

MINUTES

B - Public

Development Committee
Council Chamber, Town Hall, Lerwick
Monday 20 January 2020 at 2.00pm

Present:

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| A Cooper | S Coutts |
| A Duncan | S Flaws |
| S Leask | M Lyall |
| T Smith | |

Apologies

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| J Fraser | A Manson |
| A Priest | |

In Attendance (Officers):

N Grant, Director of Development Services
J Smith, Director of Infrastructure Services
J Manson, Executive Manager – Finance
I McDiarmid, Executive Manager – Planning
S Berry, Acting Principal - Shetland College UHI
T Coutts, Team Leader – Business Development
S Pallant, Team Leader – Coastal Zone Management
D Irvine, Economic Adviser – Shetland Energy Hub Project
M Hodgson, Solicitor
C Anderson, Senior Communications Officer
J Najdich, Graduate Projects Officer – Shetland Energy Hub Project
L Adamson, Committee Officer

Chair:

Mr Cooper, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The Committee approved the minutes of the meeting held on 20 November 2019 on the motion of Mr Leask, seconded by Mr Duncan.

1/20

Scalloway Local Place Plan Public Consultation (and Presentation)

The Committee considered a report by the Team Leader - Coastal Zone Management (DV-02-20-F) seeking approval of the Draft Scalloway Local Place Plan (Appendix 1) for a 6 week public consultation period, prior to submission to the Council for adoption as non-statutory planning guidance to the Shetland Local Development Plan (LDP).

The Team Leader – Coastal Zone Management gave a presentation to Committee entitled “Re-create Scalloway” (copy of slides attached as Appendix A), which informed on the background to Re-create Scalloway, progress to date, the significant community involvement in developing the Local Place Plan (LPP), and on the next steps to progress with consultation on the draft LPP.

The Chair thanked the Team Leader for the presentation, and welcomed questions from Members.

In response a question, the Team Leader advised that the projects voted for by the community were set out in the Action Plan, and he said that how the priority projects will be taken forward will be very much community led.

The Director of Development Services referred to one of the ‘Place’ outcomes in the Shetland Partnership Plan, namely, “Communities will be actively involved in shaping their own future resilience, creating positive places that are economically, socially and environmentally sustainable”, and he stated that this project was an exceptionally good example of how that priority outcome would be achieved. He said that the Scalloway LPP was a very good piece of work, which represented the community’s views on how Scalloway should be developed. He advised on the need to replicate the model in other areas and to identify funding streams for other communities to develop their LPP. The Team Leader advised that best practise and lessons learned would be shared with other communities. He added that guidance from the Scottish Government on Local Place Plans was still awaited.

In response to a question, the Committee were advised on the cost elements to develop the draft Scalloway LPP. While it was noted that Scottish Government funding had been made available for the pilot, match funding had also been required from the Council. There was also a significant amount of officer time from the Team Leader – Coastal Zone Management, and from staff in Community Planning and from other Council departments, to develop the very successful LPP.

During debate, comments were made that the draft LPP was an excellent piece of work, which was very easy to understand. Scalloway was a community which has been starved of development for a long time, and especially housing development, when Scalloway would be a place that people would want to stay. The challenge going forward however would be to secure the funding to progress future LPP projects.

Reference was made to the community involvement, and how well individuals and the Community Council have worked with the Team Leader - Coastal Zone Management and other officers in the Council to progress the Scalloway LPP. In that regard, Mr Leask commended the Team Leader on the good piece of work. The Chair referred to the time and effort put in by the Team Leader, and to the capacity and desire of the community to progress the LPP, and to involve the community going forward to deliver on their vision for Scalloway to be a vibrant community.

Mr T Smith moved that the Committee approve the recommendation in the report. Mr Leask seconded.

Decision:

The Committee **RESOLVED** to approve the Draft Scalloway Local Place Plan (Appendix 1) for a 6 week public consultation period, prior to submission to the Council for adoption as non-statutory planning guidance to the Shetland Local Development Plan (LDP).

02/20

Exception from Contract Standing Orders – Contract with SADA for the Delivery of Music and Film Related Programmes on Behalf of Shetland College UHI

The Committee considered a report by the Acting Principal - Shetland College UHI (DV-04-20-F), which informed on an exception to the Council's Contract Standing Orders for a direct contract award to Shetland Arts Development Agency (SADA) for the delivery of music and film related programmes on behalf of Shetland College UHI.

The Acting Principal - Shetland College UHI summarised the main terms of the report.

The Chair commented that there was no other organisation in Shetland who would have the capacity to deliver the required programme, however he said that the challenge was to ensure value for money was being achieved.

During debate, Mr Leask advised that that he was aware of students who have benefitted from their attendance at the music/film related courses, which has given them confidence to move on to other employment.

Decision:

The Committee **NOTED** the exception applied.

03/20

Shetland Energy Hub Project

The Committee considered a report by the Director of Infrastructure Services and Director of Development Services (ISD-02-20-F), that presented information on a Project Initiation Document (PID) for the Shetland Energy Hub Project.

In introducing the report, the Director of Infrastructure Services advised on the key issues as set out in Section 4. He also drew the Committee's attention to the key carbon reduction actions at Appendix Five, the energy network schematics at Appendix Six, and at Appendix Seven, the national findings on energy transition.

In response to comments that the Viking Energy project was not referred to in the documents, the Director of Infrastructure Services advised that while it was a timing issue, the energy hub initiative project has to progress irrespective of advances in the Viking Energy project. In that regard, he advised that there are a number of opportunities for integration, transfer and transition in the oil, gas, hydrogen, and other sectors which exist, which would all be considered. He also advised on proposals to participate in energy transition to provide green energy, that would form part of the Action Plan, which was expected to be reported back in June 2020. He reported on the need to recognise the big challenge for Shetland and the Council that energy transition can only use what is available locally, and while the Islands Deal would possibly be an enabler, there would be both opportunities and challenges in keeping up with national government Policies.

During debate, the Chair commented on the need to address the amount of energy wasted by the oil industry, and for the Council to embrace the Energy Hub project and do what is required to keep the oil industry and the jobs in Shetland. Shetland has the opportunity to deliver what the industry requires, moving to green energy as soon as possible, and for Shetland as a community to address climate change. Shetland being the hub between the UK and Norway, has to embrace renewable energy from various sources to ensure it is green energy that is being transmitted.

In terms of the Strategy for the Project, the Chair advised on the need for measureable targets to be established, to ensure targets are met and on progress moving forward.

During further debate reference was made to the paradox, being to progress the transition from oil and gas sectors, but also to encourage further oil and gas production into Sullom Voe Terminal. In responding, the Chair referred to the need to ensure employment is retained at Sullom Voe Terminal and for production into the Terminal and for distribution from Shetland to be as green as it can be. In replying to a further comment, the Chair stated that Viking Energy was a consented project, and therefore it would not be in the gift of the Council to stop the project.

On the motion of Mr Duncan, seconded by Mr Leask, the Committee approved the recommendation in the report.

Decision:

The Committee **RECOMMENDED** that Shetland Islands Council:

- **CONSIDERS** and **COMMENTS** on the information provided in Appendices one to four, the Project Initiation Document for the Shetland Energy Hub Project (“the Project”);
- **RESOLVES** to authorise the Director of Infrastructure Services, acting as Senior Responsible Officer, to undertake the following actions:
 - Establish a Project Board, as detailed in Appendix one, as part of the Community Planning Framework;
 - Deploy Project staffing and resources as specified in Appendix one, for an initial period of three years financed from the Harbour Account;
 - Commission an experienced energy industry specialist to guide a visioning scope for the Project (to be concluded by 30 June 2020);
 - Prepare a Strategic Outline Programme for the Project (to be concluded by 30 June 2020);
 - Promote Shetland’s energy assets and attributes to local and external energy production and distribution sectors;
 - Research the emerging renewable and transitional energy sciences, oil and gas industry greening plans and process, and best practice from other places with restricted electricity grid access; and,

- **NOTES** the information provided on Key Carbon Reduction Actions in Appendix five, Energy Network Schematics in Appendix six and proposals for developments in UK energy transition and integration in Appendix seven which show how this Project links with the Councils Climate Change Strategic Outline Programme and wider energy transition and integration opportunities.

In order to avoid the disclosure of exempt information, Mr Cooper moved, Mr Duncan seconded, and the Committee agreed to exclude the public in terms of the relevant legislation during consideration of the following item of business.

04/20 **Shetland Amenity Trust Endowment Fund**

The Committee considered a report by the Team Leader – Business Development.

The Team Leader – Business Development summarised the main terms of the report.

Following a brief discussion, Mr Cooper moved that the Committee defer consideration of the report, until the meeting in March 2020. Mr Coutts seconded.

Decision:

The Committee **AGREED** that the decision on the report be **DEFERRED**, for further information on SAT's Investment Strategy to be reported to Committee in March 2020.

The meeting concluded at 3.10pm

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Chair