

## Minute

### Policy and Resources Committee

Tuesday, 19 June 2018, 10:30.

Council Chamber, Council Offices, School Place, Kirkwall.



### Present

Councillors James W Stockan, W Leslie Manson, Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Robin W Crichton, David Dawson, Andrew Drever, Barbara Foulkes, J Harvey Johnston, Rachael A King, John T Richards, Stephen Sankey, John A R Scott, Graham L Sinclair, Owen Tierney, Duncan A Tullock and Kevin F Woodbridge.

### Clerk

- Alistair Buchan, Chief Executive.

### In Attendance

- Gavin Barr, Executive Director of Development and Infrastructure.
- Gillian Morrison, Executive Director of Corporate Services.
- Wilfred Weir, Executive Director of Education, Leisure and Housing.
- Gareth Waterson, Head of Finance.
- Brian Archibald, Head of Marine Services, Engineering and Transportation (for Items 1 to 6 and 11 to 16).
- Karen Greaves, Head of Executive Support.
- Hayley Green, Head of IT and Facilities.
- Andrew Groundwater, Head of HR and Performance.
- Gavin Mitchell, Head of Legal Services.
- Anne Harrison, Catering Manager (for Items 1 to 12).
- Ian Rushbrook, Capital Programme Manager (for Item 19).
- Anna Whelan, Strategy Manager (for Items 1 to 9).
- Hazel Flett, Senior Committees Officer.

### Observing

- Peter Diamond, Head of Education (Leisure, Culture and Inclusion) (for Items 11 and 12).
- Scott Hunter, Head of Children and Families and Criminal Justice and Chief Social Work Officer (for Items 1 to 12).
- Graeme Christie, Estates Manager (for Items 17 to 19).
- Marie Love, Community Planning Business Manager (for Items 3 to 6).
- Malcolm Russell, Safety and Contingencies Manager (for Items 2.2 to 5).

## **Apologies**

- Councillor Steven B Heddle.
- Councillor Gwenda M Shearer.
- Councillor Magnus O Thomson.

## **Declarations of Interest**

- No declarations of interest were intimated.

## **Chair**

- Councillor James W Stockan.

## **1. Disclosure of Exempt Information**

The Committee noted:

**1.1.** The proposal that the public be excluded from the meeting for consideration of Items 15 and 17 to 21, 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.

**1.2.** That, although Item 15 contained exempt information as described in paragraph 6 of Part 1 of Schedule 7A of the Local Government (Scotland) Act 1973 as amended, the information had subsequently been released in a public statement and therefore the public did not require to be excluded from the meeting during consideration of that item.

## **2. Performance Monitoring**

### **2.1. Chief Executive's Service**

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Head of Executive Support, the Committee:

Noted:

**2.1.1.** Performance of the Chief Executive's Service for the reporting period 1 October 2017 to 31 March 2018, as set out in sections 3 to 5 and Annexes 1 and 2 of the report by the Chief Executive.

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

**2.1.2.** That the undernoted actions, which had been progressed to completion, be removed from the Chief Executive's Service Service Plan:

- 01 – Communications Strategy – Review the strategy with support from the short life member officer working group and publish updated version of the strategy.

- 02 – Governance Review – Undertake a review of governance arrangements to address matters such as harbour authority governance and integration of health and social care, including revised Schemes of Administration and Delegation, with the aim to reduce agenda sizes by 20% to 25%.
- 04 – Pension system software – Implement the Heywoods Pension System software and transfer manual service records to the system.
- 08 – Induction Programme for Elected Members – Deliver a comprehensive and fit for purpose induction programme for elected members following the Local Government elections in May 2017.
- 09 – Community Council Elections – Deliver Community Council elections and appropriate induction programme for Community Council Members.
- 12 – Budget Monitoring System – Implement a new budget monitoring system for the Council.

**2.1.3.** That the undernoted actions be amended as indicated and thereafter incorporated within the Chief Executive's Service Service Plan:

- 03 – Review of Twinning arrangements – the target date for presenting the review be extended to 30 April 2019.
- 05 – Audio-casting – the target date for presenting the review be extended to 30 April 2019.
- 06 – Our Islands Our Future – as the action was currently in progress, the target date be extended to 30 April 2019.
- 11 – Customer Services – the target date for introducing the standards be extended to 31 December 2018.

**2.1.4.** That the undernoted actions be added to the Chief Executive's Service Service Plan and monitored with effect from the next monitoring period:

- Actions from the Best Value Assurance Report:
  - Workforce Plan – To review and further develop a detailed service workforce plan to include consideration of future workforce needs, current capacity, supply and recruitment, skills and financial constraints, with a target date of 31 March 2019.
  - Councillor Training and Development – To consider how to enhance Councillor training and development and encourage better uptake by councillors of personal development opportunities, with a target date of 31 December 2019.
- New Service Actions:
  - Communication Strategy Action Plan – Develop action plan, in consultation with the Member/Officer Working Group, with a target date of 31 December 2018.
  - Budget Monitoring – Develop budget monitoring for the capital programme, with a target date of 31 January 2019.
  - Investment Strategy – Review the investment strategy for the Orkney Islands Council Pension Fund, with a target date of 30 April 2019.
  - Investment Strategy – Review the investment strategy for the Strategic Reserve Fund, with a target date of 30 April 2019.

- Annual Benefit Statements – Enhance the functionality of the Council’s Myview system by adding an Annual Benefits Statement lookup for the Local Government Pension Scheme benefits, with a target date of 30 August 2019.
- Long-term Financial Plan – Draft a long-term financial plan to assist the Council in developing its budget process, with a target date of 31 January 2019.
- Long-term Capital Strategy – Draft a long-term capital strategy to assist the Council in developing its budget process, with a target date of 31 January 2019.

**2.1.5.** That the Chief Executive’s Service Risk Register, attached as Appendix 1 to this Minute, be approved.

## **2.2. Corporate Services**

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, the Committee:

Noted:

**2.2.1.** Performance of Corporate Services for the reporting period 1 October 2017 to 31 March 2018, as set out in sections 3 to 5 and Annexes 1 and 2 of the report by the Executive Director of Corporate Services.

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

**2.2.2.** That the undernoted actions, which had been progressed to completion, be removed from Corporate Services’ Service Plan:

- 01 – Welfare Reform – Co-ordinate Orkney Islands Council’s response to new Welfare Reform Legislation.
- 02 – Local Outcomes Improvement Plan – Review and update the Local Outcomes Improvement Plan and the Orkney Partnership’s Terms of Reference.
- 03 – Records Management Plan – Arrange for the implementation of the Records Management Plan.
- 04 – Electronic Documentation and Records Management System – Arrange for the introduction of an Electronic Document and Records Management System using SharePoint.
- 07 – Council website information development – Collaborate with services to publish information on the Council’s website, including information that it frequently the subject of Freedom of Information.
- 11 – Asset management – Assess the impact of the Community Empowerment (Scotland) Act 2015, with particular reference to Community Asset Transfer, and develop a policy (if needed) and procedures that support the Council’s obligations.
- 13 – Area network – Deliver the Council’s Wide Area Network including replacement of the Pathfinder North network, PSN connectivity and transition to SWAN.
- 14 – Change review of modernising IT and digital shift – Progress to completion phase 1 of the change review modernising IT and digital shift.
- 23 – Corporate Services Workforce Plan – Redesign Corporate Services workforce on an incremental basis to respond to service changes associated with the Council’s financial decisions (phase 1).

- 25 – Service Training Priorities – Co-ordinate the development of service and corporate training plans based on the learning and development priorities identified.
- 29 – Local Government Benchmark Framework – Review the Council's approach to the Local Government Benchmark Framework by creating a local framework to maximise benefits.
- 31 – Phase 2 change reviews – Support and co-ordinate phase 2 of the high level change reviews during the implementation period.
- 32 – Phase 1 Change Reviews – Support and co-ordinate phase 1 of the change reviews during the scoping, option appraisal and recommendations period.
- 33 – Medium-term budget process – Support the Senior Management Team in the development, planning and co-ordination of the medium-term budget process alongside the Chief Financial Officer.
- 34 – Budget setting – Support the development of an effective public engagement strategy to both raise awareness and take account of the views of customers and service users.

**2.2.3.** That the undernoted actions be amended as indicated and thereafter incorporated within Corporate Services' Service Plan:

- 06 – Data Protection Information Sharing Protocols – the target date to have key Information Sharing Protocols in place to support the Prevent work and Getting it Right for Every Child procedures be extended to 31 March 2019.
- 08 – HR/Payroll system development – the target date to develop electronic systems be extended to 31 January 2020.
- 09 – E-procurement – the target date to complete full implementation of e-procurement across the procurement team be extended to 31 March 2020.
- 10 – Office accommodation review – the target date to establish a fully costed options analysis for the Council Offices building be extended to 31 December 2018.
- 12 – Unified communications – the target date to complete implementation of a unified communications system across the Council be extended to 31 March 2021.
- 16 – Asset Management – the target date to complete phase 2 of the change review be extended to 31 March 2019.
- 17 – Procurement – the target date to complete phase 2 of the change review be extended to 31 March 2020.
- 26 – Redeployment and re-skilling – the target date to review the Council's approach to redeployment and re-skilling be extended to 31 March 2019.
- 28 – Change review of staff and workforce planning – the target date to progress to completion phase 2 of the change review be extended to 30 April 2019.
- 30 – Best Value – Co-ordinate the Council's Best Value Improvement Plan – a target date of 31 March 2020 be set.

**2.2.4.** That the undernoted actions be added to Corporate Services' Service Plan and monitored with effect from the next monitoring period:

- Electronic Documentation and Records Management System – Implement the roll-out of the Electronic Documentation and Records Management System for the Council, with a target date of 31 March 2019.

- Corporate Services Workforce Plan – Develop a detailed service workforce plan to consider future workforce needs, current capacity, supply and recruitment, skills and financial constraints, with a target date of 31 March 2019.
- Phase 2 Change Reviews – Support and co-ordinate implementation of high level change reviews in financial year 2018 to 2019, with a target date of 31 March 2019.
- Phase 1 Change Reviews – Support and co-ordinate change reviews during the scoping, option appraisal and recommendations period in financial year 2018 to 2019, with a target date of 31 March 2019.
- Video-Conferencing Facilities – Review usage of video-conferencing facilities across the Council, with a target date of 31 March 2019.

**2.2.5.** That Corporate Services' Risk Register, attached as Appendix 2 to this Minute, be approved.

### **2.3. Council Delivery Plan**

After consideration of a joint report by the Chief Executive and the Executive Director of Corporate Services, copies of which had been circulated, the Committee:

Noted:

**2.3.1.** Progress made in respect of the targets within the former Council Delivery Plan 2015 to 2018, for the reporting period 1 October 2017 to 31 March 2018, as set out in section 3 and Annex 1 to the joint report by the Chief Executive and the Executive Director of Corporate Services.

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

**2.3.2.** That the undernoted individual actions associated with targets within the Council Delivery Plan 2015 to 2018, which had been progressed to completion, be closed:

- Target 2.3 – Regenerating Kirkwall town centre – Action 2.3b – We will continue to provide support to the BID including the refresh of their business plan.
- Target 4.5 – Ensuring we can compete – Action 4.5b – We will work with the Scottish Government and other agencies such as Ofgem, to facilitate a reduction in Islands transmission charges.
- Target 6.1 – Integrated transport networks – Action 6.1b – We will work with Transport Scotland to develop a funding and responsibility arrangement with the Scottish Government for internal air and ferry services which is equitable with arrangements in the Western Isles.
- Target 6.1 – Integrated transport networks – Action 6.1c – We will work with Transport Scotland and others to develop service levels and fare levels for transport between Orkney and the Scottish Mainland which are equitable with those on Scotland's west coast.
- Target 7.1 – Preparing ourselves for new legislation – Action 7.1a – To prepare for the implementation of the Community Empowerment (Scotland) Act following publication of statutory guidance.

The Committee noted:

**2.3.3.** That a Council Delivery Plan covering the period 2018 to 2023 had been developed which incorporated the strategic priorities of the Council for the next five years.

**2.3.4.** That outstanding actions contained in the exception report, attached as Annex 1 to the joint report by the Chief Executive and the Executive Director of Corporate Services, would be taken forward under relevant priorities of the Council Delivery Plan 2018 to 2023 and Service Plans as appropriate.

### **3. Council Delivery Plan 2018 to 2023**

After consideration of a report by the Chief Executive, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Head of Executive Support, the Committee:

Noted:

**3.1.** That the draft Council Delivery Plan had been developed to detail the actions which would be undertaken to achieve the strategic priorities and outcomes, together with details of the lead service, resources, timescales, outcomes and measures of success.

**3.2.** That the Council Delivery Plan projects and actions focussed on the areas of work to be undertaken by the Council and which were within its control to do so.

**3.3.** That progress with the actions contained within the Delivery Plan would be reported to the Council every six months, in accordance with the performance management framework.

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

**3.4.** That the Council Delivery Plan, attached as Appendix 3 to this Minute, be approved for publication, to guide the work of services responsible for delivery of the Council's strategic priorities and outcomes contained within the Council Plan 2018 to 2023.

### **4. Corporate Risk Register**

After consideration of a report by the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Committee:

Resolved to **recommend to the Council** that the updated Corporate Risk Register as at May 2018, attached as Appendix 4 to this Minute, be approved.

### **5. Health and Safety Policy**

After consideration of a report by the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Head of IT and Facilities, the Committee:

Noted:

**5.1.** That a Health and Safety Policy was a statutory requirement in accordance with the Health and Safety at Work etc Act 1974.

**5.2.** That the Health and Safety at Work Policy, last revised in February 2016, had been amended to ensure compliance with recent health and safety guidance, best practice and training developments.

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

**5.3.** That the Health and Safety Policy, attached as Appendix 5 to this Minute, be approved.

## **6. Locality Plan 2018 to 2021 for Non-Linked Isles**

After consideration of a joint report by the Chief Executive and the Executive Director of Corporate Services, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Strategy Manager, the Committee:

Noted:

**6.1.** That, in terms of the Community Empowerment (Scotland) Act 2015, a locality plan had been developed to supplement the Local Outcomes Improvement Plan, with the Orkney Partnership's chosen locality being the non-linked isles.

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

**6.2.** That the Locality Plan 2018 to 2021 for the Non-linked Isles, attached as Appendix 6 to this Minute, be approved insofar as it applied to the Council.

## **7. Orkney Public Consultation Group**

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, and after hearing a report from the Strategy Manager, the Committee:

Noted:

**7.1.** That, in October 2016, the Council agreed to pilot an Orkney Public Consultation Group, for an initial period of one year, following which the pilot should be evaluated.

**7.2.** That the Orkney Public Consultation Group, named Orkney Opinions, was available to all Council services to help inform their service developments.

**7.3.** That the pilot year ran from March 2017 to March 2018, a total of 151 members were recruited to join the group and three surveys had taken place, with the survey findings noted in Appendices 2 to 4 to the report by the Executive Director of Corporate Services.

**7.4.** That senior officers and managers had been consulted as to the utility of Orkney Opinions and wished the pilot to be continued, subject to continued availability of staff resources.

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

**7.5.** That Orkney Opinions be continued for a further year, to 31 March 2019, following which the Executive Director of Corporate Services should submit a further report, to the Policy and Resources Committee.



## **8. Participation Requests and Community Asset Transfer Requests**

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, the Committee:

Noted:

**8.1.** That the Community Empowerment (Scotland) Act 2015 placed new duties on specified Scottish public bodies with regard to facilitation of Participation Requests and Asset Transfer Requests, commonly known as Community Asset Transfer.

**8.2.** That, in terms of the Act, local authorities were required to publish online, by the end of June each year, an annual report which quantified and described the level and type of activity experienced by the authority in Participation Requests and Community Asset Transfer Requests during the previous financial year.

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

**8.3.** That the annual report for Council activity in Participation Requests and Community Asset Transfer Requests, for the period 1 April 2017 to 31 March 2018, attached as Appendix 7 to this Minute, be approved for publication on the Council website.

## **9. Method of Voting at Meetings**

After consideration of a report by the Chief Executive, copies of which had been circulated, and after hearing a report from the Head of Executive Support, the Committee:

Noted:

**9.1.** That Standing Orders currently stated that the usual method of voting shall be by a show of hands.

**9.2.** The proposal that the usual method of voting be by Calling the Roll, subject to the practical considerations outlined in section 4 of the report by the Chief Executive.

Councillor W Leslie Manson, seconded by Councillor John A R Scott, moved that Standing Orders be amended to indicate that the usual method of voting be by Calling the Roll, subject to the practical considerations as proposed by officers.

Councillor Stephen G Clackson, seconded by Councillor Graham L Sinclair, moved an amendment that no change be made to Standing Orders, in that the usual method of voting should continue to be by a show of hands.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Stephen G Clackson, Norman R Craigie, Robin W Crichton, Andrew Drever, J Harvey Johnston, Graham L Sinclair and Duncan A Tullock (7).

For the Motion:

Councillors Alexander G Cowie, David Dawson, Barbara Foulkes, Rachael A King, W Leslie Manson, John T Richards, Stephen Sankey, John A R Scott, James W Stockan, Owen Tierney and Kevin F Woodbridge (11).

The motion was carried and the Committee thereafter resolved to **recommend to the Council:**

**9.3.** That Standing Orders be amended to indicate that the usual method of voting be by Calling the Roll, subject to:

- All voting on procedural matters being retained as by a show of hands.
- Calling the Roll, as the usual method of voting, being limited to voting required at the following meetings:
  - The full Council.
  - Policy and Resources Committee.
  - Development and Infrastructure Committee.
  - Education, Leisure and Housing Committee.
  - Orkney Health and Care Committee.

## **10. National Fraud Initiative**

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

Noted:

**10.1.** That the National Fraud Initiative was a data matching exercise, designed to assist participating bodies, including local authorities, to promote the proper use of public money by detecting fraudulent or erroneous payments.

**10.2.** The results of the Council's involvement in the exercise, for the period 2016 to 2017, as detailed at section 5 of the report by the Head of Finance, namely two errors, totalling £2,789.22, being identified, of which £1,332.53 was recoverable.

## **11. National Audit Report – Challenges and Performance 2018**

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, and after hearing a report from the Head of HR and Performance, the Committee:

Noted:

**11.1.** The national audit report, Challenges and Performance 2018, issued in April 2018 by Audit Scotland, attached as Appendix 1 to the report by the Executive Director of Corporate Services.

**11.2.** The key messages contained within the national audit report, a summary of which was detailed in section 5 of the report by the Executive Director of Corporate Services.

## **12. School Meals Service to Pre-School and Nursery Children**

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

Noted:

**12.1.** That the increase in entitlement for Early Learning and Childcare, from 600 hours to 1,140 hours, would start to be phased in by the Council from August 2018 onwards.

**12.2.** That the Scottish Government had estimated that the 1,140 hours of Early Learning and Childcare entitlement provided families and carers with an estimated annual saving in childcare costs of more than £4,500 per child per year.

**12.3.** That savings made through the School Meals budget in recent years meant that the service was no longer able to cover the cost of free school meals currently provided to children taking up the 600 hours entitlement to Early Learning and Childcare.

**12.4.** That the requisite Government funding to cover the cost of universal provision of free school meals was only expected to be forthcoming from April 2020.

**12.5.** That children attending pre-school or nursery, who met the free school meal criteria, would continue to receive free school meals, as Government funding had been provided to cover the cost of that element of free school meal provision.

**12.6.** That the roll out of 1,140 hours entitlement to Early Learning and Childcare from August 2018 would increase the number of school meals required and the settings meals were required in, resulting in an estimated funding gap of £29,487 in the School Meals budget, for which no additional funding had been provided by the Government.

**12.7.** The options available to the Council in respect of covering the funding gap of £29,487 in the School Meals budget, as set out in section 5 of the joint report by the Executive Director of Corporate Services and the Executive Director of Education, Leisure and Housing.

Councillor W Leslie Manson, seconded by Councillor James W Stockan, moved that, with the increase in entitlement for Early Learning and Childcare from 600 hours to 1,140 hours, except for children who would otherwise be entitled to free school meals due to other reasons, a meal charge equivalent to the charge for P4 to P7 primary school meals, less 10p per meal, should apply to pre-school and nursery children who were present at school over the lunchtime period and required a mid-day meal.

Councillor Robin W Crichton, seconded by Councillor Barbara Foulkes, move an amendment that the Council should continue to provide free school meals to all pre-school and nursery children, with the cost, estimated at £29,487, being met as follows:

- Financial year 2018 to 2019 – General Fund contingency.
- Financial year 2019 to 2020 – potential growth bid for consideration as part of the budget setting process.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Robin W Crichton, David Dawson, Barbara Foulkes, John A R Scott and Owen Tierney (5).

For the Motion:

Councillors Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Andrew Drever, J Harvey Johnston, Rachael A King, W Leslie Manson, John T Richards, Stephen Sankey, Graham L Sinclair, James W Stockan, Duncan A Tullock and Kevin F Woodbridge (13).

The motion was carried and the Committee thereafter resolved to **recommend to the Council**:

**12.8.** That, with the increase in entitlement for Early Learning and Childcare from 600 hours to 1,140 hours, except for children who would otherwise be entitled to free school meals due to other reasons, a meal charge equivalent to the charge for P4 to P7 primary school meals, less 10p per meal, should apply to pre-school and nursery children who were present at school over the lunchtime period and required a mid-day meal.

### **13. Police and Fire Sub-committee**

After consideration of the draft Minute of the Meeting of the Police and Fire Sub-committee held on 29 May 2018, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor Andrew Drever, seconded by Councillor David Dawson, to approve the Minute of the Meeting of the Police and Fire Sub-committee held on 29 May 2018, attached as Appendix 8 to this Minute, as a true record.

### **14. Pension Fund Sub-committee, together with Pension Board**

After consideration of the draft Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 23 May 2018, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor Rachael A King, to approve the Minute of the Meeting of the Pension Fund Sub-committee, together with the Pension Board, held on 23 May 2018, attached as Appendix 9 to this Minute, as a true record.

### **15. HYSEAS III Hydrogen Ferry Project**

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:

**15.1.** That, in March 2017, the Council accepted an invitation to become a consortium member of the HYSEAS III project, subject to no financial or other commitment at that 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.

**15.2.** That, following an unsuccessful bid by the HYSEAS III consortium for EU funding in respect of a project to demonstrate a hydrogen propulsion system, due to there being no pathway through to construction of an actual ferry, a short notice revised bid, on EU advice, to seek funding from Horizon 2020 for a project with an exploitation route through to a working ferry was successful in securing €9,300,000.

**15.3.** That expansion of the project from a technical demonstrator to a working ferry required a much greater staffing and financial involvement from the Council than previously indicated in paragraph 15.1 above, due to the Shapinsay route being identified by the consortium as the ideal location for trials of a working hydrogen RoRo ferry.

**15.4.** That, although overall project lead and the administration role had been assigned to St Andrews University, the Council would take the project lead on the operational specification of the vessel and its shore interfaces, as well as any subsequent trials, training and introduction to service, should the project move to actual construction of a ferry.

**15.5.** That the Council's share of the Horizon 2020 grant funding, referred to at paragraph 15.2 above, amounting to €643,000, represented 100% funding, predominantly costs associated with the provision of a specialist project team and sea staff.

**15.6.** That, for the programme to progress beyond the technical specification and power system demonstration phase, additional financial commitment would be required from the Scottish Government in respect of construction of the ferry and associated infrastructure, for which the consortium had received a letter of support from Transport Scotland.

**15.7.** That the Council had signed the Consortium Agreement for HYSEAS III, inclusive of 100% funding for the Orkney elements of the demonstration phase of the project and, following final EU authorisation, the project was formally announced on 18 June 2018.

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

**15.8.** That the Council's participation in the HYSEAS III hydrogen ferry project, inclusive of 100% funding for the Orkney elements of the demonstration phase of the project, be homologated.

## **16. Exclusion of Public**

On the motion of Councillor James W Stockan, seconded by Councillor W Leslie Manson, the Committee resolved that the public be excluded for the remainder of the meeting, as the business to be considered involved the 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.

Councillors Stephen Sankey and John A R Scott left the meeting at this point.

## **17. Investments Sub-committee**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

After consideration of the draft Minute of the Meeting of the Investments Sub-committee held on 24 May 2018, copies of which had been circulated, the Committee:

Resolved, on the motion of Councillor W Leslie Manson, seconded by Councillor Rachael A King, to approve the Minute of the Meeting of the Investments Sub-committee held on 24 May 2018, attached as Appendix 10 to this Minute, as a true record.

## **18. Asset Management Sub-committee**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of the draft Minute of the Meeting of the Asset Management Sub-committee held on 31 May 2018, copies of which had been circulated, the Committee:

Resolved:

**18.1.** On the motion of Councillor W Leslie Manson, seconded by Councillor Norman R Craigie, to approve the Minute of the Meeting of the Asset Management Sub-committee held on 31 May 2018 as a true record.

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

**18.2.** That the recommendations at paragraphs 3.4 and 5.6 of the Minute of the Meeting of the Asset Management Sub-committee held on 31 May 2018, attached as Appendix 11 to this Minute, be approved.

## **19. Third Sector Support – Search for New Premises**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraphs 2, 6 and 9 of Part 1 of Schedule 7A of the Act.

After consideration of a report by the Executive Director of Corporate Services, copies of which had been circulated, the Committee:

Noted:

**19.1.** That, in October 2014, the Council agreed that a project to extend Kirkwall Travel Centre for Voluntary Action Orkney and associated third sector organisations be added to the capital programme, from 2015 onwards, at a total project cost of £1,807,000.

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

**19.2.** That the revised Stage 2 Capital Project Appraisal attached as Appendix 12 to this report, be approved.

**19.3.** That, as the revised proposal was a lower cost development than the original proposal, the existing provision within the General Fund capital programme in respect of providing accommodation for the third sector be reduced from £1,807,000 to £980,000.

**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 Barbara Foulkes left the meeting at this point.

## **20. Orkney Islands Council Pension Fund**

### **Admitted Body Status**

Under section 50A(4) of the Local Government (Scotland) Act 1973, the public had been excluded from the meeting for this item on the grounds that it involved the disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A of the Act.

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

Resolved to **recommend to the Council** what action should be taken with regard to an Admitted Body of the Orkney Islands Council Pension Fund.

**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 Barbara Foulkes rejoined the meeting and Councillor Rachael A King left the meeting at this point.

## **21. Human Resources Sub-committee**

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

After consideration of the draft Minute of the Meeting of the Human Resources Sub-committee held on 31 May 2018, copies of which had been circulated, the Committee:

Resolved:

**21.1.** On the motion of Councillor James W Stockan, seconded by Councillor John T Richards, to approve the Minute of the Meeting of the Human Resources Sub-committee held on 31 May 2018 as a true record.

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

**21.2.** That the recommendations at paragraphs 4.6 and 4.7 of the Minute of the Meeting of the Human Resources Sub-committee held on 31 May 2018, attached as Appendix 13 to this Minute, be approved.

## **22. Conclusion of Meeting**

At 14:55 the Chair declared the meeting concluded

Signed: James W Stockan.