

Executive Committee**Council Chamber, Town Hall, Lerwick****Thursday 31 January 2008 at 10.30am****Present:**

A J Cluness	L Angus
E L Fullerton	I J Hawkins
W H Manson	J G Simpson
A S Wishart	

Apologies:

No apologies

In attendance (Officers):

M Goodlad, Chief Executive
G Johnston, Head of Finance
M Finnie, Capital Programme Service Manager
S Cooper, Head of Environment and Building Services
A Jamieson, Service Manager – Housing Business Support
N Grant, Head of Community Economic Development
D Irvine, Head of Business Development
N Henderson, Principal Officer, Marketing
L Coutts, Area Economic Development/Tourism Officer
S Spence, European Officer
L Adamson, Committee Officer

Chairperson

Mr A J Cluness, Chairperson of the Committee, presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Members' Attendance at External Meetings

There was nothing to report.

Minute

The minute of the meeting held on 4 December 2007, was confirmed.

01/08

Flavour of Shetland – Arrangements for 2008

The Committee considered a report by the Principal Officer – Marketing (Appendix 1).

Mr L Angus moved that the Committee approve the recommendations in the report. Mrs I J Hawkins seconded.

The Chairperson referred to the Committee's previous decision to introduce a gate charge to the event. However, having noted the costs involved with implementing a gate charge, the associated problems and the small saving of only £1,200 he suggested that Officers consider alternatives to charging entry to the event.

Mr A S Wishart said that the flavour of the report was quite negative, and was of the opinion that the event needs to be looked at in a more innovative and positive manner. The Chairman responded that this was perhaps unsurprising given that the report had to give consideration to quite a large cut in budget. Mr Wishart also said that Officers should consider how Shetland could best be promoted in future years.

02/08

Shetland Amenity Trust – Shetland Geopark

The Committee considered a report by the Area Economic Development/Tourism Officer (Appendix 2).

After hearing the Area Economic Development/Tourism Officer summarise the main terms of the report, Mr A S Wishart noted that this Shetland wide initiative meets the needs of niche tourism and the funding was for 30% of the project. Mr Wishart accordingly moved that the Committee approve the recommendation in the report. Mrs B L Fullerton seconded.

Mrs I J Hawkins suggested that all areas of Shetland should be considered for inclusion in the Shetland Geopark. She referred in particular to an interesting rock type at Huxter, Sandness, and noted that there had been no mention of heritage sites on the Westside of Shetland.

03/08

Progress Report – Sullom Voe Strategic Plan

The Committee considered a report by the Head of Business Development (Appendix 3).

The Chairperson said that it was important to plan for the future and the run down at Sullom Voe Terminal. He commented that the appointment of a consultant might not be the best way to progress the study, and also in order to save money, he suggested that officers of the Council could carry out the work.

Mr L Angus referred to the recommendations in the report, and moved that the Committee does not accept recommendations 8.1(a) and 8.1(b), and that recommendation 8.1(c) be changed to read "Instructs the Chief Executive to set up an in-house Project Team to promote future business opportunities for Sullom Voe in the context of the Shetland economy generally".

Mr A S Wishart commented that a number of studies into Sullom Voe Terminal have already been carried out, and Shetland also has the resources to carry out the work.

Mr J G Simpson said it was important that the study covered the context of Shetland as a whole, and that the other harbours should be taken into consideration, however it was also important that duplication of work did not occur.

Mrs I J Hawkins advised that concerns had been raised at the Special Harbour Board meeting that the Sullom Voe Strategic Plan was being discussed at Executive Committee, when it was seen as business of the Harbour Board. She agreed that it was important that the study covered a Shetland wide context, including all harbour areas, and should be carried out properly, with no duplication.

Mr W H Manson agreed that it was necessary to plan for the future of Sullom Voe and to integrate the rest of Shetland. He suggested that a time limit be set for reporting from the Project Team.

The Chairperson said that he had been disappointed with the content of the prospectus for the Study. During the discussion, it was noted that not all Members had received copies of the prospectus, and the Head of Business Development would provide copies, if requested.

In response to a query from Mr Wishart, the Head of Business Development advised that the specialist work awarded to Professor Kemp of Aberdeen University was being progressed, however the work had unfortunately been delayed but would be presented to Members in due course.

Mrs B Fullerton said that she supported Mr Angus' view regarding the recommendations in the report, and she proposed that the Project Team should follow the same brief that had been prepared for the Consultants. Mrs Fullerton requested that the prospectus be circulated to all Members on the Harbour Board and that the Project Team should include some Harbour Board Members.

In response to questions from Members, the Chairperson clarified that the Study should focus on Sullom Voe and its surrounding area, taking into account factors such as housing and schools, then consider the impact on other areas of Shetland.

Mr J G Simpson seconded.

Mrs I J Hawkins moved, as an amendment, that this report be referred back to the Harbour Board for further discussion. Mrs B Fullerton seconded.

After summing up, voting took place by a show of hands, and the result was as follows:

Amendment (Mrs I J Hawkins)	2
Motion (Mr L Angus)	5

In response to a query from the Head of Business Development, the Chairperson confirmed that the prospective consultant could be stood down.

04/08

Capital Programme – Capital Programme Review Team (CPRT) – November and December 2007

The Committee considered a report by the Head of Capital Programme and Housing (Appendix 4). (Revised Appendices A and C were tabled at the meeting (copies attached).

Mr L Angus referred to agenda items 4, 5 and 6 and said that the three reports were a recipe for confusion. He felt disconnected from the capital programme process and was of the opinion that the system of prioritisation was not working

properly, and that some priorities appeared quaint and bizarre against the needs and wishes of Members.

Mr A S Wishart questioned whether it would be possible for projects/proposals to be considered and prioritised by the relevant Committee prior to being submitted to the CPRT. He then referred to the numerous projects listed in the appendices, and said that it was difficult to assess the individual projects from the limited information provided.

Mr W H Manson considered Mr Wishart's proposal that the projects are presented initially to their relevant Committee for prioritisation, however he questioned where Economic Development projects would be considered, as the Service had no statutory committee. The Chairperson questioned whether the Development Committee should be re-established, and noted that a Working Group was currently assessing the current Committees/Structure.

Mrs I J Hawkins said that it was important that a meeting or a seminar be arranged to allow all Members to decide the way forward on the Capital Programme.

Mr Angus was of the opinion that too few Members were involved in the CPRT and there was a lack of flexibility in the process. He added that some Members feel excluded from the process and agreed that a seminar would be a good idea to ensure that all Members are informed and involved.

The Chief Executive reminded Members that the current system had been devised to try and bring some structure into the programme, bearing in mind that financially it was limited to a capital spend of £20m annually. He was aware of some general dissatisfaction amongst Members with the current scenario and suggested it would be beneficial to look at alternative systems, with the involvement of all Members, although he did not know what that could be bearing in mind the history.

Mr A S Wishart moved that the Committee approve the recommendations in the report.

In response to a query from Mr W Manson, the Capital Programme Service Manager advised that proceeding with the Seminar would not hold up progress with any of the ongoing projects. Mr J G Simpson requested that the findings from the review group, set up to look at the points system, should also be reported at the Seminar.

Mr A J Cluness seconded.

Mr Angus then referred to the Anderson High School project, and said that he was not aware of the decision, or the minute reference, where the Council agreed to separate the hostel project from the AHS project. He stated that if the new AHS proceeds, then the hostel also needs to go ahead.

05/08

Programming of Prioritised Capital Projects

The Committee considered a report by the Head of Capital Programme and Housing (Appendix 5). (Revised Appendices B, D and E were tabled at the meeting (copies attached).

Mr L Angus commented that no further decisions should be taken on individual projects until such time as the Seminar to review the Capital Programme is held.

However, Mr A S Wishart referred to Section 4.10 in the report, and noted the projects critical to the efficient running and continuation of services.

In response to a query from Mr Angus, the Chief Executive explained Appendix E included projects approved for starting in 2008, with work progressing on a number of the projects, and some requiring a final decision of the Council. Mr Angus said that work already started should continue, however other projects should not proceed until consideration is given at the review seminar.

Mr A J Cluness moved that the Committee approve the recommendations in the report. He added that it would be possible to stop work on a project if necessary. In seconding, Mr W H Manson said that it was important that the Seminar is held at an early date to provide Members with more clarity.

Mr L Angus moved as an amendment, that where projects have not started, that they do not commence until such time as the review is complete. Mrs I J Hawkins seconded.

After summing up, voting took place by a show of hands, and the result was as follows:

Amendment (Mr L Angus)	3
Motion (Mr A J Cluness)	4

06/08

Progress Report – Capital Programme

The Committee noted a report by the Head of Capital Programme and Housing (Appendix 6).

Mrs I J Hawkins noted that the Scord Quarry Crusher project had been cancelled with the funding being allocated elsewhere. Mr A S Wishart advised that he was aware that the project had been dependent on external funding which had not been forthcoming. The Head of Environment and Building Services advised that the relevant officer would provide Mrs Hawkins with information on the project.

In response to a query from Mrs B Fullerton regarding progress on the small projects at a number of care homes, the Capital Programme Service Manager advised that an initial trial project was now complete at Wastview and the results fed into the system, and work would now commence at other homes.

The Committee noted that the individual projects would be discussed further at the Capital Programme Seminar.

07/08

Housing Revenue Account Estimates (HRA) and Charge Setting – 2008/09

The Committee considered a report by the Head of Finance (Appendix 7).

The Head of Finance introduced the report, advising that the draw from the Housing Repairs and Renewals Fund would be £2.5m in 2008/09, which includes a contribution of £1.7m towards funding to increase housing stock. He explained that this was the first instance in a number of years where there has been the need to draw a significant amount from the reserves to support revenue spending.

The Committee approved the recommendations contained in the report, on the motion of Mrs B L Fullerton, seconded by Mr A J Cluness.

In response to a query from Mr A S Wishart, the Head of Finance advised that following this contribution from the Housing Repairs and Renewals Fund, the balance remaining in the Fund would be £13m at the end of March 2008.

08/08

Treasury Management Strategy Statement 2008/09

The Committee noted a report by the Head of Finance (Appendix 8).

The Head of Finance introduced the report and the Treasury Management Strategy Statement, attached as Appendix 1.

09/08

LEADER Programme 2007-2013

The Committee considered a report by the European Officer (Appendix 9).

The European Officer introduced the report and advised of the decision to outsource the administration of the Shetland LEADER Programme. The Committee noted that 5 expressions of interest had been received, and the process would advance following the announcement on the scale of funding for Shetland, which is expected in several weeks.

In response to a query from Mrs B Fullerton, the European Officer advised that women and young people, and micro and small businesses would be the main priority areas for Shetland, and that although the programme largely targets more peripheral areas of the community, no area would be excluded should the project fit with other themes of the programme.

A J Cluness
CHAIRPERSON