Committee.

Councillor A Drever, seconded by Councillor W L Manson, moved an amendment that no action be taken in respect of proposed street and pavement improvements to Harbour Street and Shore Street, Kirkwall.

On a vote being taken 2 members voted for the amendment and 7 for the motion, and the Committee:-

Resolved to **RECOMMEND to the Council:-**

- 17.6. that, subject to full external grant funding being confirmed, the proposed street and pavement improvements to Harbour Street and Shore Street, Kirkwall, be included as a variation to the Kirkwall Harbour Flood Prevention Scheme contract, referred to at paragraph 17.2 above; and
- 17.7. that the Executive Director of Development and Infrastructure should submit, to the Policy and Resources Committee, a revised Stage 2 Capital Project Appraisal in respect of the amended scope of the Kirkwall Harbour Flood Prevention Scheme.

Councillor S B Heddle rejoined the meeting at this point.

18. ORKNEY SUSTAINABLE ENERGY STRATEGY CONSULTATION DRAFT

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 Economic Development Manager, the Committee:-

NOTED:-

- 18.1. that, in December 2009, the Council published the Sustainable Energy Strategy for Orkney 2009 (SESO 2009) on behalf of the Orkney community;
- 18.2. that, in November 2014, the Development and Infrastructure Committee noted the requirement for SESO 2009 to be reviewed;
- 18.3. that, in December 2014, the Council agreed that a key stakeholder group, comprising the membership detailed in section 4.2.1 of the report by the Executive Director of Development and Infrastructure, be established in order to inform development of the Orkney Energy Strategy;
- 18.4. the revised Orkney Sustainable Energy Strategy, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, which had been drafted following facilitated workshops and stakeholder engagement; and
- 18.5. that the Scottish Government's draft Climate Change Plan and draft Energy Strategy were currently published for public consultation.

The Committee resolved to **RECOMMEND to the Council:-**

- 18.6. that the Executive Director of Development and Infrastructure should arrange for public consultation to be undertaken on the draft Orkney Sustainable Energy Strategy, referred to at paragraph 18.4 above.

19. SUPPORT FOR NEW ENTRANT FARMERS

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 Funding Development Officer, the Committee:-

NOTED:-

- 19.1. that, in December 2016, the Council resolved that, in order to support New Entrant Farmers across Orkney, the principle of creating a scheme to establish short to medium term starter units (the scheme) be approved;
- 19.2. that powers were delegated to the Executive Director of Development and Infrastructure, in consultation with the Executive Director of Corporate Services, to implement the scheme, subject to no loss of revenue to the Council;
- 19.3. that investigations since December 2016 had identified the following issues in respect of the scheme:-
 - 19.3.1. it was unlikely that the scheme could be established without expenditure being required to both identify suitable sites and undertake works necessary to prepare those sites for let;
 - 19.3.2. in order to encourage uptake and support successful tenancies, industry stakeholders recommended that sites be offered at fixed rents set as low as possible, which would most likely be below market value;
 - 19.3.3. in order to be effective, the scheme would need to be provided via Modern Limited Duration Tenancies, which could result in the Council losing control of the property for a minimum period of 10 years; and
 - 19.3.4. applicants to the scheme would require sufficient time to prepare and submit robust proposals, and to raise finance for leasing the identified sites, when known;
- 19.4. that, based on the factors outlined at paragraph 19.3 above, it was unlikely that a scheme could be developed in time for delivery during financial year 2017/18; and
- 19.5. that, following consideration of the factors outlined at paragraphs 19.3.1, 19.3.3 and 19.3.4 above, the Agricultural Development Member/Officer Working Group recommended that development of the scheme be deferred pending clarification of the restrictions which implementation of Modern Limited Duration Tenancies would place on the Council.

The Committee resolved to **RECOMMEND to the Council:-**

- 19.6. that the Executive Director of Development and Infrastructure and the Executive Director of Corporate Services should submit a joint report, to a future meeting of the Development and Infrastructure Committee, clarifying the restrictions which implementation of Modern Limited Duration Tenancies would place on the Council in relation to delivery of the scheme referred to at paragraph 19.1 above.

20. ORKNEY VOLUME TOURISM MANAGEMENT STUDY
INTERIM REPORT

RESOLVED that the press and public should not be excluded from the meeting for discussion of this item.

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:-

- 20.1. that Orkney was a successful visitor destination which had seen year on year growth in the economic value of tourism since 2009;
- 20.2. that the “Study of the Orkney Tourism Industry”, produced by Reference Economic Consultants in June 2016, noted that, between 2009 and 2012-13, increases in visitor numbers had been driven mostly by day visitors rather than staying visitors;
- 20.3. that, in November 2016, the Council, in partnership with Highlands and Islands Enterprise, commissioned Tourism and Leisure Solutions to deliver a consultancy project to assess the factors that might impact on the islands’ valuable tourism offer as visitor numbers continued to increase;
- 20.4. that the study, referred to at paragraph 20.3 above, would seek to inform a future tourism destination management framework that recognised the impacts and sustainable economic opportunities associated with increasing visitor numbers;
- 20.5. the project scope and interim findings of the consultancy project, as detailed in sections 5 and 6 respectively of the report by the Executive Director of Development and Infrastructure;
- 20.6. that the consultancy project was ongoing, with a final strategic management report due during the first quarter of 2017, which would inform the Council and other tourism stakeholders on key issues to be considered in future destination management planning; and

- 20.7. that the final consultancy project report would be shared with the Area Tourism Partnership Group, now known as Destination Orkney, to inform consideration of future options for destination management and marketing activity for Orkney.

The Committee resolved to **RECOMMEND to the Council:-**

- 20.8. that powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Head of Finance and the Solicitor to the Council, to extend the scope of the current project to commission a specific cruise and coach visitor survey during the 2017 season; and
- 20.9. that the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Development and Infrastructure Committee to be held on 6 June 2017, presenting the final management report, referred to at paragraph 20.6 above.

21. ARCHAEOLOGICAL INVESTIGATIONS 2017

Councillor R A King declared a non-financial interest in this item, in that a family member was employed by an organisation requesting grant funding, 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 Development Officer, the Committee:-

NOTED:-

- 21.1. that eight applications for financial assistance had been received in respect of archaeological investigation projects to be undertaken during the 2017 season, comprising three mainland based projects and five island based projects, with total project costs of £499,513;
- 21.2. that the applications, referred to at paragraph 21.1 above, requested assistance totalling £78,645, which exceeded the available budget of £40,000 by approximately 97%; and
- 21.3. the proposed offers of grant based on the existing allocated budget of £40,000, as detailed in Annex A to the report by the Executive Director of Development and Infrastructure.

Councillor W L Manson moved that offers of grant, in respect of archaeological investigations for the 2017 season, as proposed by officers be approved, subject to the level of grant assistance to the Ness of Brodgar excavations being increased by £2,000, from £10,000 to £12,000, and archaeological investigations of HMS Vanguard receiving no grant assistance.

On receiving no seconder, his motion fell, and the Committee:-

RESOLVED, in terms of delegated powers:-

- 21.4. that, subject to an appropriate annual budget for 2017/18 being made available to the Committee, a sum of up to £40,000 be allocated within the Economic Development Grants budget in respect of archaeological investigations; and
- 21.5. that, subject to the annual budget referred to at paragraph 21.4 above being confirmed, offers of grant, as detailed in Appendix 8 to this Minute, should be made in respect of Archaeological Investigations for the 2017 season.

22. STRATEGIES, STUDIES AND PROJECT INITIATION

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 Development and Regeneration Manager, the Committee:-

NOTED:-

- 22.1. that, in March 2014, the Council agreed that, subject to an annual Economic Development Grants budget being made available in financial years 2014/15 to 2016/17, up to £150,000 be allocated from the Economic Development Grants budget to the Strategies, Studies and Project Initiation (SSPI) budget;
- 22.2. the project criteria and procedure for allocating funds from the SSPI budget, as detailed in section 4.2.2 of the report by the Executive Director of Development and Infrastructure;
- 22.3. that, as a result of agreed savings measures, the SSPI budget for financial year 2016/17 was reduced to £125,600; and
- 22.4. that the Economic Development Grants budget for financial year 2017/18 and subsequent years was dependent on an appropriate budget allocation to the Committee and might therefore be subject to review on an annual basis.

The Committee resolved to **RECOMMEND to the Council:-**

- 22.5. that, from financial year 2017/18, contributions to external organisations in respect of SSPI activities be recognised on a commitment basis from within the Economic Development Grants budget;
- 22.6. that, subject to an annual Economic Development Grants budget being made available in financial years 2017/18 and 2018/19 and annually thereafter, up to £80,000 and £50,000 respectively be allocated from the Economic Development Grants budget to the Council-led SSPI activities budget; and
- 22.7. that the following project criteria and procedure for allocating funds towards all SSPI activities be approved:-

- 22.7.1. funding of up to £25,000 might be approved in respect of preliminary projects which required to be undertaken in order to expedite strategic development projects or inward investment proposals, to enable external capital project funding to be sought in respect of such development projects, and to facilitate the development of Orkney's key industry sectors;
- 22.7.2. that powers be delegated to the Executive Director of Development and Infrastructure, in consultation with the Chair and Vice Chair of the Development and Infrastructure Committee and the Head of Finance, to commit to project funding as detailed at paragraph 22.7.1 above;
- 22.7.3. that, where the Council's contribution was estimated to exceed £25,000, the proposal should be submitted to the Development and Infrastructure Committee for determination; and
- 22.7.4. that, to ensure the most effective use of limited resources, SSPI funding should be prioritised towards preliminary works/studies which required to be undertaken in order to:-
 - 22.7.4.1. expedite strategic economic development projects initiated by or submitted via the Economic Development function;
 - 22.7.4.2. expedite inward investment proposals that could potentially realise local economic development outcomes;
 - 22.7.4.3. enable external capital project funding to be sought in respect of economic development projects; and/or
 - 22.7.4.4. facilitate the development of Orkney's key industry sectors.

Councillors M C Davidson and T S Hagan left the meeting during discussion of this item.

23. ECONOMIC DEVELOPMENT GRANTS **BUDGET MONITORING STATEMENT AND DELEGATED APPROVALS**

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:-

- 23.1. the adjusted budget for Economic Development Grants in 2016/17 amounting to £526,920;
- 23.2. spending to 31 December 2016, in relation to Economic Development Grants, totalling £223,093, of which £165,389 related to grant commitments made in previous financial years and £57,704 to current year commitments;

- 23.3. grant approvals made in the period 1 April to 31 December 2016, totalling £484,699, as detailed in Part 1 of Annex B to the report by the Executive Director of Development and Infrastructure;
- 23.4. grants approved under delegated powers during January 2017, totalling £31,432, as detailed in Part 2 of Annex B to the report by the Executive Director of Development and Infrastructure;
- 23.5. that, as at 31 December 2016, the budget available for approval from the Economic Development Grants budget amounted to £42,222;
- 23.6. that the grant applications, referred to at paragraph 23.4 above, together with a pipeline of grant applications that would potentially be determined under delegated powers during February and March 2017, were expected to further reduce the budget available for approval to zero; and
- 23.7. that committed grant approvals profiled into financial year 2017/18 totalled £133,500.

24. EXCLUSION OF PRESS AND PUBLIC

RESOLVED, on the motion of Councillor J W Stockan, seconded by Councillor G L Sinclair, that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the remainder of the meeting on the grounds that it involved the likely disclosure of exempt information as defined in Part I of Schedule 7A of the Act.

25. ECONOMIC DEVELOPMENT GRANTS BUDGET MONITORING STATEMENT AND DELEGATED APPROVALS

Councillor R A King declared a non-financial interest in this item, in that a family member was employed by an organisation which had received economic development grant funding, and was not present during discussion thereof.

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 4 and 6 of Part I of Schedule 7A of the Act.

After hearing representations from Councillor S B Heddle, the Committee:-

NOTED that grant applications from independent businesses which met the criteria of an approved scheme of assistance could be determined under delegated powers, whereas sector based applications required Committee consideration.

26. ECONOMIC DEVELOPMENT GRANTS
APPLICATION NUMBER 0/5/2/1887

Councillor G M Shearer declared a non-financial interest in this item but concluded that her interest did not preclude her involvement in the discussion.

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 4 and 6 of Part I of Schedule 7A of the Act.

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 Development and Regeneration Manager, the Committee:-

RESOLVED, in terms of delegated powers, what action should be taken with regard to application number 0/5/2/1887.

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.

27. DEVELOPMENT AND INFRASTRUCTURE WORKFORCE PLAN

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 7A of the Act.

After consideration of a joint report by the Executive Director of Development and Infrastructure and the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, the Committee:-

NOTED:-

- 27.1. the importance for the Council in having adequate workforce planning arrangements in place across its services, including the need to consider future scenarios and the link that had with the wider Medium Term Resource Strategy.

The Committee resolved to **RECOMMEND to the Council:-**

- 27.2. that the Development and Infrastructure Workforce Plan 2017-22, attached as Appendix 9 to this Minute, be approved.

28. KIRKWALL BUSINESS IMPROVEMENT DISTRICT UPDATE AND FORTHCOMING RENEWAL BALLOT 2018

Councillor G M Shearer declared a non-financial interest in this item, being the Council-appointed Director of Kirkwall BID Limited, but concluded that her interest did not preclude her involvement in the discussion.

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 4, 6 and 9 of Part I of Schedule 7A of the Act.

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:-

- 28.1. that Kirkwall Business Improvement District (BID) Limited was incorporated on 19 March 2013 with a board of directors appointed to deliver the Kirkwall BID Business Plan under a signed operating agreement between the Council and the company;
- 28.2. that Kirkwall BID Limited had responsibility for delivery of the projects and services set out in the BID Business Plan from 2013 to 2018;
- 28.3. that Kirkwall BID Limited had a statutory lifespan of up to five years, which would expire on 31 March 2018;
- 28.4. that Kirkwall BID Limited proposed to carry out a consultation survey with its members in early 2017, to gain feedback and views to assist development of a revised Kirkwall BID Business Plan, with a view to a re-ballot on 1 March 2018;
- 28.5. that, following consultation, Kirkwall BID Limited would produce and publish a Business Plan, which would set out the projects and services which the BID levy would deliver over the next five years, from 2018 to 2023;
- 28.6. a number of key deadlines and dates which the Council and Kirkwall BID Limited must follow during the renewal ballot process, as detailed in section 7 of the report by the Executive Director of Development and Infrastructure;
- 28.7. that, during the last BID ballot process, the Council took the leading role, including the role of Returning Officer, and it was likely the same arrangement would take place for the renewal ballot; and
- 28.8. that, as the Rateable Value of businesses was currently being revised as from 1 April 2017, the financial impact on the levy collection level within the Kirkwall BID area was unknown at this time.

The Committee resolved to **RECOMMEND to the Council:-**

- 28.9. that the Executive Director of Development and Infrastructure should submit a report, to the meeting of the Committee to be held on 6 June 2017, providing an update on the renewal ballot process and to consider Council funding, prior to final submission of a Kirkwall BID Business Plan and proposals.

**29. GARSON FOOD PARK, STROMNESS
REQUEST TO PURCHASE LEASED PROPERTY**

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part I of Schedule 7A of the Act.

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:-

- 29.1. existing policy in respect of industrial estates, as detailed in section 3.2 of the report by the Executive Director of Development and Infrastructure;
- 29.2. that development of the Council's industrial estate/food park properties was funded through the Strategic Reserve Fund and, as such, the assets were held as Investment Properties on the Strategic Reserve Fund account; and
- 29.3. that, in managing the Council's property estate, the financial return on investment property should be maximised at all times and, in particular, the Strategic Reserve Fund, which held the Council's investment properties, should not be disadvantaged by any decision taken to support the delivery of service aims and objectives.

The Committee resolved to **RECOMMEND to the Council:-**

- 29.4. what action should be taken with regard to a request to purchase leased property at Garson Food Park, Stromness.

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.

Please refer to the Minute of the General Meeting of the Council held on 9 March 2017.

30. HATSTON INDUSTRIAL ESTATE, KIRKWALL

Councillor J Foubister declared a non-financial interest in this item, in that a close relative had requested to lease the site at Hatston Industrial Estate, Kirkwall, and was not present during discussion thereof.

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part I of Schedule 7A of the Act.

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:-

- 30.1. existing Council policy in respect of land and property within industrial estates, as detailed in section 4.2 of the report by the Executive Director of Development and Infrastructure; and
- 30.2. options in respect of property at Hatston Industrial Estate, Kirkwall, as outlined in section 10 of the report by the Executive Director of Development and Infrastructure.

The Committee resolved to **RECOMMEND to the Council:-**

- 30.3. what action should be taken with regard to property at Hatston Industrial Estate, Kirkwall.

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.

31. HARBOUR AUTHORITY SUB-COMMITTEE

31.1. Minute of Meeting held on 22 November 2016

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 1, 6 and 11 of Part I of Schedule 7A of the Act.

After consideration of the Minute of the Meeting of the Harbour Authority Sub-committee held on 22 November 2016, copies of which had been circulated, the Committee:-

RESOLVED:-

- 31.1.1 on the motion of Councillor J W Stockan, seconded by Councillor G L Sinclair, to approve the Minute of the Meeting of the Harbour Authority Sub-committee held on 22 November 2016, attached as Appendix 10 to this Minute, as a true record.

The Committee resolved to **RECOMMEND to the Council:-**

- 31.1.2 that the recommendations at paragraphs 4.5, 5.8 and 5.9 of the Minute of the Meeting of the Harbour Authority Sub-committee held on 22 November 2016, attached as Appendix 10 to this Minute, be approved.

31.2 Minute of Meeting held on 31 January 2017

RESOLVED that, under section 50A(4) of the Local Government (Scotland) Act 1973, the public should be excluded from the meeting for this item on the grounds that it involved the likely disclosure of exempt information as defined in paragraph 1 of Part I of Schedule 7A of the Act.

After consideration of the Minute of the Meeting of the Harbour Authority Sub-committee held on 31 January 2017, copies of which had been circulated, the Committee:-

RESOLVED:-

- 31.2.1 on the motion of Councillor J W Stockan, seconded by Councillor A Drever, to approve the Minute of the Meeting of the Harbour Authority Sub-committee held on 31 January 2017, attached as Appendix 11 to this Minute, as a true record.

The Committee resolved to **RECOMMEND to the Council:-**

- 31.2.2 that the recommendations at paragraphs 2.4, 2.5, 4.5 and 5.3 of the Minute of the Meeting of the Harbour Authority Sub-committee held on 31 January 2017, attached as Appendix 11 to this Minute, be approved.

32. CONCLUSION OF MEETING

At 4.25pm the Chair declared the meeting concluded.

Signed: James W Stockan