

Minute

Special General Meeting of the Council

Tuesday, 30 June 2020, 10:30.

Microsoft Teams.



Present

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

Clerk

- Gavin Mitchell, Head of Legal Services.

In Attendance

- John W Mundell, Interim Chief Executive.
- Gavin Barr, Executive Director of Development and Infrastructure.
- Gillian Morrison, Executive Director of Corporate Services.
- James Wylie, Executive Director of Education, Leisure and Housing.
- Gareth Waterson, Head of Finance.
- Lynda Bradford, Interim Head of Health and Social Care (for Items 1 to 15).
- James Buck, Head of Marine Services, Transport and Harbour Master.
- Peter Diamond, Head of Education (Leisure, Culture and Inclusion) (for Items 1 to 16).
- Karen Greaves, Head of Executive Support (for Items 1 to 26).
- Roddy Mackay, Head of Planning, Development and Regulatory Services (for Items 1 to 25).
- Darren Richardson, Head of Infrastructure and Strategic Projects (for Items 1 to 21).
- Catherine Diamond, Lead Officer Early Years (for Items 1 to 16).
- Ian Rushbrook, Capital Programme Manager (for Items 14 to 16 and 24 to 27).
- David Sawkins, Deputy Harbour Master (Strategy and Support) (for Items 23 to 27).
- James Henry, Principal Social Worker (Children's Services) (for Item 14).
- Kenny Roy, Roads Support Manager (for Item 18).
- Stuart Allison, Economic Development Manager (for Items 16 to 25).
- Laura Cromarty, Transportation Manager (for Item 23).
- Graeme Christie, Estates Manager (for Items 14 to 16).
- Christie Hartley, Volume Tourism Development and Management Officer (for Items 23 and 24).

- Jordan Low, Economic Development Officer (for Items 10 to 21).
- Hazel Flett, Senior Committees Officer.

Observing

- Hayley Green, Head of IT and Facilities (for Items 8 to 29).
- Andrew Groundwater, Head of HR and Performance (for Items 1 to 22).
- Andrew Blake, Ferry Services Manager (for Item 26).
- Karen Walter, Early Learning and Childcare Delivery Plan Programme Manager (for Items 1 to 16).
- Kirsty Groundwater, Project Officer (Communications and Engagement).
- Lorraine Stout, Press Officer (for Items 1 to 16).

Apology

- Councillor Magnus O Thomson.

Declarations of Interest

- Councillor Stephen G Clackson – Items 11 and 26.
- Councillor Robin W Crichton – Items 17 and 19.
- Councillor David Dawson – Item 16.
- Councillor J Harvey Johnston – Item 17.
- Councillor Stephen Sankey – Item 19.
- Councillor Gwenda M Shearer – Item 28.
- Councillor Duncan A Tullock – Item 17.

Chair

- Councillor J Harvey Johnston, Convener.

1. Urgent Item

In terms of Standing Order 13.3, the Council:

Noted that the Convener had permitted discussion of the following urgent item:

- Social Distancing – Localised Approach to Transport in Orkney.

2. Disclosure of Exempt Information

The Council noted the proposal that the public be excluded from the meeting for consideration of Items 23 to 28, 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.

3. Special General Meeting of the Council

Minute of Special General Meeting held on 6 May 2020

On the motion of Councillor J Harvey Johnston, seconded by Councillor James W Stockan, the Council resolved to approve the Minute of the Special General Meeting of the Council held on 6 May 2020 as a true record.

4. Planning Committee

Minute of Meeting held on 20 May 2020

On the motion of Councillor Robin W Crichton, seconded by Councillor Alexander G Cowie, the Council resolved to approve the Minute of the Meeting of the Planning Committee held on 20 May 2020 as a true record.

5. Monitoring and Audit Committee

Minute of Meeting held on 4 June 2020

On the motion of Councillor John T Richards, seconded by Councillor David Dawson, the Council resolved to approve the Minute of the Meeting of the Monitoring and Audit Committee held on 4 June 2020 as a true record.

The Council thereafter resolved to approve the recommendations contained in the Minute of the Meeting of the Monitoring and Audit Committee held on 4 June 2020.

6. Planning Committee

Minute of Meeting held on 9 June 2020

On the motion of Councillor Robin W Crichton, seconded by Councillor John A R Scott, the Council resolved to approve the Minute of the Meeting of the Planning Committee held on 9 June 2020 as a true record.

7. Special General Meeting of the Council

Minute of Special General Meeting held on 11 June 2020

On the motion of Councillor J Harvey Johnston, seconded by Councillor James W Stockan, the Council resolved to approve the Minute of the Special General Meeting of the Council held on 11 June 2020 as a true record.

8. Planning Committee

Minute of Meeting held on 16 June 2020

On the motion of Councillor Robin W Crichton, seconded by Councillor John A R Scott, the Council resolved to approve the Minute of the Meeting of the Planning Committee held on 16 June 2020 as a true record.

9. Licensing Committee

Minute of Meeting held on 18 June 2020

On the motion of Councillor Duncan A Tullock, seconded by Councillor Barbara Foulkes, the Council resolved to approve the Minute of the Meeting of the Licensing Committee held on 18 June 2020 as a true record.

10. Special General Meeting of the Council

Minute of Special General Meeting held on 23 June 2020

On the motion of Councillor J Harvey Johnston, seconded by Councillor James W Stockan, the Council resolved to approve the Minute of the Special General Meeting of the Council held on 23 June 2020 as a true record.

11. Food Voucher Scheme

Councillor Stephen G Clackson declared a financial interest in this item, in that he and his family had benefitted from the Food Voucher Scheme, and was not present during discussion thereof.

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 Council:

Noted:

11.1. That, at the Special General Meeting held on 16 April 2020, the Council resolved to allocate £5 per head per week for travel restricted isles' residents for an initial period of four weeks from 20 April 2020, which was subsequently implemented by issuing vouchers.

11.2. That, in response to the Coronavirus pandemic, the Scottish Government's restrictions on travel had continued to remain in place since 23 March 2020.

11.3. That travel to the Orkney Mainland by isles' residents for food shopping was deemed as non-essential travel.

11.4. That, after the initial four weeks, as the travel restrictions remained, the Chief Executive exercised emergency powers to continue the Food Voucher Scheme.

11.5. That, to date, expenditure on the Food Voucher Scheme amounted to £157,380, approximately £58,000 in excess of the £99,000 allocation from the Government Food Fund.

11.6. That the Council was lobbying the Scottish Government through the Convention of Scottish Local Authorities for additional funding to alleviate food insecurity in the isles.

The Council resolved:

11.7. That extension of the Food Voucher Scheme for a further eight weeks, from 18 May 2020, be homologated.

11.8. That the excess expenditure incurred in respect of the Food Voucher Scheme, amounting to approximately £58,000, be met from the unallocated balance of £200,000 of Hardship Funding received as part of the Barnett consequentials.

12. Governance Arrangements

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 Council:

Noted:

12.1. That, at the Special General Meeting held on 23 March 2020, the Council agreed temporary amendments to the Standing Orders in order to facilitate efficient and timely decision making in response to the Coronavirus pandemic.

12.2. That, as a result of the impact of the Coronavirus pandemic, most of the Council's formal service committee and sub-committee meetings had not been held since those special governance arrangements were agreed.

12.3. That important and routine items, which were not urgent, had therefore been referred for consideration by Council.

12.4. The proposal that the normal committee cycle of meetings resume after the summer recess, with the continuation of remote/virtual attendance at least for the first cycle.

12.5. That a Special General Meeting of the Council had been scheduled for 13 August 2020 to consider any urgent items of business.

The Council resolved:

12.6. That the Chief Executive develop a protocol for remote attendance at Council meetings as part of the review of the emergency governance arrangements to be considered at the General Meeting of the Council on 6 October 2020.

13. COVID-19 Pandemic – Additional Costs

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

Noted:

13.1. The significant estimated expenditure and income impacts of the COVID-19 pandemic on the Council and its activities and the offsetting savings identified to date.

13.2. That the Council would continue to submit regular updates to the Convention of Scottish Local Authorities on those expenditure and income estimates with a view to informing negotiations with both the UK and Scottish Governments.

13.3. That the revenue and capital budgets would be subject to change as part of the Renewal Programme once the ongoing impacts of the current disruption became clearer.

14. Corporate Parenting Plan

After consideration of a report by the Chief Executive, together with an Equality Impact Assessment, copies of which had been circulated, the Council:

Noted:

14.1. That, in recognition of the negative feelings and views expressed by care experienced children and young people in relation to the term 'Corporate Parenting', Orkney would commit to having a 'Good Parenting Plan', whilst recognising references to 'Corporate Parenting' in terms of legislation, statutory duties and responsibilities.

14.2. The commitment to further engagement with care experienced children and young people through supported workshops for Elected Members and Orkney Partnership Board partners and officers with the goal of young people's voices being central to shaping and finalising the Plan.

14.3. Recognition that the Council, NHS Orkney and community planning partners shared an ambition to have one overarching Good (Corporate) Parenting Plan for Orkney, with governance for the Plan to be the responsibility of the Orkney Community Planning Partnership.

14.4. Progress made on developing Orkney's Good Parenting Plan, as detailed in section 4 of the report by the Chief Executive, with the latest draft attached as Appendix 1.

14.5. The proposal that, in order to avoid additional governance process, the Orkney Partnership Board fulfil the functions of a Corporate Parenting Board, as detailed in the amended Terms of Reference contained within the draft Plan attached as Appendix 1 to the report by the Chief Executive.

Councillor J Harvey Johnston, seconded by Councillor James W Stockan, moved that the Council endorse the draft Good Parenting Plan 2020-2025 for submission to the Orkney Partnership Board.

Councillor Stephen G Clackson, seconded by Councillor John A R Scott, moved an amendment that the Council should establish its own Corporate Parenting Board.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Stephen G Clackson and John A R Scott (2).

For the Motion:

Councillors Alexander G Cowie, Norman R Craigie, Robin W Crichton, David Dawson, Andrew Drever, Barbara Foulkes, Steven B Heddle, J Harvey Johnston, Rachael A King, W Leslie Manson, John T Richards, Stephen Sankey, Gwenda M Shearer, Graham L Sinclair, James W Stockan, Owen Tierney and Duncan A Tullock (17).

The motion was therefore carried and the Council thereafter resolved:

14.6. To endorse the draft Good Parenting Plan 2020-2025, attached as Appendix 1 to this Minute, for submission to the Orkney Partnership Board, subject to the following comments:

- Reference to Executive Director (Orkney Health and Care) within the Action Plan at section 5.3.2 being amended to Chief Officer, IJB/Executive Director (Orkney Health and Care).
- Consideration being given to incorporating the Council's Orkney Health and Care Committee within the governance structure outlined in Figure 6-1, Context and Inter-relations, in order to strengthen governance within the Council structure.

15. Kirkwall Care Facility

Revised Stage 2 Capital Project Appraisal

After consideration of a joint report by the Chief Executive and the Chief Officer/Executive Director, Orkney Health and Care, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Interim Head of Health and Social Care, the Council:

Noted:

15.1. That the proposal to increase care beds in Kirkwall to 60 was first approved in 2013 as an extension to St Rognvald House and was based solely on the anticipated increase in the elderly population.

15.2. That, although the Stage 2 Capital Project Appraisal to replace St Rognvald House, approved in October 2016, was based upon the same level of analysis, that analysis did not take account of changing models of care and, therefore, incorporated wide assumptions that the increasing elderly population translated directly into the need for additional care home beds.

15.3. That, in October 2016, when the project was approved, it was recognised that the increased revenue costs had not been identified.

15.4. That, following a review of the data used previously, the risk to the service of not having sufficient residential care places by 2035, as a consequence of the projected demographic increase in the ageing population, could be mitigated by adopting a proposal to build a 40 bed facility that was 'future proofed', with scope to build additional bed spaces in blocks of 10, should the need arise in future years.

15.5. That, although Hamnavoe House, Stromness, which opened in January 2020 with an additional eight permanent residential beds, increased the current number of residential beds in Orkney from 110 to 118, that additional provision was not included in the original data for the Needs Analysis.

15.6. That there was currently no revenue budget provision in respect of the additional residential beds, referred to at paragraph 15.5 above, as that was not identified as part of the original Stage 2 Capital Project Appraisal process.

15.7. The estimated capital and additional revenue costs for three options in respect of the proposed new care facility in Kirkwall, as detailed in section 12.1 of the joint report by the Chief Executive and the Chief Officer/Executive Director, Orkney Health and Care.

15.8. The estimated additional revenue costs for staffing a 60 bed care facility at £858,580 per annum, for which there was no budgeted provision going forward, with additional service efficiencies being required in addition to existing efficiency targets to fund that in advance of opening the new facility.

15.9. That the available workforce capacity was unlikely to support human resource-intensive models of care, such as residential care homes, in the future, and that assistive technology and community-based alternatives must be maximised to reduce dependency on residential care provision.

15.10. That enactment of the Public Bodies (Joint Working) (Scotland) Act 2014 required options for models of care and managing services within revenue budget to be the responsibility of the Integration Joint Board, whereas the provision of capital and buildings remained the responsibility of the Council.

15.11. That, although it was still too early in the development and deployment of Tech Enabled Care and support to understand the full potential of the opportunities that that approach currently offered, it was expected that Orkney Health and Care would continue to develop that new approach and significant progress would have been achieved by the time the new facility was ready for opening.

15.12. That the current revenue budget for St Rognvald House was £2,407,500 for 2020/21, with the assumption that a new 40-bed facility would not have additional revenue implications.

15.13. Options for the existing St Rognvald House site, including marketing for sale once construction of the new Kirkwall care facility had commenced to test whether that would be financially advantageous over redevelopment of the site, with the potential to generate a substantial capital receipt from disposal or redevelopment of the existing St Rognvald House site.

The Council resolved:

15.14. That, subject to approval by the Integration Joint Board, the revised Stage 2 Capital Project Appraisal in respect of the proposed new Kirkwall care facility, attached as Appendix 2 to this Minute, be approved, namely provision of a 40-bed facility at a capital cost of £12,270,000, with a revised start date for construction in Spring 2021 and delivery in Spring/Summer 2023.

15.15. That the project be funded through a capital contribution from the Strategic Reserve Fund of £7,362,000 and General Fund borrowing of £4,908,000.

15.16. That the construction contract for the proposed new 40-bed Kirkwall care facility should include an option to demolish the existing St Rognvald House building and redevelopment of the site, with provision of £500,000 for demolition and site redevelopment included in the capital programme on a cost neutral basis.

15.17. That the existing facility and site at St Rognvald House, Kirkwall, be offered for sale on the open market, for a period of one year, after commencement of construction of the new facility.

15.18. That, should no interest be received from advertising the existing facility at St Rognvald House, for sale, the Council should undertake demolition of the existing St Rognvald House and redevelop the site for serviced sites and/or social housing.

16. Early Learning and Childcare

Councillor David Dawson declared a non-financial interest in this item, in that a close family member provided private childcare, and was not present during discussion thereof.

After consideration of a report by the Executive Director of Education, Leisure and Housing, together with an Equality Impact Assessment, copies of which had been circulated, and after hearing a report from the Lead Officer Early Years, the Council:

Noted:

16.1. That, from the end of June 2020, there would be a reduced number of childcare and early learning and childcare places available in Orkney.

16.2. That the reduction of childcare and early learning and childcare places disproportionately impacted on, and disadvantaged, working parents and those wishing to return to work.

16.3. That the Council's statutory duty extended to the provision of early learning and childcare for entitled children only, which included some 2-year olds as well as 3, 4 and 5-year olds, all of whom must meet the eligibility criteria.

16.4. That the statutory provision of early learning and childcare represented only a portion of a working week for those seeking, or who were in, full time employment, generally considered to be 35 hours a week.

16.5. That, during the COVID-19 Restart and Renew programme, the Council would continue to have responsibility in providing childcare to enable essential key workers to carry out their roles and duties.

16.6. That, as the workforce became active and the Orkney economy restarted, some families would continue to rely on the provision of a year-round childcare service for 0-5 year olds, as well as for primary aged children before and after school and during school holiday periods.

16.7. That, while the need for childcare across the Orkney community may create a new opportunity for a start-up business or social enterprise, it was possible that, in the current COVID-19 related circumstances, any prospective provider would delay entry to the market until the building trades became fully operational, and/or the implications for the operation of services was well understood.

16.8. That being in lockdown had a very significant impact on preparation for delivering additional hours in the largest nurseries in Orkney and, as this was not unique to Orkney, the Scottish Government had temporarily suspended the statutory requirement to implement 1,140 hours of early learning and childcare from August 2020.

16.9. That, as a result, the Council's statutory offer would be limited, which may exacerbate the impact on working parents, and those wishing to return to work.

16.10. That, should the Council decide to intervene and, within its discretionary powers, make provision for working parents and those wishing to return to work, there was a financial risk involved, given that operating a service at optimal capacity may be impossible for some time, due to COVID-19 uncertainties.

16.11. The six options for provision of early learning and childcare, appraised in Appendix 1 to the report by the Executive Director of Education, Leisure and Housing.

Councillor Barbara Foulkes, seconded by Councillor Graham L Sinclair, moved that Option 1, namely a position of minimal Council intervention, which allowed community and market forces to find a solution, supported by the Council and other partners with a role and interest in economic development, be adopted.

Councillor Gwenda M Shearer, seconded by Councillor Alexander G Cowie, moved an amendment that Option 6, namely providing on a short-term basis a service for 0-5 year olds; undertaking a new build at Orkney College; tendering for a business partner to operate a service for 0-5 year olds; and formally requesting financial support from the partners within the Orkney Community Planning Partnership, be adopted.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Robin W Crichton, Steven B Heddle, J Harvey Johnston, Rachael A King, John T Richards, John A R Scott and Gwenda M Shearer (10).

For the Motion:

Councillors Andrew Drever, Barbara Foulkes, W Leslie Manson, Stephen Sankey, Graham L Sinclair, James W Stockan, Owen Tierney and Duncan A Tullock (8).

The amendment was therefore carried.

Councillor James W Stockan, seconded by Councillor Stephen Sankey, moved a further amendment, notice of which had been given, that:

- Option 1, namely a position of minimal Council intervention, which allowed community and market forces to find a solution, supported by the Council and other partners with a role and interest in economic development, be adopted.
- A Challenge Fund of up to £100,000, funded from the Coronavirus Response Fund, be established for the purpose of encouraging the private sector to become directly involved in developing a solution for the provision of childcare and early learning and childcare in Orkney.

The result of a recorded vote was as follows:

For the Amendment:

Councillors Andrew Drever, Barbara Foulkes, W Leslie Manson, Stephen Sankey, John A R Scott, Graham L Sinclair, James W Stockan, Owen Tierney and Duncan A Tullock (9).

For the Motion:

Councillors Stephen G Clackson, Alexander G Cowie, Norman R Craigie, Robin W Crichton, Steven B Heddle, J Harvey Johnston, Rachael A King, John T Richards and Gwenda M Shearer (9).

On the casting vote of the Convener, the motion was carried.

The Council thereafter resolved:

16.12. That Option 6, being a hybrid option including elements of Options 2 and 5, in order to meet the short and long terms needs for early learning and childcare, be adopted, which incorporated the following:

- Temporary provision of a 0-5 year olds and out of school care service.
- Building suitable accommodation for a new provision adjacent to Orkney College.
- Undertaking a tender exercise for a commercial operator to run a service for 0-5 year olds.
- Formally requesting financial support, including capital contributions, from partners within the Orkney Community Planning Partnership.

17. Orkney's Community Wind Farm Project – Planning Applications

Governance Arrangements

Councillor Robin W Crichton declared a non-financial interest in this item, being the Chair of the Planning Committee, but concluded that his interest did not preclude his involvement in the discussion.

Councillor J Harvey Johnston declared a non-financial interest in this item, in that a family member was part of the Strategic Projects team, and was not present during discussion thereof.

Councillor Duncan A Tullock declared a non-financial interest in this item, in that one of the sites was owned by a close family member, and was not present during discussion thereof.

Signed: Harvey Johnston.

As the Convener, being Chair of the Council, had declared his interest and was not present for this item, the Head of Legal Services called for nominations for Chair.

The Council resolved:

17.1. That Councillor James W Stockan be appointed Chair for this item.

Councillor James W Stockan then took the Chair.

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

Noted:

17.2. That three wind farm sites were currently being developed as part of Orkney's Community Wind Farm Project, namely:

- Wee Fea, Hoy.
- Quanterness, St Ola.
- Faray.

17.3. That a planning application had been submitted for the site at Quanterness, with separate planning applications for the remaining two sites likely to be submitted later in 2020.

17.4. That, as each site had a capacity lower than 50 megawatts, the planning applications must be submitted to Orkney Islands Council, as local planning authority, rather than direct to Scottish Ministers.

17.5. That, on 10 December 2019, the Council resolved:

- That, upon submitting the first planning application for sites related to Orkney's Community Wind Farm project, the Chief Executive should make a request to the Scottish Government that, based on national significance, the application be called in for determination by the Scottish Ministers.
- That, should the Scottish Government accept the request outlined above, the same action should be taken for future planning applications relating to Orkney's Community Wind Farm Project.

17.6. That, on 19 February 2020, the Chief Executive made a request to the Scottish Government to call in the planning application for the proposed wind farm development at Quanterness.

17.7. That, on 24 March 2020, the Scottish Government responded by issuing a Direction to call in the planning application for the wind farm development at Quanterness.

17.8. That the reasons given for the Direction included that the proposed development raised matters which were of national importance in the context of expectations set out in National Planning Framework 3 for the Pentland Firth and Orkney Waters area and the need for an enhanced high voltage energy transmission network.

17.9. That, in light of the terms of the Council's determination referred to at paragraph 17.5 above, arrangements were currently in hand to request the Scottish Government to call in the planning applications for the wind farm developments at Hoy and Faray.

17.10. That, in light of the Direction referred to at paragraph 17.7 above, Scottish Ministers would now act as planning authority and the Council, as planning authority, would have no locus to determine the application.

17.11. That it was likely that the Reporter, on behalf of Scottish Ministers, would invite a consultation response from the Council as the local planning authority.

17.12. That it was also possible that the Reporter would hold a Local Inquiry under the usual inquiry rules and, as such, the Council, as the local planning authority, may be expected to participate in that inquiry.

17.13. The options set out in section 5 of the joint report by the Chief Executive and the Executive Director of Development and Infrastructure, in respect of how the Council could respond to such a consultation or participate in such an inquiry.

On the motion of Councillor Stephen Sankey, seconded by Councillor Rachael A King, the Council resolved:

17.14. That Option 1, namely full Council, be adopted as the governance arrangement in respect of the Council's role as a consultee or inquiry participant in the determination by Scottish Ministers of the Council's planning application for a wind farm development at Quanterness and, in the event that they were also called in, the Council's planning applications for wind farm developments at Hoy and Faray.

Signed: James W Stockan.

The Convener rejoined the meeting at this point and resumed the Chair.

18. Road Asset Replacement Programme

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 Council:

Noted:

18.1. That, on 2 April 2019, the Development and Infrastructure Committee approved the Road Asset Replacement Programme for 2019/20, together with indicative programmes for 2020/21 and 2021/22.

18.2. 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.

18.3. That, on 10 September 2019, the Development and Infrastructure Committee noted that, in order to improve governance and accountability surrounding use of the Cycling, Walking and Safer Streets capital grant, all works would be reported as part of the Road Asset Replacement Programme for monitoring purposes.

18.4. That the Cycling, Walking and Safer Streets capital grant for 2020/21 had been confirmed as £96,000.

18.5. The proposed programme for 2020/21, together with indicative programmes for 2021/22 and 2022/23, in respect of road asset replacement and the Cycling, Walking and Safer Streets capital grant, attached as Appendix 1 to the report by the Executive Director of Development and Infrastructure, with estimated costs as follows:

- 2020/21 – £1,046,000, including confirmed Cycling, Walking and Safer Streets capital grant of £96,000.
- 2021/22 – £980,000.
- 2022/23 – £980,000.

18.6. 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 on the current year's programme and present an updated programme for subsequent years.

The Council resolved:

18.7. That the Road Asset Replacement Programme for 2020/21, together with indicative programmes for 2021/22 and 2022/23, attached as Appendix 3 to this Minute, be approved.

18.8. 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 18.7 above, as variations arose in order to maximise use of the annual capital allocation.

19. Coronavirus Response Fund

Business Hardship Support Grants and Business Loans – Review

Councillor Robin W Crichton declared a financial interest in this item, in that he was providing managerial support to Orkney Auction Mart Ltd, a company which had previously benefitted from COVID-19 related assistance to local businesses, but concluded that his interest did not preclude his involvement in the discussion.

Councillor Stephen Sankey declared a financial interest in this item, in that his company could potentially benefit from proposals to assist local businesses, 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 Economic Development Manager, the Council:

Noted:

19.1. That, on 16 April 2020, the Council established a Coronavirus Response Fund, with an opening balance of £5,000,000.

19.2. That the Council had established two initial financial support measures drawing from the Coronavirus Response Fund during the response phase to the Coronavirus pandemic, as follows:

- Business Hardship Support Grant, launched on 1 May 2020.
- Emergency Loan Scheme, launched 25 May 2020.

19.3. That, as of 26 June 2020, the Economic Development service had processed 42 successful applications for the Business Hardship Support Grant, amounting to a total of £245,000.

19.4. That, as a grant of last resort, officers had adopted a reactive approach to the assessment of applications to the Business Hardship Support Grant scheme, subject to other Government funding schemes that continued to be launched.

19.5. That, in addition to new Government grant schemes, significant variation in hardship cases and business circumstances had challenged officers to arrive at a consistent approach in assessing applications to the Business Hardship Support Grant scheme.

19.6. That the Council was also administering the following Coronavirus support grant schemes on behalf of the Scottish Government:

- Coronavirus Small Business Grant Fund.
- Retail, Hospitality and Leisure Grant Fund.
- Newly Self-Employed Hardship Fund.
- Bed and Breakfast Hardship Fund (Bed and Breakfast businesses with personal bank accounts).

19.7. That intelligence and feedback from other forms of government funding support, administered by Scottish Enterprise, South of Scotland Enterprise and Highlands and Islands Enterprise, which had recently closed, would provide further understanding of gaps and unmet need for assistance.

19.8. That a recent business-led survey conducted across Orkney business sectors projected considerable job losses and the potential for significant company failure, particularly focused towards the end of the furlough scheme in late summer.

19.9. That, prior to formal establishment of the Business and Economy Response and Recovery Group and its Steering Group, a series of meetings with business and public agency representation had been scheduled to review current Government and Council support schemes and focus unmet requirements to support business survival and recovery.

19.10. That, on 23 June 2020, the Council agreed:

- An additional grant for Orkney businesses that qualified for support from any of the Scottish Government funded Coronavirus grant schemes administered by the Council or the Council's Coronavirus Business Hardship Support Grant scheme, equal to an additional 10% of sums paid or due to each business.
- To extend the 10% supplement to additional schemes of grant assistance that provided grant support to Orkney businesses, but not administered by the Council.
- That the 10% supplement to additional schemes of grant assistance should not be extended to the Coronavirus Job Retention Scheme, commonly known as the furlough scheme.
- That any Orkney business not eligible for the 10% supplement should be eligible for a support payment, up to a maximum sum of £500, redeemable against evidence of expenditure on protective screens or other public safety equipment purchased since 23 March 2020 in respect of individual properties, with multiple property owners qualifying for multiple payments.

19.11. That, as at 26 June 2020, payments totalling £951,300 had been paid from the Coronavirus Response Fund, comprising £245,000 in Business Hardship Support Grants and £706,300 paid under the 10% supplement noted at paragraph 19.10 above.

19.12. That, following dialogue with business representatives in late June 2020, 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, would review the scope of existing grant mechanisms and the potential to make appropriate amendments and additional support available from the Coronavirus Response Fund towards urgent business restart and recovery measures.

On the motion of Councillor Graham L Sinclair, seconded by Councillor Rachael A King, the Council resolved:

19.13. That the Chief Executive, in consultation with the Chair and Vice Chair of the Development and Infrastructure Committee, the Executive Director of Development and Infrastructure and the Head of Finance, be authorised to finalise and approve amendments to the current Business Hardship Support Grant scheme and the repurposing of existing grant measures during the recess period, namely 6 July to 7 August 2020 inclusive.

20. Small Business Training Grant – Pilot Scheme – Review

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 Officer, the Council:

Noted:

20.1. That, in July 2019, the Council agreed to a one year pilot scheme offering grant assistance to eligible businesses towards non-statutory staff development and training, up to a maximum sum of £1,000 to any single business.

20.2. That a review of the Small Business Training Grant pilot scheme had been completed, prior to the pilot scheme closing on 10 July 2020.

20.3. That, although uptake of the Small Business Training Grant had been slower than anticipated, it was on a par with the uptake rate of the New Business Start Up Grant when it was similarly piloted in 2011/12.

20.4. That evidence from the Orkney Business Survey, conducted by the Economic Development Service in June/July 2019, indicated support for continued provision of such a scheme.

20.5. That the proposal to establish an annual allocation for the Small Business Training Grant scheme, with effect from 10 July 2020, was dependent on an appropriate budget allocation being made available to the Development and Infrastructure Committee in the future and may therefore be subject to review on an annual basis.

The Council resolved:

20.6. That a scheme, to be known as the Small Business Training Grant scheme, providing grant assistance to eligible businesses towards non-statutory staff development and training, up to a maximum sum of £1,000 to any single business, and at a maximum rate of 90% of total eligible costs, be approved.

20.7. That, subject to an appropriate annual budget being made available to the Development and Infrastructure Committee, a sum of up to £25,000 per annum be allocated within the Economic Development Grants budget in respect of the Small Business Training Grant scheme, with effect from financial year 2020/21.

20.8. That powers be delegated to the Executive Director of Development and Infrastructure to determine applications from eligible businesses in respect of the Small Business Training Grant scheme.

21. Urgent Item

Social Distancing – Localised Approach to Transport in Orkney

In terms of section 50B(4)(b) of the Local Government (Scotland) Act 1973, the Convener permitted urgent discussion of this item in order that, due to the rapidly changing nature of Scottish Government guidance on transport, the Council could provide public transport operators in Orkney a clear position in relation to a localised approach with a view to maximising opportunities for travel for all of Orkney's communities.

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, Transport and Harbour Master, the Council:

Noted:

21.1. That two metres social distancing had been implemented and enforced on public transport in Orkney since the start of lockdown.

21.2. That carrying capacity with two metres social distancing on public transport was currently at 20% or less of normal capacity.

21.3. The Scottish Government's desire to increase both frequency and capacity of public transport to assist in the economic regeneration of Scotland.

21.4. That the current capacity, even with increased timetable changes, on inter-island routes was only just sustainable for 'life-line' services and provided little additional capacity for economic expansion in Phase 3 and Phase 4 of the Scottish Government's Route Map.

21.5. That inter-island ferry routes were constrained by geographic limitations that prevented increased service frequency alone being a viable option for additional travel capacity.

21.6. That social distancing of two metres in relation to transport was guidance and not prescribed in legislation and moreover, current guidance already allowed for a relaxation of the two metres separation in certain aspects of public transport where such social distancing was neither possible nor practicable.

21.7. That the Scottish Government continued to review social distancing on a three-weekly basis, with a further statement on those matters expected on or shortly after 2 July 2020.

21.8. That a move to social distancing of "1 metre plus" would only provide an increase to 40% of normal capacity and might not be sufficient to meet increasing travel demands through Phase 3 and Phase 4 of the Scottish Government's Route Map.

The Council **suspended Standing Orders** in order that the meeting might continue beyond 17:00.

The Council resolved:

21.9. That, in order to support the ongoing long-term health, wellbeing and economic recovery of Orkney, the question of whether a localised approach should be adopted in respect of social distancing on internal ferry services within Orkney be referred to Orkney Ferries Limited, subject to appropriate equality impact considerations.

Councillor Barbara Foulkes left the meeting during consideration of this item.

22. Exclusion of Public

On the motion of Councillor J Harvey Johnston, seconded by Councillor James W Stockan, the Council 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.

23. Community Transport Services

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 4 and 6 of Part 1 of Schedule 7A of the Act.

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 Transportation Manager, the Council:

Noted:

23.1. That, in October 2015, following a review of community transport, the Council agreed to continue supporting provision of door-to-door community transport services for leisure and social purposes for at least the next five year period to 2021.

23.2. That, as part of the budget setting process, the community transport budget was reduced by £22,000 in respect of funding towards Orkney Disability Forum for Dial-a-Bus services.

23.3. That, following advertisement, three applications were submitted for funding from the Community Transport Grant Scheme for 2020/21 from the Island of Hoy Development Trust, Papa Westray Development Trust and Orkney Disability Forum, as detailed in sections 5 and 6 of the report by the Executive Director of Development and Infrastructure.

The Council resolved:

23.4. That the following grants, totalling £78,765, be awarded towards continued operation of community transport services during 2020/21:

- Island of Hoy Development Trust – £17,745.
- Papa Westray Development Trust – £1,920.
- Orkney Disability Forum – Dial-a-Bus – £59,100.

23.5. That powers be delegated to the Solicitor to the Council to conclude, where required, grant funding agreements, on the Council's standard terms and conditions, in respect of awards made from the Community Transport Grant Scheme.

24. Stones of Stenness Car Park – Proposed Improvements

Revised Stage 2 Capital Project Appraisal

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 6 and 8 of Part 1 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 Head of Planning, Development and Regulatory Services, the Council:

Resolved:

24.1. That the revised Stage 2 Capital Project Appraisal in respect of improvements to the Stones of Stenness car park, attached as Appendix 4 to this Minute, be approved.

24.2. That the existing provision within the General Fund capital programme in respect of improvements to the Stones of Stenness car park be increased to £296,225.

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.

25. Orkney Marketing

Proposed Core Programme and Budget

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 4 of Part 1 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 Council:

Noted:

25.1. That, since 1995, the Orkney Marketing Programme had operated as a jointly funded partnership between the Council and Highlands and Islands Enterprise.

25.2. That the Orkney Marketing Programme was industry-led, with its activities prioritised through the Orkney Marketing Advisory Group, comprising representatives from industry membership groups from the energy, creative, tourism and food and drink sectors.

25.3. That approved Orkney Marketing programme activities were procured, contracted and delivered by Highlands and Islands Enterprise programme management staff acting on behalf of the partnership.

25.4. That several additional sector support projects which co-ordinated with, and were mutually supportive of, the Orkney Marketing Programme and tourism marketing had benefited from LEADER programme funding that ran until 30 September 2020.

25.5. That, as there was, as yet, no clarity on future external post-Brexit funding options beyond September 2020, continuity of contracting core elements of the proposed core marketing programme was deemed essential from industry advice.

25.6. That effective marketing of Orkney during COVID-19 recovery was regarded as critical by local businesses that had made representations to the Council and that significant Council funding for future marketing activity had been requested during consultation with the Business and Economy Response and Recovery Group.

25.7. That, recognising current circumstances of preparing for economic recovery, ongoing Brexit and future external funding uncertainty and the priority of providing continuity of marketing support delivered through contract procurement, Orkney Marketing Advisory Group endorsed a more integrated and area-based approach to the promotion of Orkney businesses to new markets and for visitors, with digital and social media at its core.

25.8. That the proposed programme recognised reduced public sector budgets and reflected considerable rationalisation of marketing and sector support activity funded in recent years.

25.9. That the proposed programme, at a cost of £141,500 in 2020/21 and £208,000 in each of the two successive years, would enable a three-year procurement of core Orkney marketing activities, subject to confirmation of future budget allocations.

25.10. That, on 4 June 2019, the Development and Infrastructure Committee agreed a provisional budget allocation, up to a maximum sum of £36,000, for continuation of marketing activities during April to September 2020.

25.11. The proposal that the programme budget, referred to at paragraph 25.9 above, be jointly funded by the Council and Highlands and Islands Enterprise as follows:

- Council contribution – 84% of total costs up to maximum sums as follows:
 - 2020/21 – £118,860 (excluding £36,000 previously committed to September 2020).
 - 2021/22 – £174,800.
 - 2022/23 – £174,800.
- Highlands and Islands Enterprise contribution – 16% of total costs up to maximum sums as follows:
 - 2020/21 – £22,640.
 - 2021/22 – £33,200.
 - 2022/23 – £33,200.

The Council resolved:

25.12. That a budget allocation, up to a maximum sum of £118,860, be awarded towards the integrated core activities of Orkney Marketing for financial year 2020/21, subject to approval of the contribution from Highlands and Islands Enterprise referred to at paragraph 25.11 above.

25.13. That provisional budget allocations, up to a maximum sum of £174,800 for each of financial years 2021/22 and 2022/23, be awarded towards the integrated core activities of Orkney Marketing, subject to:

- Approval of the contributions from Highlands and Islands Enterprise referred to at paragraph 25.11 above.
- Confirmation of a marketing revenue budget for 2021/22 and 2022/23.

26. Orkney Ferries Limited – Budget Shortfall

Councillor Stephen G Clackson declared a non-financial interest in this item, being a Council-appointed Director of Orkney Ferries Limited, but concluded that his interest did not preclude his involvement in the discussion.

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 Executive Director of Development and Infrastructure, copies of which had been circulated, and after hearing a report from the Head of Marine Services, Transport and Harbour Master, the Council:

Resolved that the Council should liaise with Orkney Ferries Limited in arranging for a letter to be sent to the Scottish Government requesting emergency financial support for Orkney Ferries Limited.

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. Stromness and Hatston Ferry Terminals

Passenger Walkways and Control Systems

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 6, 8 and 9 of Part 1 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 Deputy Harbour Master (Strategy and Support), the Council:

Resolved what action should be taken with regard to the passenger walkways and control systems at Stromness and Hatston ferry terminals.

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.

28. Request for Support towards Potential Development Opportunity

Councillor Gwenda M Shearer declared a non-financial interest in this item and left the meeting at this point.

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 4 and 6 of Part 1 of Schedule 7A of the Act.

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

Resolved what action should be taken with regard to a request for support towards a potential development opportunity.

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.

29. Conclusion of Meeting

At 19:35 the Convener declared the meeting concluded.

Signed: Harvey Johnston.