

# Orkney Towns Board



## Minute

Venue: **Council Chamber, Council Offices, School Place, Kirkwall.**

Date: **Monday, 12 May 2025.**

Time: **17:30.**

## Present:

- Stephen Hagan, Chair.
- Morven Brooks.
- Davie Campbell.
- Cheryl Chapman.
- Councillor Kristopher Leask.
- Michael Morrison.
- Rachel Scarth (via Microsoft Teams).
- Craig Spence.
- Councillor Gwenda Shearer (via Microsoft Teams).

## Orkney Islands Council Officers:

- Stuart Allison, Service Manager (Enterprise).
- Hazel Flett, Service Manager (Governance).
- Harvey Crew, Economic Development Officer.
- Alison Barclay, LEADER Development Officer.
- Kirsty Groundwater, Communications Team Leader.

## 1. Welcome and Apologies

Stephen Hagan, Chair, welcomed everyone to the meeting.

Apologies had been intimated on behalf of Liam McArthur MSP. No response had been received from Alistair Carmichael MP or Chief Inspector Scott Robertson.

## 2. Draft Minute of Meeting held on 7 February 2025

There had been previously circulated the draft Minute of the Meeting held on 7 February 2025, which was approved as a true record.

The following updates were given in respect of outstanding actions:

- RC to confirm that comms around Orkney Towns Board was issued to community councils.

Kirsty Groundwater thought that this had been circulated but would confirm with Ross Cunningham.

## 3. Name and Branding Change

There had been previously circulated a report setting out proposals for a potential change to the name of the Board and branding, in response to changes under the Plan for Neighbourhood Programme, for consideration.

Kirsty Groundwater explained that, following a change in government, the Plan for Towns programme had been restructured and renamed the Plan for Neighbourhoods, which presented an opportunity for the Board to consider a change in name and its branding. Various examples were provided in the report.

After discussion, the Board **resolved**:

**3.1.** To retain the existing logo.

**3.2.** To amend the name to The Orkney Fund.

## 4. Communications Strategy

Kirsty Groundwater advised that, as the Board had decided on the logo and name, the communications plan could be finalised, given that a number of emails had been received following on from the initial newsletter, and suggested that a statement be issued after this meeting.

Other promotional materials would include development of a dedicated website and a presence on social media. In response to a query from Davie Campbell on how beneficial a website would be, Kirsty Groundwater advised that it all depended on how interactive the website was and whether it was kept up to date and relevant. It could also serve as the main point of contact for the Board.

## 5. Workshop Outcomes

There had been previously circulated a report outlining the key outcomes from the workshop held on 2 May 2025, together with next steps, for consideration and approval.

Harvey Crew explained that, in setting funding priorities, the Board had reviewed consultation summary sheets, drawing on information from over 800 project submissions, distilling community feedback into a set of 10 themed challenges facing Orkney's communities as well as referencing three strategic pillars.

At the workshop, the Board suggested rationalising the 10 sub-themes and three pillars into six broad themes, with the aim to concentrate on selected priority areas. Appendix 1 to the report circulated provided a summary of the six agreed priority themes, namely:

- Theme 1: Community and Cultural Wellbeing (healthy, active and inclusive).
- Theme 2: Secure, Safe, Welcoming Public Spaces.
- Theme 3: Heritage, Conservation and Regeneration.
- Theme 4: Retail and Supportive Creative-Working Spaces.
- Theme 5: Connected and Inclusive Communities.
- Theme 6: Climate and Net Zero Innovation.

Discussion at the workshop also focused on the funding allocation strategy, reviewing the 10-year delivery timeline and acknowledging the limitations on annual project funding. Given the scarcity of revenue funding (approximately £4 million over the 10 years, compared to approximately £16 million of capital funding), it was suggested that smaller requests for revenue funding could be considered for 100% funding, whereas larger revenue projects should be required to secure external match funding.

The workshop had also considered the Expression of Interest (EoI) process and how projects would be selected for inclusion in the 4-year regeneration plan. It was suggested that there should be separate EoI processes for capacity funding and capital project delivery, as the projects funded through each would be distinctly different.

Following discussion, where concern was noted that tourism did not feature explicitly, there was general agreement that the six themes be reduced to four, with Themes 5 and 6 underpinning the other four. It was also agreed that “Active Travel” be added to the first descriptor within Theme 2, and that “Hubs” be dropped from the third descriptor in Theme 1, and replaced with something more explicit, given that “community-led creative initiatives” also featured in Theme 4.

### **Actions:**

HC to further refine the six key priorities detailed in Appendix 1, based on amendments referenced above and to include tourism, connectivity and cross-cutting.

HC to arrange for key outcomes to be incorporated into development of the application process, beginning with the launch of the relevant EoI call in early June 2025.

## **6. Grant Application Process (Expression of Interest, Applications)**

There had been previously circulated a report outlining a process for Expression of Interest, as an initial stage of funding allocation, along with a timeline associated with that phase, and next steps in initiating the grant application process, for consideration and approval.

Harvey Crew referred to previous discussions at workshops regarding categories and phasing of Expressions of Interest (EoI) for funding, in order to demonstrate potential suitability of projects. It was suggested that the EoI phase be considered over three categories:

- Place Plans.
- Feasibility and Capacity Funding.
- Capital Funding.

The initial category would specifically welcome interest from community groups seeking funding for Place Plans. Subsequent calls would be designed to address feasibility and capacity, followed by capital. An Eol form for Place Plan application was circulated as part of Item 3, with forms for feasibility and capacity funding and capital funding following a similar format but with further focus on details such as funding parameters yet to be determined by the Board.

Before launching the Eol phase for capital and revenue funding, it was critical that the Board confirmed themes and funding priorities, as that would help define eligibility criteria, manage expectations and avoid public distrust. Davie Campbell suggested that revenue funding applications should contain an exit strategy.

The Board **agreed** to the phased launch of the Eol process, with the Eol process for Place Plans to be launched early June 2025.

## **7. 4-Year Investment Plan**

There had been previously circulated a report outlining the timeline for completing the 4-year Investment Plan, for information.

Harvey Crew advised that the UK Government's Plan for Neighbourhoods Guidance outlined the requirement for the Board to submit a 4-year investment plan as part of the broader 10-year vision. The investment plan must detail the interventions the Board intended to pursue over the next four years and how those initiatives would contribute to achieving the three strategic objectives of the programme.

The Board was required to submit the investment plan to the Ministry of Housing, Communities, and Local Government for review and approval by Winter 2025. UK Government had indicated that plans would be approved by 31 March 2026 at latest.

Harvey Crew explained that further guidance for Local Authorities was expected soon, although the exact timing remained unclear, which would be essential for understanding the specific requirements and procedures for accurately completing the investment plan.

Before the investment plan was submitted to the UK Government for approval, it would be reviewed by the Council's Policy and Resources Committee. The goal was to have the document ready for the meeting of the Policy and Resources Committee scheduled for 23 September 2025, however, if that deadline was not met, the next scheduled meeting was 25 November 2025, resulting in the plan being submitted to the UK Government by the end of this calendar year.

The Board noted the next steps in finalising the 4-Year Investment Plan.

## 8. Place Plans

There had been previously circulated a report providing context to Place Planning and outlining the potential to allocate funding to support Local Place Plans across Orkney, for consideration.

Harvey Crew explained that the UK Government's Plan for Neighbourhoods prospectus outlined additional capacity funding of £200,000 through to March 2026. Following discussions with the Chair, the Deputy Chairs and Council officers, it was agreed that a summary of Local Place Plans across Orkney be prepared to identify opportunities for funding these initiatives.

Capacity funding was intended to improve community consultation outcomes, providing the Board with evidence of community needs that could be addressed through grant funding over the course of the 10-year programme.

The outcomes of Place Plans were considered potentially useful in complementing existing community engagement and consultation results, which collectively would contribute to the development of the 4-year regeneration plan, due in Winter 2025.

A broad estimate of the potential cost of supporting Place Planning based on approximately £10k per plan suggested between £30-50k could facilitate plans that were currently being considered but were yet unfunded.

Several areas in Orkney, including Kirkwall (2018) and Stromness (2019), had successfully completed Local Place Plans. While those plans continued to hold significant relevance, there was a growing need to revisit and update them to address emerging challenges. For instance, Kirkwall and St Ola Community Council recently reached out to Planning Aid Scotland to explore opportunities for a refreshed Place Plan. Additionally, Stromness Community Development Trust had expressed interest in developing an updated Place Plan to ensure the community's needs and priorities were effectively reflected in future planning efforts.

The current Expression of Interest (EoI) round for the Scottish Government Community Led Local Development (CLLD) funding has identified several Place Plans eligible for and interested in funding plans. Additionally, the UK Shared Prosperity Fund will also support Place Plans in Orkney, with intentions to fund Place Plans through the LAG.

Where CLLD could not afford to fund Place Plans due to too big a revenue funding ask, it was anticipated that the Orkney Towns Board could fund them, ensuring the pot of revenue funding went further and had maximum impact.

The Board **resolved**:

**8.1.** To allocate £40k of the £200k capacity funding for 2025/26 in respect of Place Plans.

**8.2.** That, should funding requests submitted through EoIs for Place Plans exceed the allocation outlined above, powers be delegated to the Chair, in consultation with two Depute Chairs of the Board, to determine awards of funding.

## 9. Memorandum of Understanding

There had been previously circulated a report providing a summary of the revisions made to the Memorandum of Understanding, for consideration prior to approval of the final version for signature.

Following the Board meeting on 7 February 2025, where it was agreed that a Memorandum of Understanding should be established between the Orkney Towns Board and Orkney Islands Council, a draft version was shared with Board members in April. It was agreed that the following amendments be incorporated into the draft:

- Details outlining the apportioned funds to the Council.
- A clearer definition of the “accountable body” when referencing the Council.
- Details regarding the function of forward funding through loans from the Council’s reserve funds.

Under the section “Roles and Responsibilities of the Parties”, the definition of “accountable body” had been expanded to provide clearer guidance on the role of Orkney Islands Council in managing the Plan for Neighbourhood funds. The revised wording stated: “As the accountable body, the Council is responsible for ensuring that funds are used appropriately, with robust financial management, effective governance, and full compliance with relevant UK Government guidance. The accountable body is defined as the organisation that assumes legal and financial responsibility for the funding awarded.”.

The above revision clarified that the Council was responsible for governance and legal oversight, while the Orkney Towns Board retained overall responsibility for determining how the funds were delivered in alignment with the agreed priorities and programme objectives.

Apportioned costs for financial year 2024/25, amounting to £43,653, were confirmed by the Head of Enterprise and Economic Growth and approved by the Chair of the Board. It was anticipated that the apportioned costs would decrease in coming years as an Economic Development post was now in place. An annual review of the Memorandum of Understanding would allow for adjustments based on changes in the apportioned costs.

In relation to forward funding via loans from the Council’s reserve funds, discussions with the Head of Finance clarified that such loans would incur an estimated interest rate of 7.7% upon repayment.

All the amendments outlined above had been incorporated in the updated draft circulated for consideration.

The Board **resolved** to approve the Memorandum of Understanding for signature.

## 10. Any Other Competent Business

No other competent business was raised.

## 11. Date of Next Meeting

The date of the next meeting would be confirmed in due course.

## **12. Conclusion of Meeting**

There being no further business, the Chair declared the meeting concluded at 18:40.