

Orkney Towns Board



Minute

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

Date: **Friday, 7 February 2025.**

Time: **18:00.**

Present:

- Stephen Hagan, Chair.
- Davie Campbell.
- Alistair Carmichael MP.
- Cheryl Chapman.
- Councillor Kristopher Leask.
- Liam McArthur MSP.
- Michael Morrison.
- Rachel Scarth.
- Craig Spence.
- Councillor Gwenda Shearer.

Orkney Islands Council Officers:

- Sweyn Johnston, Head of Enterprise and Economic Growth.
- Stuart Allison, Service Manager (Enterprise).
- Ross Cunningham, Service Manager (Democratic Services and Communications).
- Hazel Flett, Service Manager (Governance).
- Gavin Barr, Economic Development Manager.
- Harvey Crew, Economic Development Officer.

1. Welcome and Apologies

Stephen Hagan, Chair, welcomed everyone to the meeting. Although members of the Towns Board had been meeting, this was in an informal capacity and/or development sessions, with this formal Board meeting convened in order to consolidate those discussions and make decisions. The timescale, which initially was ambitious, had now been lengthened.

Apologies had been intimated on behalf of Chief Inspector Scott Robertson, as well as his depute, Inspector David Hall.

Morven Brooks had requested to join virtually, but was not present.

2. Draft Minute of Meeting held on 11 July 2024

There had been previously circulated the draft Minute of the Meeting held on 11 July 2024, which was approved as a true record.

The following updates were given in respect of outstanding actions:

- SJ to quantify level of admin charge from OIC to OTB and report back.

The Head of Enterprise and Economic Growth (SJ) confirmed that the level of admin charge could only be calculated at year end, in accordance with the Council's current processes. However, this would be covered in the Memorandum of Understanding to be considered later in the meeting.

- SJ to get steer on potential level of interest to be charged on any loan funding from OIC to enable front loading of projects ahead of the funding profile from UK Government and report back.

The Head of Enterprise and Economic Growth reported that the Council would require any loan to the Board to carry an interest rate of 7%, given it would most likely be funded from the Strategic Reserve Fund, as there should be no negative impact on the fund balance. However, this would require agreement between the Council and the Board and could also feature in the Memorandum of Understanding.

- KG to arrange for comms around Orkney Towns Board to be issued to community councils.

The Service Manager (Democratic Services and Communications) advised that material was to be circulated at the end of 2024 – this would be confirmed at the next meeting.

Action:

- RC to confirm that comms around Orkney Towns Board was issued to community councils.
- SJ to arrange for Ross McEwen to brief the Board on potential projects.

The Chair had met Ross McEwen on 15 July 2024.

3. Governance and Finance

There had been previously circulated a report setting out a draft framework for establishment of a Memorandum of Understanding between Orkney Towns Board and Orkney Islands Council. The report also provided a record of information regarding spending on Orkney Towns Board activity during 2024.

Following establishment of Orkney Towns Board in spring 2024, work commenced at pace to deliver a programme of engagement to respond to challenging deadlines that had been set by the UK Government at that time. This included commissioning consultancy services and executive support to the Board.

Council officials administered those services on behalf of the Board, with direct costs being charged to a project cost centre which was established with £50,000 capacity funding being provided to Orkney Islands Council by the UK Government. Indirect costs were also incurred by the Council, including the cost of officer time from a range of Council services including legal, finance, economic development and committee services. The UK Government subsequently confirmed that a further £400,000 revenue funding would be made available to Orkney Islands Council for the period 2024-2026 to support the Board in undertaking the next phases of work. Further guidance from the UK Government was imminent regarding delivery of the next phase of work.

In addition to progressing work on consultation and engagement, the Board also sought to confirm the extent of the area of Orkney which the UK Government would permit the Board to operate. This was ultimately confirmed by the UK Government to extend to “all of Orkney”.

Orkney Islands Council had provided a wide range of service support to the work of the Board to date. Such support was expected to continue to be required and would increase over the course of 2025.

In order to establish clarity on the extent of services that would be provided, and a means for the Board to measure delivery, it was proposed to establish a Memorandum of Understanding between the Orkney Towns Board and Orkney Islands Council. Headings for a Memorandum of Understanding could include:

- Roles and responsibilities – setting out the services/support from the Council and that of Board Members.
- Escalation – provision for any disputes/complaints/compliments etc and the means that either party shall notify the other in terms of resolution.
- Terms – including finance and termination arrangements.
- Governing Law and Jurisdiction.

The Board was requested to support the principle of establishing a Memorandum of Understanding based on the headings above, and empower the Chair to finalise an Agreement with Orkney Islands Council in respect of the administrative and financial provisions associated with this. It was further proposed that the Memorandum and associated provisions be subject of annual review by the Board.

Concerns were raised regarding the level and detail of capacity funding allocated to Orkney Islands Council. It was suggested that a fixed sum be agreed for two years and reviewed thereafter.

There were also concerns regarding “ownership” of the overall funding. It was confirmed that Orkney Islands Council was the accountable body for the allocation, which was public money. The Orkney Towns Board would make the decisions on how that money was allocated. The overall objective was a significant proportion of the £20 million allocation would be allocated to community groups etc for various projects, with a minimal amount allocated towards administration.

The Board noted:

3.1. That the £50,000 capacity funding was allocated as follows:

- Up to £45,000 for consultancy services.
- Up to £2,500 for direct costs associated with public engagement.
- Up to £2,500 for costs to support OTB meeting and running costs.

3.2. The estimated balance of £7,000 remaining from the original £50,000 capacity funding allocation.

The Board **resolved**:

3.3. That a draft Memorandum of Understanding between Orkney Towns Board and Orkney Islands Council be circulated to members of the Board for comment.

3.4. That powers be delegated to the Chair to thereafter conclude the Memorandum of Understanding between the Orkney Towns Board and Orkney Islands Council regarding service arrangements, which would be reviewed on an annual basis.

Action:

- SJ to circulate draft MoU to OTB for comment.

4. Engagement

There had been previously circulated a report providing an overview of the meetings and engagement undertaken by Orkney Towns Board during 2024, including a summary of Board meetings and workshops, a record of consultation events, and a summary of the ideas generated through those consultation events.

As a result of the engagement events approximately 800 project ideas and issues had been recorded, with each submission documented in a project database. The project database provided a steer on the kind of issues and project ideas which consultees believed the Towns Board might consider and represented an invaluable resource to support the Board in developing the 10-year vision and the 3-year investment plan.

The Council’s Economic Development team had undertaken work to review the database to draw up key themes to present a Programme Framework which could be used to structure the ongoing work of the Board.

Appendix 1 to the report circulated provided a summary of the engagement database, linked to the Programme Framework and Sub-themes; and provided an overview of the key commentary for each sub-theme.

The Board noted the engagement work undertaken to date, and the summary of the outcome of this work detailed in Appendix 1 to the report circulated.

5. Vision Statement

There had been previously circulated a report setting out a Vision Statement for the work of the Orkney Towns Board, for consideration and approval.

Various options and variations for a Vision Statement were discussed and developed by the Board with the aim of establishing a concise statement to encapsulate the broad ranging positive work that the Board was seeking to pursue over the next 10 years.

The Board resolved to **approve** the Vision Statement attached as Appendix 1 to this Minute.

6. Programme Framework and Sub-themes

There had been previously circulated a report setting out a Programme Framework and sub-themes to direct development of the Orkney Towns Board's "Long Term Plan" Strategic Vision and Delivery Plan document, for consideration and approval.

The Council's Economic Development team reviewed the extensive outputs of the engagement exercise which took place during 2024, as outlined in paragraph 4 above, to draw out emerging key themes which would assist the Board to develop its strategic vision and priorities. The UK Government Guidance, published during 2024, was also a key reference for this work, to ensure that the Towns Board could evidence alignment of its activities with the UK Government requirements. Revised Guidance from the UK Government was expected during the first quarter of 2025.

The UK Government had set specific core Investment Themes which Towns Boards across the UK must align as follows:

- Safety and security.
- High streets, heritage and regeneration.
- Transport and connectivity.

A draft Framework to support the next phase of work of the Orkney Towns Board was presented to an informal Board workshop on 27 November 2024. Further refinement and development led to the establishment of the following pillars and sub-themes:

- Pillar 1 Healthy and active communities with the following sub-themes:
 - young people.
 - sport and recreation.
 - entertainment and culture.

- Pillar 2 Investing in heritage, buildings and spaces to create vibrant, secure and attractive places, with the following sub-themes:
 - secure, welcoming public spaces.
 - heritage, conservation and regeneration.
 - retail and creative working spaces.
- Pillar 3 Connected and caring communities, with the following sub-themes:
 - connectivity and movement
 - circular economy and fuel poverty
 - specialist needs, employment and skills
 - tourism within our communities.

The next stage was to further develop the pillars and sub-themes in order to prepare and present the Orkney Towns Board’s “Long Term Plan” document to Orkney Islands Council and the UK Government. This work would be undertaken during the first half of 2025, with reference to the forthcoming revised Guidance from the UK Government.

The Board resolved to **approve** the Programme Framework and Sub-themes, attached at Appendix 2 to this Minute, at this stage.

7. Activity Programme and Timeline

There had been previously circulated a report setting out a proposed programme for the next steps of work for the Orkney Towns Board, for information.

As advised earlier in the meeting, the UK Government Guidance, to provide support to the work of Towns Boards across the UK, published during 2024, was currently under review, with a revised edition expected during the first quarter of 2025. This would provide essential information to direct the next phases of work for the Board, including clarification on the eligibility of project outcomes, and process arrangements.

An outline programme of steps for moving forward the work of the Board had been prepared which sought to build on the engagement work completed during 2024 in order to establish a robust but accessible methodology for the Board to manage future project development and engagement activities. The programme included a provision for this work to respond to the new UK Government Guidance when published.

The programme outlined in Appendix 1 to the report circulated, included the following activities:

- Development of a Strategic Vision and Delivery Plan, which required to be submitted to both Orkney Islands Council and the UK Government for endorsement.
- Stress testing project ideas – over 800 ideas were generated through the engagement during 2024 and further work was required to test the viability and deliverability of ideas in terms of tangible project proposals.

- Maintaining an open dialogue – maintaining accessibility to the public and other Orkney agencies including Community Planning Partners for example exploring further project ideas generation and delivery opportunities.
- Managing feasibility development work – establishing a process for formally awarding project development funding and monitoring the development phases of projects.

Delivery of the programme of work outlined above was dependent on the availability of staff resources within Orkney Islands Council to support the work of the Board. Recruitment for a dedicated Towns Board Economic Development Officer was currently underway and, if successful, should be in place before 1 April 2025.

Discussion followed on capacity within the Council, practicalities regarding timeframes and issuing information, potential Expressions of Interest process, informal engagement with elected members of Orkney Islands Council and a communications plan.

It was suggested that sub-groups be set up for each theme and another public engagement event arranged.

The Board noted the proposed programme for the next steps of work for Orkney Towns Board, detailed in Appendix 1 to the report circulated.

8. Any Other Competent Business

8.1. Scotland Towns Partnership Towns Board Chairs Network

The Chair advised that he was attending the Scotland Towns Partnership Towns Board Chairs Network, which was currently meeting on a five-weekly cycle, which provided good contacts and shared best practice.

8.2. Appointment of Depute Chairs

The Chair advised that he had asked Michael Morrison and Craig Spence to accompany him to various meetings, including with officers of Orkney Islands Council, and asked the Board to formally appoint both as Depute Chairs.

The Board agreed to appoint Michael Morrison and Craig Spence as Depute Chairs.

9. Conclusion of Meeting

The Chair thanked officers of Orkney Islands Council for all their work to date and getting the Board to this stage.

There being no further business, the Chair declared the meeting concluded at 19:00.

Vision

Orkney Towns Fund:

Investing in a better future for all

Orkney Towns Fund will help create fair, inclusive, resilient and successful communities, for now and for future generations.



OTB Programme Framework	Sub-theme	Impact and Value Measures (note these are illustrative only)
Pillar 1 Healthy and active communities	P1a - Young people	Development or delivery of Youth facilities/activities Positive Feedback from Young People Reduced anti-social behaviour stats
	P1b Sport and recreation	Development or delivery of sports/recreation facilities/activity programmes Increase in uptake in sports/activities Competitiveness of Orkney athletes in sports Improved wellbeing/health statistics
	P1c Entertainment & culture	Development of creative/arts/entertainment facilities/activity programmes
Pillar 2 Investing in heritage, buildings and spaces to create vibrant, secure and attractive places	P2a Secure, safe, welcoming public spaces	Development of green/public spaces Development of public realm facilities/features/arts Reduced anti-social behaviour Health and Wellbeing index feedback
	P2b Heritage, conservation and regeneration	Development of new buildings or renovation of older buildings Historic building repair/bringing old buildings back into new use
	P2c Retail and creative-working spaces	Retail/shop front improvements Town Centre furniture/facilities improvements Improved town centre viability and vitality - health checks Creative workspace-facility development/programmes
Pillar 3 Connected and caring communities	P3a Connectivity and movement	Increased transportation options to connect communities Infrastructure/Programmes to improve accessibility to all Improved road safety statistics Digital Connectivity
	P3b Circular Economy and fuel poverty	Improved economic measures Improved fuel poverty statistics Facilities/programmes to enable circular activity/reduced use of natural resources Development of local infrastructure to enable creation of local produce eg food-stuff
	P3c Specialist needs, employment and skills	Development of facilities/programmes which address additional support needs including mental health/ inequality and poverty reduction Improving accessibility of Orkney infrastructure to suit range of abilities Improved employment/employability statistics
	P3d Tourism within our communities	Development of facilities to support community and tourist access to Orkney sites and amenities Improved interpretation/outdoor access infrastructure Improved tourism satisfaction ratings