Shetland
Islands Council

Shetland
Charitable Trust

JOINT REPORT

To: **Executive Committee**   **22 June 2004**
Shetland Islands Council   **30 June 2004**
Shetland Charitable Trust   **7 July 2004**

From: **General Manager, Shetland Charitable Trust**
Executive Director – Community Services, Shetland Islands Council

Council Created Organisations Working Group
Key Findings and Outline Proposals

1   Introduction and Key Decisions

   1.1   The purpose of this report is to set out the key findings and proposals from the joint working group, set up to review the Council created organisations.   The working group are seeking approval to take their proposals to consultation with interested parties and to put in place systems to protect staff who are affected by any future structural changes.

2   Background

   2.1   In April 2004, the Shetland Islands Council and the Shetland Charitable Trust established a Joint Working Group.   Six Councillors were appointed to represent the Council's interest and 5 Trustees were appointed to represent the Trust's interest.

   The people involved were:

Council Appointments	Trust Appointments
Leonard Groat (Chair)	John Scott
Iris Hawkins	Bill Manson
Gordon Mitchell	Barbara Cheyne

Josie Simpson Drew Ratter Alastair Inkster	Jim Henry John Nicolson

2.2   The Terms of Reference for the Working Group was to review:

- the purpose of each of the Council created organisations;
- the range of services delivered and the balance between work done by the Council and work done by the Council created organisations; and
- the relationship and arrangements between the Council, the Shetland Charitable Trust and the organisations receiving funding.

and to make recommendations with regard to:

- the most effective and efficient model to deliver "value added" services for the Shetland community (this will include the number of organisations and governance, management and administration arrangements);
- the funding arrangements to support the service delivery models; and
- the implications of any change.

To do this, the Group will:

- Map the services delivered by Council created organisations and by Council / Statutory agencies; and
- Map options for alternative models of service delivery.

2.3   At the outset, the Working Group agreed a set of objectives that they wanted the study to achieve.   These are set out in Appendix 1 and summarised below.

- **Protect services**
- **Streamline service delivery**
- **Streamline management arrangements**
- **Reduce bureaucracy**
- **Save money**

2.4   The organisations involved are:

- **Islesburgh Trust**
- **Shetland Alcohol Trust**
- **Shetland Arts Trust**
- **Shetland Amenity Trust**
- **Shetland Charitable Trust**

- **Shetland Field Studies trust**
- **Shetland Recreational Trust**
- **Shetland Welfare Trust**
- **Youth Information Service**
- **Moving On**
- **COPE Ltd**

3   Key Findings

3.1   The Working Group has identified a way of reorganising the management arrangements of a range of services. The proposal aims to protect services but save money whilst also streamlining service delivery and reducing bureaucracy. The Working Group recognise the valuable contribution that these organisations have made to public services in Shetland over many years but consider that Shetland as a whole can no longer afford the current model of service delivery.

3.2   The key findings of the working group are:

3.2.1   The Working Group has identified 5 areas where they have found overlaps in management arrangements and / or service delivery, namely:

- Care Homes
- Community Learning
- Youth Work
- Arts Development
- Facilities Management

3.2.2   The Working Group expect that the start made on reducing the controls on how the Council Created Organisations operate will continue and recognise them as independent entities in their own right.

3.2.3   Rather than combine all services into a few big organisations, the Working Group are content with the model that allows small organisations to focus on being experts within their field.   They accept that this might not always achieve the most savings.

3.2.4   The working group favour the idea of having one organisation being in charge of the properties currently operated by the Shetland Recreational Trust, the Islesburgh Trust and the Shetland Arts Trust. This is so that expertise in relation to all aspects of facilities management – maintenance, bookings, risk assessments, and so on – can be held within one organisation.

3.2.5 The Working Group considers that the fundamental role of the Shetland Recreational Trust to provide sport and recreational facilities and services does not need to change.

3.2.6 The Working Group considers that the work of the Shetland Amenity Trust does not need to change as they have a clear role and remit within the environmental and heritage spheres of activity.

3.2.7 The Working Group is content that the role and remit of the smaller organisations is clear for each client group and there is therefore no need to make any suggestions for change in this area.

3.2.8 In relation to the work of the Islesburgh Trust, the Working Group has decided not to make proposals with regard to Childcare Services and Youth Information and Support. There are two specific studies being done to identify the most effective structures to deliver sustainable models of services in these areas. One report is due in July and the other in December 2004. The Working Group will not therefore pre-empt the outcome of these studies by making any proposals at this stage.

4 Proposal

4.1 The Working Group therefore make the following proposals to take to consultation with interested parties.

Care Homes
- **All care homes in Shetland apart from the Walter and Joan Gray Home in Scalloway should be managed by one organisation.**
- **To save money on organisational costs, care homes should be managed by the Council's Social Work service.**
- **The Charitable Trust would continue to support the costs of having small care homes in rural areas by paying for the property costs and diseconomies of scale in running the small units.**

Youth Work / Community Learning
- **Youth work and community learning should be managed by one organisation.**
- **To save money on organisational costs, youth work and community learning should be managed by the Council's Community Development service**

Arts Development

- **All arts development and programming should be amalgamated into one organisation to develop arts and cultural activities within Shetland**

Buildings

- **The facilities (currently run by the Shetland Recreational Trust, Islesburgh Trust and the Shetland Arts Trust) should be managed by the Shetland Recreational Trust**

4.2 **As a result of these proposals, the Working Group expects the following structural changes to be required.**

Structural Changes

- **The Shetland Welfare Trust would not be required to manage services in its current format**
- **The Islesburgh Trust would not be required to manage services in its current format**
- **The Arts Trust and Islesburgh Trust would be re-formed to address all Arts and Cultural Development issues**
- **The Shetland Recreational Trust would take on a facilities management role for the community development properties currently operated by the Shetland Recreational Trust, the Islesburgh Trust and the Shetland Arts Trust.**

4.3 **There are no proposals to change the current scope of work of any other Council created organisation or trust.**

5   Consultation Process

5.1 **The Working Group are seeking agreement to take their proposals to the next stage – a consultation stage.   The consultation period would last until the end of September 2004 and the purpose would be:**

- **To explain the proposals in detail to all interested parties**
- **To identify and discuss alternatives proposals to meet the objectives of the working group**
- **To provide an environment for any interested parties to discuss issues of particular concern, not already addressed by the Working Group**
- **Agree the principles for protecting staff as a result of any restructuring proposals (see Section 6)**

5.2 **The consultation stage of this project would be carried out in the same format in that the process will be lead by the Executive Director of Community Services and the General Manager of the Charitable Trust, with the Working Group continuing to meet to direct activity, review progress and resolve issues as they occur.**

5.3 **During the consultation stage it is intended that representatives of the Working Group would meet and / or communicate directly with:**

- **Service users or representative organisations**
- **All the Council created organisations**
- **Staff affected by the proposals and their union representatives (including SIC staff in temporary positions)**
- **Community councils**

5.4 **This would include formal consultation with union representatives through the normal mechanisms. We intend to keep other interested parties (such as other staff, the Shetland public and partner agencies) informed of the process through briefings and meetings (as appropriate).**

6 **Staffing Implications**

6.1 **The Working Group are proposing that all staff affected by the structural changes be offered the same protection as given to Council staff during a change process.**

6.2 In line with the Council's internal restructuring exercises, first established in May 2000, the Working Group are asking the Council to establish the following key principles to facilitate any organisational change which may happen as a result of these proposals. The principles are:

- **no compulsory redundancies**
- **the application of the principles of TUPE throughout the process**
- **TUPE transfer of employment, where a change of employer is involved**

6.3 In order to facilitate this change process, this report asks that authority be given to the Chief Executive to:

- Ensure the smooth and efficient handling of any voluntary redundancy or early retirement requests; and

- Flexibly apply the terms of the Council's Redeployment and Redundancy policy to staff affected by the changes, where staff have the necessary skills and experience to be able to do the job; and
- Flexibly apply the Council's Recruitment and Selection policy in terms of the matching or redeployment of staff affected by the change balanced against the impact that might have on temporary appointments.

6.4 In effect, this proposal seeks to extend the application of the Council's Redeployment and Redundancy policy to staff affected by the change who work for Council created organisations for a set period of time.   That policy aims to protect staff whose job changes as a result of a reorganisation of services by "matching" or "redeploying" them into suitable vacant posts.   Members and Trustees should note that staff must have been employed continuously by the Trusts for at least two years to qualify for redundancy.

7   Financial Implications

7.1 It is estimated that savings can be achieved as a result of the structural changes outlined above in the order of £500,000 per annum.   These savings could be secured through savings on organisational costs (property, insurances, audit fees, etc), staffing costs (through a reduction overall in the number of posts) and administration costs (through shared systems and reduced bureaucracy).   The details will be worked out during the consultation process.

7.2 As part of the process, it is intended that some of the staff whose jobs might change as a result of the restructuring exercise can be matched or redeployed into existing vacant posts.   No new posts will be created which is why overall savings can be achieved on staffing.

7.3 It is anticipated that most of the savings will accrue to the Shetland Charitable Trust as it currently pays for most of the running costs of the Council created organisations which are the subject of this review. Savings of £500,000 would represent over 10% of the total current budget deficit of the Trust.

7.4 There may be instances where the Council will be asked to take on additional costs. This is similar to the rebalancing exercise which took place in the current year with the aim of ensuring that the Council pays for core/statutory services and the Shetland Charitable Trust pays for value added

services. The detailed proposals will be presented to the Council at the end of the consultation exercise and in time for any changes to be accommodated in next year's budget exercise (financial year 2005/06).

8   Policy and Delegated Authority

8.1   The organisations which are the subject of this review are those which were created by the Council or were formed from services previously provided by the Council. These organisations are all independent entities in their own right and only they can decide whether or not they wish to change their current remit. The Council will therefore need to work in partnership with the organisations which it helped to create throughout any change process.

8.2   Shetland Charitable Trust is currently the main funding organisation for these Council created organisations. As part of the process of rebalancing spend between the Council and the Trust and between core and value added services, this exercise has identified costs which the Working Group feel that the Trust should no longer be responsible for.

8.3   Personnel policies require the approved of the Council. The request to agree some key principles for change and to enable the Chief Executive to flexibly apply the terms of the Council's Redeployment and Redundancy and Recruitment and Selection Policies requires a decision of the Council.

8.4   The Executive Committee's remit extends to considering strategic issues. This proposal represents a significant structural change to the method of delivering services for Shetland and warrants consideration by the Executive Committee prior to presentation to the Council for a formal decision.

9   Implementation Plan

9.1   A detailed implementation plan will be presented after the consultation exercise. This plan will set out the tasks to undertake to deliver any structural change which might be agreed, the resources required to deliver any change and a specific timescale for implementation.

10   Conclusions

10.1   The Joint Shetland Islands Council / Shetland Charitable Trust working group was set up in April and has been

meeting regularly since then.   In general terms, the Working Group was set up to:

- **Look at the possibility of reducing the number of organisations which the Council has helped to create, where it makes sense to do so; and**
- **Look at eliminating any duplication; and**
- **Look for ways to join up work – both in terms of delivering services and in terms of reducing overheads; and**
- **Reduce costs – in line with the Council and Trust's financial difficulties**
- **Protect services – to make savings on overheads.**

10.2   **The Working Group have stated that they value the work of the independent trusts and acknowledge that they have made a huge contribution to public services in Shetland over many years.   However, the Working Group have recognised that the public sector as a whole can no longer afford to continue with the current models of service delivery.   Their proposals seek to put in place affordable mechanisms to deliver services over the next few years.**

10.3   **The Working Group has reached consensus on the following proposals:**

- **all care homes in Shetland (except the Church of Scotland run homes) should be managed by the Council so this will have implications for the role of the Shetland Welfare Trust**

- **youth work and community learning services should be managed within the Council, which will impact on the work of the Islesburgh Trust**

- **there should be one organisation in Shetland which is responsible for developing arts and cultural activity and this will have implications for the Islesburgh Trust and the Shetland Arts Trust**

- **there will be benefits in having the facilities currently run by the Shetland Recreational Trust, the Shetland Arts Trust and the Islesburgh Trust managed by one organisation and we suggest that this is done by the Shetland Recreational Trust**

- **there should be no change to the fundamental purpose of the Shetland Recreational Trust, to provide sport and recreation facilities and services**

- **there should be no change to the current role and remit of the Shetland Amenity Trust in the environmental and heritage arena.**

- **There should be no change to the smaller Council created organisations, which focus on specific service users in the care and environmental education fields.**

10.4 **The Working Group's proposals will save money on organisational, management and administration costs whilst protecting front line service delivery.**

10.5 **To protect staff that are affected in any way by the change, the Working Group are asking the Council to adopt some key principles to underpin any restructuring process. Furthermore, they are recommending that the Council's Redeployment and Redundancy and Recruitment and Selection policies be flexibly applied to any staff affected by this review for the duration of the project.**

10.6 **At this stage, it is suggested that the proposals are subject to a consultation stage with all interested parties which would last until the end of September. A detailed report on the outcome of the consultation stage, formal recommendations on structural change and a detailed implementation plan will be presented to the Council at the end of the consultation exercise. Councillors and Trustees may wish to hold a special meeting to consider the proposals at that time.**

11 **Recommendations**

11.1 **I recommend that the Executive Committee consider the proposals in light of the Council's overall strategic and financial objectives and make recommendations to the Council, as follows:**

(a) **note the key findings of the Working Group; and**

(b) **note the likely savings that will result from the structural changes will be in the region of £500,000 per annum, which will mainly accrue to the Shetland Charitable Trust; and**

(c) **agree the draft proposals for consultation, at Section 4; and**

(d) **agree the consultation programme to September 2004, set out at Section 5; and**

(e) **agree the principles to protect staff during any change process, set out at Section 6, and include these in the consultation exercise for agreement with the relevant organisations, which will also include developing agreed protocols; and**

(f) **note that a further report will be presented on the outcome of the consultation exercise, formal recommendations on structural change and a detailed implementation plan.**

11.3 **I recommend that the Shetland Charitable Trust:**

(a) **note the key findings and proposals of the Working Group; and**

(b) **note the likely savings that will result from the structural changes will be in the region of £500,000 per annum, which represents over 10% of the current budget deficit.**

Appendix 1

Objectives

At the outset, the Working Group agreed a set of objectives, which were a description of what they wanted the study to achieve.   These are:

Streamlined service delivery - any duplication of activity between organisations will be removed to create "expert organisations" in each of the key sectors.

Streamlined management arrangements **– there will be an individual within Shetland who is publicly recognised as being the manager / director of that service.**

One Stop Shop - **there will be in place a seamless method of service delivery, not restricted by organisational or professional boundaries – modelled on a "one-stop-shop" method of service delivery – with ease of access to services, with clear understanding within the community of who to contact and where to go.**

Property **– public and voluntary sector buildings are accessible and available for multi-use by all agencies to ensure that community resources are maximised**

Reduced bureaucracy **-** Any unnecessary duplication, bureaucracy and managerial or administrative overheads will be removed from the system

Save Money – we need to develop affordable and sustainable models of service delivery.

Protect Services **– where possible, the savings need to be made on overheads.**

Managing Community Expectations – **while we need to deliver services which the community need and want, we need to actively manage that expectation in terms of what we can now afford.**

Locally delivered – **where possible, decisions about the level and standard of service should be determined at a local level.**

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004
       Shetland Islands Council   30 June 2004

From: ICT Unit Manager

Report No: CE-29-F

ICT Network Policy

1   Introduction

1.1 The following report seeks Executive Committee approval for an ICT Network Policy to be adopted. This policy seeks to describe a clear vision for the future Corporate network .   By agreeing this vision, this paper also seeks to describe a framework for the Council to work with the Scottish Executive to progress the new "Pathfinder" project for broadband connections to schools and other Council premises.

2   Background

2.1 **The Council currently has a very fast fibre-optic and wireless network throughout Lerwick connecting most Council offices in the town. The recurring annual revenue costs of most of this network are negligible, as the Council own the infrastructure.**

2.2 **However, there are still a few locations in Lerwick which still have very slow modem or ISDN2 connections. Throughout the rest of Shetland, Council premises are generally connected by very slow connections which cause operational problems for staff because of the slow speed of connection in, for example, downloading emails.   Recurring line rental and call charges can also be significant.**

2.3 **Larger schools are connected with fast BT Learning Stream links which, although not as good as fibre or wireless, are sufficient for the time being. However, the annual revenue costs are high and there is no clear upgrade path for the future.   Typically, networking speed requirements will double every 18 months.**

2.4 **Smaller schools have slow connections which cause problems not only for downloading emails etc, but also mean that connection to corporate systems (such as the Integra financial system or the corporate email system) is not possible.   In addition, slow connection speeds mean that it is difficult to teach classes using on-line internet learning methods as would be expected in a modern 21st Century school.**

2.5 **Councillors and staff who have require to be connected to the corporate network from their own homes are connected by slow connections.   This not only creates problems in downloading emails etc but call charges can be significant.**

2.6 **The provision of broadband services throughout Shetland to small and medium size business enterprises (SMEs) and peoples homes has, thus far, been virtually non-existent..   However, recent announcements and initiatives are set to change this and**

address the broadband needs for SMEs, members of the public, Councillors and staff's own homes.   These include:-

2.6.1   **The activation of ADSL for Lerwick by BT in May 2004.**

2.6.2   **The announcement by BT of ADSL activation for all "trigger level" exchanges in Shetland in summer 2005.**

2.6.3   **The announcement by the Scottish Executive to go to tender to deliver broadband for the rest of Shetland (outwith the "trigger level" areas) and to implement this by the end of 2005.**

2.7   Other public sector partners have a similar requirement to the Council for fast network connection at affordable cost.   Often their premises are very close to Council premises and already have requirements beyond that which ADSL will deliver.   The larger schools and leisure centres, for example, are often located side by side.

2.8   The Scottish Executive "Pathfinder" project was meant to deliver fast broadband to public sector premises throughout the Highland and Islands.   So far it has failed to deliver and, in fact, has not progressed at all in the past 15 months.   Instead, a new project is being set up to re-scope the requirement (mainly to concentrate on schools only).   The means of progressing this new project are still being debated but in the meantime a substantial policy gap for networking Council premises, including schools, has emerged.

2.9   The concern is that this new project will cause more delays over the coming months and years with the result that we could be faced with not making much progress in meeting Council and school networking requirements in the meantime.   However, it is not proposed to opt out of the new "pathfinder" project as there is still significant funding available to be spent on broadband in Shetland.

2.10A Broadband steering group was set up in January 2004. This policy has resulted from the deliberations of this group and is recommended by the steering group.

3   Policy

3.1   The proposed policy is that all Council premises, including schools and school offices, regardless of location, should be fully integrated into the Council's Corporate network, giving full access to Corporate systems and ICT Services including Internet, Intranet, corporate systems such as Integra and CHRIS, individual service computer systems, the corporate email system and IP Telephones.

3.2   Implementation of this policy should be on a location by location basis seeking to deploy the optimum affordable technology option for each location, future-proofing against anticipated requirements and minimising recurring revenue implications.

3.3   **Access to the resulting Corporate network should be offered to all public sector partners in Shetland.**

4   Financial Implications

4.1   There are no specific financial implications arising from this report.   The specific proposals are attached in Appendix 1 (Wide Area Network (WAN) Upgrade project 2004-5).

4.2   **Significant additional funding is still available from the Scottish Executive pathfinder project.   It is important that we ensure that any resulting technology deployment furthers this policy.**

5   Policy and Delegated Authority

5.1   **Corporate policy matters should be referred to the Council (minute ref: SIC 90/03).**

6   Conclusion

6.1   **Fast broadband networks are essential to delivering efficient Council Services and for providing a first-class modern Education Service to children in Shetland.   The needs of home-users and SMEs will largely be met by ADSL.   However, there is still a significant disparity for Council premises and schools depending on geographic location within Shetland.   This policy seeks to address this disparity by developing a Council-wide corporate network which could be made available to other public sector partners.**

7   Recommendations

7.1 It is recommended that the Council agree this ICT Network policy.

7.2 The Chief Executive is the main contact for the new Scottish Executive Pathfinder project, with other officers involved as appropriate. The ICT Unit Manager is the main contact for all technical matters. It is recommended that these officers are authorised to make all reasonable endeavours to ensure that the new Scottish Executive Pathfinder project progresses the implementation of this ICT network policy.

Our Ref: SM   **Report No: CE-29-F**

Date: 16 June 2004

Shetland
Islands Council

Information Communications & Technology

Project Initiation Document (PID)
Major Project

WAN Upgrade Project 2004-2005
Version 0.3

| 1. | **Project Initiation Document Sign-off Form** |

Project Initiation Document
Major ICT Project

Project Authorisation Sign Off

We accept this Project Initiation Document as superseding all previous documents and authorise the project to go ahead.

Project Authorisation	Name	Approved Date
Chair		

2.	Project Brief

Background:	**Local government services in Shetland have an ever-increasing need for high bandwidth networking.** **The Wide Area Network (WAN) upgrade project plans to deliver the infrastructure necessary to achieve the Councils vision that "All Council premises, including schools and school offices, regardless of location, should be fully integrated into the Council's Corporate network, giving full access to Corporate systems and ICT Services including Internet, Intranet, Integra, CHRIS, individual service computer systems, the corporate email system and IP Telephones."** **Delivery of this vision to Lerwick is achievable and affordable through the use of private fibre optic cable, short-range line of sight (LOS) wireless and Asynchronous Digital Subscriber Line (ADSL) services. All three of these either are or will shortly be incorporated into the Shetland Islands Council WAN (SICNet).** **One of the major challenges faced in achieving the vision is delivery to remote rural areas. Some of these will benefit from ADSL coverage, probably by the end of 2004 while many other areas will have to wait until 2005 or possibly later. In many cases ADSL will not provide sufficient bandwidth to support the number of remote users.** **For these customers an alternative delivery mechanism will be necessary. In some instances the only possibility is to lease services from a telecom provider despite the high revenue costs, in others long range and non line of sight (NLOS) wireless is an option.**
Objectives:	• To upgrade the SICNet to deliver the Councils vision. • To ascertain the best technology option to achieve delivery to customers / locations throughout Shetland. • To offer fully integrated connection to other public sector bodies. • To determine an appropriate implementation plan. n.b. Universal coverage will not be achieved in 2004 - 2005

Scope	<u>**Within Scope**</u> **(see appendix 1 for full list):**
	• **Shetland Islands Council premises including**
	    ○ **Schools**
	    ○ **School Offices**

	o **Social Work outside establishments**
	o **Independent living project houses**
	• **Trust premises including**
	  o **Welfare Trust**
	  o **Recreational Trust**
	• **Home workers**
	• **Councillors**
	
	<u>Outwith Scope</u>
	To be addressed by ADSL exchange activation
	• **SME's**
	• **General Public (within ADSL range)**
	To be addressed by other means, e.g. satellite / wireless
	• **SME's**
	• **General Public (outwith ADSL range)**

Business Case	**All Council premises, including schools and school offices, regardless of location, should be fully integrated into the Council's Corporate network, giving full access to Corporate systems and ICT Services including Internet, Intranet, Integra, CHRIS, individual service computer systems, the corporate email system and IP Telephones.** **A first class 21st Century education demands this in all schools.** **Devolved school management, decentralised working, computerised library systems, Internet usage within schools, email delivery of Council documents and limits on Council budgets all demand that a new way of delivering network services to remote areas of Shetland be found. In many cases network performance will be better and costs will reduce through use of ADSL.** **In the education sector the high cost of delivering broadband to schools will limit its availability unless alternatives to leased lines can be found. Wireless seems to be an option if the distance and LOS issues can be overcome.** **As more Council staff rely on their computers to deliver a service to their customers the reliability and resilience of the underlying network infrastructure becomes paramount.** **Each location will be examined on a case by case basis to determine the most cost effective / best value solution.**
Constraints:	• Lack of money to achieve more than a small part of the

	rollout plan. • Scattered settlement pattern, large number of small schools. • High cost of fibre optic cable installation over long distances. • Challenging topography.
Customers:	**The Shetland Islands Council and its Trusts.**
Deliverables:	**Broadband services through wireless technology to:** • **Edward Thomason House - General** • **Eric Gray Resource Centre** • **Taing House** • **Shetland Welfare Trust** • **Isleshaven Care Centre, Yell** • **North Haven Care Centre, Brae** • **Overtonlea Care Centre, Levenwick** • **Wastview Care Centre, Walls** • **Scalloway JHS** • **Whalsay JHS** • **Bressay Primary** • **Foula Primary** • **Papa Stour Primary** • **Sandness Primary** • **South Nesting Primary** • **Yell Leisure Centre** • **Community Work Ofiice North Isles** • **Community Work Ofiice North Mainland** • **King Erik House** Extension of the SIC fibre optic network to: • **Anderson High School** • **Sound Primary** • **Clickimin Leisure Complex** • **West Mainland Leisure Centre** • **North Mainland Leisure Centre** • **Unst Leisure Centre** • **South Mainland Pool** • **Scalloway Pool** • **Whalsay Leisure Centre** ADSL Connections to: • **Annsbrae** • **Craigielea – General** • **Freefield Centre** • **Laburnum** • **Leog Children's Home**

	Banksbro, Twageos **Viewforth House** **Fernlea Care Centre, Symbister** **Nordlea, Baltsound** **Walter & Joan Gray Home, Scalloway** **Gremmisgaet** **7 Union Street** **Waterworks Cottage** **flat 17 King Erik House** **St Sunniva Street** **Stocketgaet** **Cllr. Cluness, Alexander J** **Cllr. Angus, Leslie** **Cllr. Eunson, Cecil B** **Cllr. Feather, Robert G** **Cllr. Groat, Leonard George** **Cllr. Hawkins, Iris J** **Cllr. Henry, James H** **Cllr. Inkster, John A (Alistair)** **Cllr. Irvine, James C** **Cllr. Knight, Edward J** **Cllr. Simpson, Joseph** **Cllr. Stove, Thomas W** **Cllr. Stove, William N** **Cunningsburgh Primary** **Fair Isle Primary** **Community Work Office West Mainland** Enhanced resilience / reliability of the core network through: **Backup core switch at ICT** **Distributed routing at ICT**
Risk Analysis:	**Medium – There are few alternatives for delivery of broadband to larger schools.** **Medium – If wireless does not work the revenue costs of leased circuits may be prohibitively high.** **Low – High performance links within Lerwick might give a perception that Lerwick schools offer better ICT to their students.** **Medium – Some areas of Shetland may be technically difficult to deliver a service to.** **Low – Customers expectations may be higher than realistic and the solution may not meet them.**
Assumption	**That British Telecommunications have a Shetland wide network that is capable of providing broadband services where other methods of delivery fail.** **That NLOS wireless is a viable option for rural delivery of Broadband.**

	• **That ADSL will not be "fast" enough for larger primary and junior high schools now, and will not be "fast" enough for any but the smallest primary schools in the medium term.**
Resourcing:	• **SIC Staff time.**
Budget:	**Budget available for project** • **WAN Upgrade Budget (£95k)** • **Distributed Working Project budget (£60k)** **Estimated spend** • **£15k Social Work Establishments** • **£45k Wireless Schools pilot** • **£30k Schools Fibre Optic Cable** • **£10k Other Schools datacoms** • **£25k Community / Recreation trust offices** • **£30k WAN Infrastructure**

4.   Organisation and Reporting Structure

ROLES		NAMES OF STAFF
Project Authorisation	ICT Unit Manager	**Stuart Moncrieff**
Project Board	Broadband Steering Group	**Drew Ratter (Chair), Alastair Cooper, Alex Jamieson, Douglas Irvine, John R Smith Jamieson**
Project Manager		**Guy Smith**
Project Team	Business Assurance	**Susan Msalila**
	User Assurance	
	Technical Assurance	**Rory Gillies**
	Other Implementation Team Members	**Ron Dell**

Reporting:	**The Project Manager will have overall responsibility for the project and ensuring that all aspects of the projects are carried out to plan. The project manager will report to the ICT Unit Manager and, where applicable, the Service Manager by such methods as described in the quality section of this PID.**
Limits of Authority:	**The ICT Unit Manager must approve any changes to the scope of this project.**

5.   Products

Management Statement
Project management will be through agreed milestones, i.e. delivery of broadband to South Nesting, Connection of Social Work establishments etc. See Project plan.

Management Products	Planned (Y/N)	If not planned, please state reason
Signed off PID		
Project Completion documents		

Quality Statement
Explain how success of the project will be ensured:-

Quality Products	Planned (Y/N)	If not planned, please state reason
Proposed Solution		
ICT Briefing Session		

Technical Products
Technical products have been listed in appendix A.

7.   Timescales and Resource Plans

Microsoft project plan available at Error! Not a valid link.

Appendix A.

Site	Details	Delivery	Approx Cost Capital	Revenue
Annsbrae	694787	ADSL	100	300
Craigielea – General	695145	ADSL	100	300
Edward Thomason House - General	741500	Wireless	1300	
Eric Gray Resource Centre	694647	Wireless	1300	
Freefield Centre	692127	ADSL	100	300
King Erik House	696586	Wireless	1300	
Laburnum	694063	ADSL	100	300
Leog Children's Home	692740	ADSL	100	300
Taing House	741540	Wireless	1300	
Banksbro, Twageos	691045	ADSL	100	300
Viewforth House	692760	ADSL	100	300
Shetland Welfare Trust		Wireless	1300	
Isleshaven Care Centre, Yell		Wireless	1300	
Fernlea Care Centre, Symbister		ADSL	100	300
Nordlea, Baltsound		ADSL	100	300
North Haven Care Centre, Brae		Wireless	1300	
Overtonlea Care Centre, Levenwick		Wireless	1300	
Walter & Joan Gray Home, Scalloway		ADSL	100	300
Wastview Care Centre, Walls		Wireless	1300	
Gremmisgaet		ADSL	100	300
7 Union Street		ADSL	100	300
Waterworks Cottage		ADSL	100	300
flat 17 King Erik House		ADSL	100	300
St Sunniva Street		ADSL	100	300
Stocketgaet		ADSL	100	300

Cluness, Alexander J	5 Twageos Road, Lerwick	ADSL	100	300
Grains, Florence B	Hoove, Whiteness	Dialin		200
Angus, Leslie	12 Lovers Loan, Lerwick	ADSL	100	300
Cheyne, Barbara J	Hillside, Voe	Dialin		200
Eunson, Cecil B	Uradale, East Voe, Scalloway	ADSL	100	300
Feather, Robert G	Klingrahoull, Gulberwick	ADSL	100	300
Gregson, Brian P	Quam (Old House), West Sandwick	Dialin		200
Groat, Leonard George	10 Voder View, Lerwick	ADSL	100	300
Hawkins, Iris J	48 Sycamore Avenue, Scalloway	ADSL	100	300
Henry, James H	17 Murrayston, Lerwick	ADSL	100	300
Inkster, John A (Alistair)	Bon Abri, Hamnavoe, Burra	ADSL	100	300
Irvine, James C	20 Twageos Road, Lerwick	ADSL	100	300
Knight, Edward J	13 Gressy Loan, Lerwick	ADSL	100	300
Manson, William H	Mangaster, Sullom	Dialin		200
Mitchell, Gordon G	Thistles, Bigton	Dialin		200
Nicolson, John P	Scarfataing, Trondra	Dialin		200
Ratter, William A	Gaets A Voe, Ollaberry	Dialin		200
Robertson, Frank A	Columbus, Selivoe, Bridge of Walls	Dialin		200
Simpson, Joseph	Brucefield, Symbister, Whalsay	ADSL	100	300
Stove, Thomas W	Nordaal, Setter, Sandwick,	ADSL	100	300
Stove, William N	1 Lovers Loan, Lerwick	ADSL	100	300
Tait, William	Bonavista, East Ireland, Bigton	Dialin		
Anderson High		Fibre	10000	
Brae	Current Learning Stream	L' stream		4000
Aith	Current Learning Stream	L' stream		4000
Baltasound	Current Learning Stream	L' stream		4000
Mid Yell	Current Learning Stream	L' stream		4000
Sandwick	Current Learning Stream	L' stream		4000
Scalloway	Current Learning Stream	Wireless	7000	

Whalsay	**Current Learning Stream**	**Wireless**	**7000**	
Bell's Brae		**Fibre**		
Bressay		**Wireless**	**7000**	
Burravoe		**ISDN**		**1000**
Cullivoe		**ISDN**		**1000**
Cunningsburgh		**ADSL**	**100**	**300**
Dunrossness	**Current Learning Stream**	**L' stream**		
Fair Isle		**ADSL**	**100**	**300**
Fetlar		**ISDN**		**1000**
Foula		**Wireless**	**7000**	
Hamnavoe	**Current Learning Stream**			
Happyhansel		**ISDN**		**1000**
Lunnasting		**ISDN**		**1000**
Mossbank		**ISDN**		**1000**
North Roe		**ISDN**		**1000**
Ollaberry		**ISDN**		**1000**
Olnafirth		**ISDN**		**1000**
Papa Stour		**Wireless**	**7000**	
Sandness		**Wireless**	**7000**	
Skeld		**ISDN**		**1000**
Sound	**Current Learning Stream**	**Fibre**	**20000**	
South Nesting		**Wireless**	**7000**	
Tingwall		**ISDN**		**1000**
Urafirth		**ISDN**		**1000**
Uyeasound		**ISDN**		**1000**
Whiteness		**ISDN**		**1000**
FE College Gremista		**Fibre**		
NAFC Scalloway		**10M LES**		**7000**
Clickimin Leisure Complex		**Fibre**	**5000**	
North Mainland Leisure Centre		**Fibre to BHS**	**3000**	
Scalloway Pool		**Fibre to ScJHS**	**3000**	

South Mainland Pool	**Fibre to SaJHS**	**3000**	
Unst Leisure Centre	**Fibre to BJHS**	**3000**	
West Mainland Leisure Centre	**Fibre to AJHS**	**3000**	
Whalsay Leisure Centre	**Fibre to WJHS**	**3000**	
Yell Leisure Centre	**Wireless**		
Community Work Office North Isles	**Wireless**	**1300**	
Community Work Office North Mainland	**Wireless**		
Community Work Office South Mainland	**In SaJHS**		
Community Work Office West Mainland	**ADSL**	**100**	**300**

Shetland
Islands Council

REPORT

To: **Executive Committee** ~~24th June~~ **22 June**
~~2003~~**2004th**

From: **Head of Organisational Development**

REPORT N~~o~~**o**: CE-28-F~~31-D120-D1~~

~~ORGANISATIONAL DEVELOPMENT PRIORITIES~~ **BEST VALUE UPDATE**

1 ~~INTRODUCTION~~**Introduction**

~~1.1~~ The purpose of this report is to inform the Executive Committee ~~of the perceived priorities of the Organisational Development Service, set out some proposals for tackling those priorities and provide an opportunity for discussion and feedback to help work planning.~~ on the status and next steps for Best Value and associated matters. Service and Corporate planning and overall performance management are covered by a separate report on this agenda.

2 ~~BACKGROUND~~**Background**

~~2.1 The creation of an Organisational Development Service was approved by the Council in February 2003 to enable a more focussed and better-resourced integrated service for ;~~

~~? Policy & Planning Coordination~~
~~? Organisational Development and Structures~~
~~? Community Planning & Focus~~
~~? Best Value~~

~~2.2 The remit to deliver this agenda was seen to be vested in the new Executive Committee.~~

~~BESTestVALUEalueANDandSERVICEervicePLANNINGlanning~~
Best Value Audit

The final Best Value audit timetable remains to be confirmed but a submission in late summer / early autumn is expected.

Preparatory work is under way and further progress on this work along with updates on the detailed timetable for the Best Value audit will be reported as they become available.

EDUCATIONducation BestEST VALUEalue SERVICE REVIEWService Review

The Education Best Value Member/Officer working group is now completing its work and is reporting to a special Services Committee on the 24th June.

2.3 A Head of Service was appointed for Organisational Development on the 1st May and this report is a brief summary of the perceived key priorities for discussion.

3 ORGANISATIONAL DEVELOPMENT PRIORITIESest Value AuditEST VALUE AUDIT

Support Services Best Value Service Reviews

The review of Support Services has been initiated. The terms of reference for that review have been drafted by the Member Officer working group and a draft project plan developed.

The overall shape of the review is to review service delivery across Finance, Legal and Administration, Organisational Development and ICT activities both through comparison and consultation.

Areas of poor performance or with potential significant service improvement will then have options for improvement generated and recommendations made on which to implement.

The overall scope of the review will include the provision of support services within all departments, i.e. not limited to Executive Services.

Plans and progress on this review will be reported through the Executive Committee.

BEST VALUE RESOURCINGBest Value Resourcing
Corporate Plan –
As this is perhaps the key political statement made by the Council it would seem appropriate that the Executive Committee forms the "working group" that develops the plan.

Officer support will primarily come from Organisational Development as other senior managers main function in relation to this plan will be to develop appropriate service responses to implement its objectives. These responses should be captured in the Service Plans, an area which the External Auditors felt warranted higher priority. Guidance is now sought on the timetable for corporate plan development.

3.2 Community Planning Board and Community Plan – With the Local Government Scotland Act, the Community Planning now has a statutory basis and the Council has an obligation to facilitate and co-ordinate the Community Planning process. The Community Planning Board is in the process of updating the Community Plan and would expect to inform and be informed by the Council's Corporate Plan. The Community Plan, in general, must seek to balance economic, social and environmental objectives and reflect cross-cutting themes such as equality, health

improvement and sustainable development. Council member appointment to the Community Planning Board is made by the Executive Committee. The last Council had a single political representative on the Community Planning Board; as there is a general wish to engage on environmental, economic and social themes a wider representation with links to each of the stakeholder forums may be an alternative option.

The Community Planning Board will have its next meeting on the 7th July and is continuing to update its community plan and develop supporting structures to strengthen effective community planning.

3.3 Best Value – Best value has also become a statutory duty with the adoption of the Local Government Scotland Act. The Council now has to "achieve continuous improvement in the performance of all its functions" and provides the Accounts Commission with the power to ensure that is happening.

Locally Best Value has found progress limited beyond the Education Service Review and options will have to be examined to complete work in that area. In the short term this will be informed by the seminar on the 26th June. Regardless of the outcome regarding Education effective progress will also have to be made in other areas.

In the previous Council the Standing Committee was the "member working group" providing political leadership to this process. The Executive Committee are requested to confirm that it will assume that role from now on.

Following that confirmation a detailed review of the overall state of progress regarding service reviews and options for next steps will be brought forward.

3.4 Single Status – The single status initiative to harmonise terms and conditions of staff is the biggest individual project being run out of Organisational Development. It is perhaps the biggest internal project the Council has ever undertaken and there are significant concerns about its timetable. An update report was provided to Council in February that overviewed progress and obtained approval to augment the project team with additional staff funded from existing Council budgets. Progress must now be made in this area and confirmation is sought from this committee that this project should continue to feature as a high priority for the service in order to achieve the implementation date of April 2005.

3.5 Staff Development and Training – There is widespread agreement that the Councils main asset is their staff and that if any real service improvement is going to be delivered it will be through the development and better application of the skills and abilities of staff and members. A Performance Appraisal scheme for Executive Directors and Service Heads has been in place since June 2000 and it is necessary to consider the next stage in the natural development of this scheme which is to cascade to other levels within the organisation. There is currently much discussion and debate ongoing about how the Council's staff development functions should be organised with Induction, Management Development and the College and Training Section Reviews all currently happening. It seems likely the conclusion of all these reviews will identify the need for proper co-ordination of Staff Development requirements, including

members, within the core of the organisation. That will probably require a Staff Development role to be re-established within the Personnel Service, however that will be the subject of future reports.

Currently the general views of the Executive Committee are invited on the relative priority of staff development, particularly on any member training and development issues, as efforts will be made to deal with these, if possible, without waiting for all reviews to be complete.

3.6 Communications – The last Council's Corporate Plan recognised the need to improve Council communications. To that end a Communications Strategy and Customer Care Guidelines have been prepared and are now ready to be brought forward for final discussion and implementation.

The overall package of work also includes revised Public and Staff Suggestion Schemes, and updated Complaints Scheme and a revised version of the Council's Corporate Styles and Standards. The strategy contains proposals regarding Internal, External and Media Communications and recommends that the vacant Communications Officer post is filled to provide a dedicated member of staff whose prime function is to assist and improve the Council in all aspects of its communications.

The responsibility for ensuring a corporate approach to communication has not been delegated to any Committee or officer, therefore a decision of Council will be sought prior to implementation, with detailed reports next cycle. However the views of the Executive Committee regarding the priority of this work area is sought to inform the planning of future activities within Organisational Development.

4 FINANCIAL IMPLICATIONS Financial Implications

There are no direct financial implications associated with this report. There are no direct financial implications contained within this report .

4.1 Detailed proposals to progress each of the priority activities will be brought forward as required.

5 POLICY & DELEGATED AUTHORITY Policy & Delegated Authority

5.1 The Organisational Development and Best Value are part of the remit of the Executive Committee. The Executive Committee has delegated authority to implement decisions within its remit for which overall objectives have been approved by the Council, in addition to appropriate budget provision (SIC 90/03).

Council is currently considering the delegated responsibilities and decision making powers of the Executive Committee. However the nomination of Member representation of the Community Planning Board was specifically delegated by the Council to the Executive Committee, Minute Ref SIC 70/03.

6~~CONCLUSIONS~~Conclusions

6.1It is important for the Council to use best value as an effective tool in promoting continuous service improvement, which is also a statutory requirement.

7~~RECOMMENDATIONS~~ Recommendations

T~~I recommend that t~~he Executive Committee should note the contents of this report.~~;~~

7.1~~Confirm member appointment(s) to the Community Planning Board, and~~

7.2~~Note the other contents of this report.~~

Date: **4 June** ~~10th June~~**26 2004**~~ndNovember 2003~~~~November 2003~~
Our Ref: **JRS/JJ**~~AMAAMA~~ **Report No: CE-28-F**~~E-20-D131-~~
~~D1~~

~~Report Nº:~~

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004

From: Single Status Project Manager

SINGLE STATUS PROJECT UPDATE REPORT

Report No: CE-25-F

1   Introduction

1.1 This report seeks to summarise the Councils current state of progress on the Single Status Project, highlight current issues and set out plans and recommendations for future progress.

2   Current Progress

2.1 **Job Evaluations – Four full time analysts are now in post and conducting evaluation interviews. This has resulted in an increase in the rate of evaluations from 10 per month to around 15 per week. It is estimated that there are over 700 individual evaluations to be done. Over 230 interviews have been completed to date but some of these require to be revisited due to organisational changes that have occurred since the original interview.**

2.2 **Job Overview Agreement - Approximately 110 job overviews have been sent out for agreement, of these 31 have been agreed and signed off by Managers.**

In the past there was no time limit on returning Job Overviews (agreed or otherwise). Some managers had overviews for over a year. The negotiation forum recently agreed to a one month limit on sign offs. If the job holder or the line manager has not contacted the project team within one month, the overview will be deemed to be agreed.

2.3 **Job Evaluation Questionnaires – Approval to redesign the questionnaire was granted at the recent negotiation forum meeting. This will reduce the time that employees spend on the questionnaire and reduce the length of the evaluation interview.**

2.4 **Terms and Conditions – The new Terms and Conditions Negotiation Forum constitution was agreed by Council on 31st March 2004. The Negotiation Forum continues to meet on a regular basis.**

2.5 **Pay & Grading – The lack of agreed job evaluations means that there is not enough quality data to allow modelling to commence.**

3   Future Progress

3.1 **Job Evaluations –The full-time analysts are working alongside existing part time analysts to conduct evaluation interviews. This has increased the rate of evaluations from approximately 10 per month to around 15 per week. Lack of available part time analysts is preventing reaching the target of 25 per week that would guarantee the completion of evaluations by December 2004.**

3.2 Part Time Analysts – The Council has trained 30 part time analysts, 22 are still employed by the Council. All part time analysts were recently approached and asked to confirm their time commitment to the project. This has resulted in a formal commitment from 12 analysts to assist in a minimum of 1 interview per week. The remaining analysts have indicated that current work commitments do not allow them to take part in the project.

3.3 Evaluation Selection – Evaluations are now being carried out on a service-by-service basis. A member of the project team attends a staff meeting to brief mangers and staff on the scheme. This is followed by a discussion with managers to decide which posts will be evaluated and which posts can be grouped with others.

3.4 Communication – The fifth single status newsletter was agreed with the Unions and was circulated to all staff and members concerned in early June.

3.5 Pay & Grading – Pay modelling will commence once enough data is available from job evaluations. It is unlikely that any substantial modelling can begin before August 2004. It is anticipated that negotiations on the pay and grading scheme will commence around October 2004.

4   Plans and Proposals

4.1 Part Time Analysts – Lack of availability of second analysts is causing interview scheduling problems and adversely affecting the amount of interviews being carried out. Additional analysts are needed to support the existing analysts to ensure that job evaluations are completed by December 2004.

4.2 Additional Analysts - Existing part time analysts are fully trained to act as lead analyst as well as second analyst. Fully training another group of analysts will cost around £8500 in training fees if the training is done locally. Since four full time lead analysts are now in place, it is unnecessary to train additional lead analysts.

4.3 Second Analysts – The role of a second analyst is to provide gender balance to the interview, act as note taker and assist in the post-interview review of the evaluation.

It is not necessary to train second analysts to the same standard as lead analysts. Training for second analysts can be done in-house using existing resources.

4.4 Second Analyst Training – The training for second analysts will consist of Single Status scheme background, interview skills and evaluation software training. This training will be given by the Single Status Project Manager, Database Administrator and Personnel Manager. No costs, other than existing staff time, will be incurred.

4.5 It is proposed that an internal bulletin be circulated inviting application from staff interested in becoming part-time second analysts. Commitment would be for as little as half a day per week (1 interview per week). Line manager permission would be required before an application would be considered.

5   Policy and Delegated Authority

The Council approved the setting up of a Single Status Project Board in February 2003, approved the constitution of a Negotiating Forum and authorised the recruitment of additional staff for the project subject to authorisation of the Chief Executive and identification of a suitable budget. (minute ref SIC 04/03)

6   Financial Implications

6.1 Any potential costs of new arrangements will be reported to members in partnership with the Head of Finance, when work has progressed sufficiently to identify options for consideration.

7   Recommendations

7.1 It recommended that the Executive Committee;

- note the contents of this report,

- endorse the continued participation of service staff to progress Job Evaluations, Terms and Conditions and Pay and Grading development.

- agree to further selection of part-time second analysts

Date: **14 June 2004**
Ref: JM/DH   **Report No: CE-25-F**

Shetland
Islands Council

REPORT

To: **Executive Committee** ~~Management Team~~   ~~(insert date)~~22 June 2004 ~~9th 1st Octo Septem~~

From: **Head of Service - Organisational Development** ~~Senior Special Projects Officer~~

Report No: **CE-27-F**

FUTURE DIRECTION OF TRAINING

1. Summary

1.1. **This report seeks to update the Executive Committee on progress implementing the** ~~It is proposed to take specific steps to ensure that the~~ **Council's Strategic Training and Management Development Policy and confirm responsibilities and allocation of budgets between Corporate and Service areas.**

~~1.2. The question for EMT is how far these changes may be implemented as questions of management, and how far they may require to be included in a report to Council.~~

~~1.3. Proposals in this document include:~~

~~1.3.1. Putting in place a comprehensive and structured approach to develop and co-ordinate training and development needs of a Council-wide nature (specifically para.2.1.a and para. 4.1.a of the Policy)~~

~~1.3.2. Making arrangements for strategic and budgetary oversight at a senior level in the Council, to assist the Head of Organisational Development (as the successor post to the Divisional Manager – Strategic Services) and Heads of Department in discharging their responsibilities in terms of section 4 of the Policy.~~

~~1.3.3. Requiring all departments to prepare a basic annual training plan for their staff, all in accordance with para. 4.2 of the Policy.~~

2. Background

2.1. ~~The Council already has a training policy which lays certain responsibilities on the Head of Organisational Development (as the successor post to the Divisional Manager – Strategic Services), on the Executive Directors as Heads of Department, and on line management. The policy may be consulted on the Council's intranet~~**In October 2003 it was reported to the Council that Executive Management Team were to scrutinise the whole Councils training plans and budgets to help give training a corporate focus and deliver better value for money. Overall training and associated travel and subsistence budgets total some £1.4 million pounds. This scrutiny would seek to examine and address issues around training needs analysis, co-ordinated planning and best utilisation of local trainers.**

2.2. **A training co-ordinator was transferred from Train Shetland to Organisational Development in December 2003 to assist in the delivery of this work.**

~~The Council needs to get value for money from its training expenditure. At the moment the Council spends considerable sums annually on training, mostly through departmental budgets. Overall training and associated travel and subsistence budgets is currently in the region of £1.4 million per annum. There is, however, no consistent record of training needs analysis, or of training plans. The content of the training records for individual members of staff varies between departments, as does the level of critical evaluation of training results against objectives. In recent times various concerns have been raised regarding whether the Council is obtaining value for money in the area of training, bearing in mind that there is limited shared planning and delivery of training between services. Issues raised have included the very different levels of budget allocated by different services, the variable levels of expenditure against budget, and the high proportion of training spend outside Shetland.~~

~~The current lack of co-ordinated training planning across the Council makes it difficult for the Council's training needs to be anticipated by the provider organisations, Train Shetland or the Colleges. Indeed the local private sector are little better placed to anticipate medium term needs, and to develop services accordingly. More effective analysis of training requirements and co-ordinated planning to meet staff development need, would greatly improve this situation.~~

~~2.2.~~~~The Council needs to get value for money from its training expenditure. At the moment the Council spends considerable sums annually, on training, mostly through departmental budgets. Overall training and associated travel and subsistence budgets is currently in the region of £1.4 exceed £1 million~~million per annum~~ally. There is no consistent record of training needs analysis, training plans, individual member of staff training records or critical evaluation of results against objectives~~ In recent times there have

~~been issues ranging from very different levels of budget between services, very variable budget v actual performance, limited shared planning or delivery of training between services~~ and a , ~~high proportion of training spend outside Shetland.~~

~~Currently there is no co-ordinated planning of training across the Council in a way that training needs can be anticipated by the Councils provider organisations, Train Shetland or the Colleges. Indeed the local private sector are little better placed to anticipate medium term needs and attempt to develop services accordingly. More effective analysis of training requirements and planning to meet staff development need would greatly improve this situation.~~

~~2.3~~ ~~Moreover there is no consistent record of training needs analysis, training plans, individual member of staff training records or critical evaluation of results against objectives.~~

3. Training Plans ~~Management of TT Management Board~~ ~~Structure and Framework~~

3.1. All Service heads were required to draw up training plans for submission to EMT for review. Most Services have now brought forward training plans. The content of these training plans has been reviewed and common themes aggregated together.

3.2. Overall training activity and expenditure can be analysed in a number of ways but for the purposes of future training arrangements the following is offered. Skillseeker training budgets totalling £240,000 (50% travel & subsistence / 50% fees) are not included in this analysis as relate to a fundamentally different type of training provision funded directly through a central government scheme.

Area	Purpose	Cost
Common training required by more than one service (part of code 1602)	**Personal Skills Procedural Skills Health and Safety ICT Skills Management development programme,** individual **staff HND / HNC, core procedural, Customer Care**	**£155,000**
Service specific training fees (rest of **code 1602)**	**Fees for wide range of service** specific **training**	**£465,000**
Other service training costs, Subsistance and	**Travel,** s**ubsistence** and some supply cover	**£580,000**

Travel. (code 1600)	costs associated with service specific training. (does not include general subsistence - code 1662 or travel - code 1470)	
Total		£1.2 million

3.3. The total £1.2 million identified in the table above may be reduced somewhat are there were proposals to reduce all overhead costs by some services in the current Budget Reductions process. However few Services, nor the Council corporately, identified staff training as an area where significant savings could be easily made, without impacting on service delivery. There was a clear consensus that the ongoing requirement for staff to become more efficient and sustain service quality and safety was likely to require higher skill levels rather than lower.

4. Common Training

4.1. There is a wide range of training which is needed by more than one service. Currently some of that training is provided through the Corporate Training Budget and some from individual service budgets. The corporate training budget for this year is £55,000, the estimated overall common training required will cost some £155,000.

4.2. The proposed corporate training priorities this year are

- o the introduction of a structured management development programme in partnership with Shetland College and an experienced business school,
- o the continuation of currently committed HND & ILM courses,
- o core procedural and customer care training.

4.3. It is expected that this training will require all £55,000 allocated to the current corporate training budget.

4.4. The remainder of common training including procedural skills, personal skills, Health and Safety and ICT is estimated to cost a further £100,000.

4.5. After review of the options around how to most best promote effective and efficient delivery of common training Executive Management Team decided to transfer £45,000 from Service Training Budgets to the central Corporate Training budget. This would allow much of the Common Procedural, Personal development and ICT training required by services to be developed and run centrally.

4.6. This consolidation will allow more certain planning and training delivery with Train Shetland, thereby benefiting local training delivery

and the aggregation of training SUMs, and simplify administration arrangements.

4.7. Detailed courses within the corporate training programme will be developed and run in consultation with Services and the Corporate Training directory will be relaunched to help communications about courses and arrangements for obtaining places etc.

5. Service Specific Training

5.1. Service specific training covers a very wide range of technical and professional requirements. All services will be required to monitor the effectiveness of their training and Organisational Development will seek to assist Services to this end.

5.2. They will also be encouraged to continue to seek to work in partnership to find more cost effective methods of training delivery and to use Train Shetland and local training providers wherever possible.

6. Training Subsistence and Travel

6.1. While it is not possible, for both cost and technical reasons, to deliver all training locally it remains a key objective to maximise the amount of local delivery and contain subsistence and travel costs.

6.2. It is also suggested that travel authorisation for training events explicitly confirms that local delivery options for any training have been examined and ruled out.

~~3.1.It is proposed that the Council's training strategy and budget s are co-ordinated at a senior levelbythrough Executive a Training Team (EMT), through the Head of Organisational Development. EMT wouldBoard who will,~~

~~As a first stage, all Service Heads are being asked to draw up Training Plans for their staff, for submission to and approval by, EMT. Many services already draw up training plans for their staff, as required by the Council's training policy. The plan produced by Social Care provides an excellent model of the kind of information which should be required as standard.~~

~~EMT will review these plans, and split them into what can be delivered locally, and what can not. The opportunity will be taken to consolidate training requirements across the services, particularly where these are currently met by sending people away, but where the training could be carried out locally. This high-level scrutiny will ensure that the case for training is in all cases sound. Service training budgets for 2004/05 will then be reduced to a level which will fund the agreed service-specific training plans, with the balance being transferred to a corporate budget to fund the locally deliverable training programme; the corporate budget will be the responsibility of~~

~~EMT. This process will ensure that current training requirements continue to be satisfied, whilst allowing an incremental approach to be taken to improving delivery.~~

~~In other words, the opportunity would be taken to combine generic courses such as management training, for corporate delivery, but Service Heads would retain the training budgets necessary for carrying out their identified by the Head of Organisational Development and the *(Willie's title)* Services management of the sapproved Service-specific annual departmental training plans.~~

~~In addition EMT would, through the Head of Organisational Development, arrange for a systematic and objective analysis of the Council's training needs, concentrating principally, but not exclusively, on the Council's business needs. They would then draw up, and monitor the implementation of, a Training Strategy to meet the Council's overall training needs, all with a view to improving value for money. They would also be expected to devise a system of checking the effectiveness of the learning achieved, looking at:~~

~~contribution to organisational performance~~
~~impact on the way people do their jobs~~
~~learning achieved~~

~~In seeking to address the need for structured courses for developing Council staff and training Council managers, EMT would, through the Head of Organisational Development, also work with the local training sector to:~~

~~confirm and improve the range and quality of local training on offer~~
~~combine the benefits of good local training provision with the wider experience and business-orientation offered by mainland providers~~
~~undertake a comprehensive programme of trainer accreditation and course validation, potentially in partnership with a suitable Business School and/or appropriate bodies and professionals, all with a view to delivery in conjunction with Shetland College.~~

~~The Training Management Board would be expected to arrange for a systematic and objective analysis of the Council's training needs, concentrating principally, but not exclusively, on the Council's business needs and draw up, and monitor the implementation of, a Training Strategy to meet the Council's overall training needs, all with a view to improving value for money. The Training Management Board would also devise a system of checking the effectiveness of the learning achieved looking at:~~

~~Contribution to organisational performance~~
~~Impact on the way people do their jobs~~
~~Learning achieved~~
~~Reactions of those involved~~

~~The Training Management Board would also work with the local training sector to~~

> ~~confirm and improve the range and quality of local training on offer~~
> ~~combine the benefits of good local training provision with the wider experience and business-orientation offered by mainland providers~~
> ~~undertake a comprehensive programme of trainer accreditation and course validation, potentially in partnership with a suitable Business School which will be delivered in conjunction with Shetland College.~~

~~The Training Management Board would report to and seek guidance from the Executive Committee on plans and progress as part of its remit for Organisational Development. Members may also wish to consider constituting an additional "Training Sounding Board" to meet in parallel with the Training Management Board, again ICT arrangements could provide a model.~~

~~3.3. The views of EMT are sought on which of the following options would be the most appropriate:-~~

~~3.3.1. a Training Board along the lines of the IS Management Board (ie senior officers only), to be responsible for all training initiatives within the Council excluding those relating to devolved school management; see Appendix A~~
~~3.3.2. a Training Board as above, but with the addition of a Training Liaison Group along the lines of the IS Liaison Group (ie senior officers and elected members); see Appendix B~~
~~3.3.3. an amalgamation~~ *~~(wording to be provided by Willie)~~*

~~and on whether a report to Committee is required in order to establish these structures.~~

7. Training Strategy ~~Training Needs Analysis~~

7.1. In addition work is continuing on a more systematic and objective analysis of the Council's training needs, concentrating principally, but not exclusively, on the Council's business needs. This will result in a Training Strategy to meet the Council's overall training needs, all with a view to further improving value for money. They would also be expected to devise a system of checking the effectiveness of the learning achieved, looking at:

- **contribution to organisational performance**
- **impact on the way people do their jobs**
- **learning achieved**

7.2. In seeking to address the need for structured courses for developing Council staff and training Council managers, EMT would, through the

Head of Organisational Development, also work with the local training sector to:

- **confirm and improve the range and quality of local training on offer**
- **combine the benefits of good local training provision with the wider experience and business-orientation offered by mainland providers**
- **undertake a comprehensive programme of trainer accreditation and course validation, potentially in partnership with a suitable Business School and/or appropriate bodies and professionals, all with a view to delivery in conjunction with Shetland College.**

4.1. TThe need for training stems fro Tm'training activity, and building on the work already being undertaken on Service Planning and staff appraisal. A member of staff is to be redeployed from considerable effort and spend on training; it is hoped that some reconfiguration of staff will be sufficient to meet the needs of the training board.

Much effort will have to be put into training needs analysis, and while a certain amount of that may be achieved by building it into Service Planning and Staff Appraisal initiatives already taking place, it will be necessary to dedicate some additional resources to that area.

It is therefore proposed to second a current member of staff with the required skills from the Head of , in order to for a sufficient period toinitial phase of training needs analysis and the other indicated aboveof defining standards for training plans and programmes:

? The Council's business needs
? What knowledge and skills line-managers need their staff to have
? What staff themselves feel the need of
? Individual career aspirations

all of which need to be taken into account, in order to arrive at a meaningful plan for staff. At present, training needs are identified mostly by the individual employees and their line managers. The business needs of the Council need to be clearly articulated, so that all learning activitles can be clearly linked to identifiable business needs.

4.2. There is a need for various kinds of training. Broadly, the range of courses may be divided into the following headings:-

~~4.3.It is proposed that all training needs are systematically identified by carrying a full training needs analysis, using structured interviews and questionnaires. The analysis should cover the full range of training required for organisational, professional/occupational and individual needs, looking at present needs for current objectives and future needs for long(er)-term objectives. It will then inform the strategy to be developed by the Training Board.~~

~~4.4.In order to carry out the analysis, the Council would need:~~

~~? Appropriate professional assistance in identifying how best to gather this information from Council managers and staff~~
~~*The views of EMT are sought, on whether this design work should be put out to competitive tender, or negotiated with the appropriate staff at the Scottish Local Authorities Management Centre, which is part of the Business School at the University of Strathclyde.*~~

~~? A member of staff to ensure that the information was gathered in an appropriate format, and the results analysed~~
~~*It is proposed that a suitable member of staff is sought by means of advertising a xxx-month secondment to Organisational Development.*~~

~~? Suitable software to aid analysis~~
~~*The Council already owns Pinpoint software, and staff in the Personnel and Planning services already have expertise in using it.*~~

~~? A budget of £xxxx, to achieve the above~~
~~*The Head of Organisational Development has already identified appropriate funds.*~~

~~5.Future Training Provision~~

~~5.1.Once established, the Training Board can turn its attention to confirming and improving the range and quality of training on offer. I suggest a comprehensive programme of trainer accreditation and course validation is undertaken, and a partnership entered into with a suitable Business School, with a view to combining the benefits of good local training provision with the wider experience offered by mainland providers. A business-oriented approach should be sought, raising the quality and reputation of local training, as well as developing all Council staff, and educating actual and potential managers.~~

~~5.2.The Board should also devise a system of checking the effectiveness of the learning achieved, looking at:~~

~~? Contribution to organisational performance~~
~~? Impact on the way people do their jobs~~

? Learning achieved
? Reactions of those involved

6. Current Training Initiatives

6.1. As a first step, information should be collated for the Training Board on the training work which is already being carried out in various departments. Budgets can then be allocated to continuing the ongoing work, whilst the training needs analysis is carried out and the training strategy is drawn up.

6.2. Many services already draw up training plans for their staff, in differing degrees of detail. The plan already produced by Social Care provides an excellent model of the kind of information required. The Head of Organisational Development should build on this practice, and arrange for each service to prepare an annual plan to a simple standard format, for example:

These can then be collated to form departmental plans, and aggregated in order to produce the first part of a Council plan.

6.3. The preparation of these plans will not only fulfil the requirements of the current policy, but will also assist service managers in coming to a realistic assessment of the training needs of their service. Pending the roll-out of the Council's appraisal scheme, this exercise will also provide an opportunity for managers to sit down with their staff, and discuss their individual training needs.

6.4. If the Training Board is content with the annual plans, then the management of the related budgets can be passed forthwith to the individual services.

7. Proposals

7.1. Proposals in this report include:

7.1.1. Hire a Business School to design a training needs analysis centred around the Council's business and management needs, as well as individual requirements.
7.1.2. Second someone from College to Organisational Development to help carry it out
7.1.3. Hire an organisation to assess and validate local trainers
7.1.3.1. Set up a Training Services Board along the lines of the IS Management Board (Jacqui and Graham S.), to be responsible for all training initiatives within the Council excluding those relating to …. ?? three options are offered
7.1.3.2. gather all budgets to Board, with the exception of devolved school budgets

7.1.3.3.~~disburse budgets against annual departmental training plans and other specific proposals (which may be for programmes or for individuals)~~

~~8.Conclusions~~

~~8.1.wertyuidfghjkdf.~~

~~9.~~8. Financial Implications

8.1. The adjustment of the Councils overall balance between service and corporate training budgets to promote more effective delivery of common training requirements. This will be achieved by a virement of £45,000 (approx 4%) across service training budgets. This virement will apply to all subjective code 1600, 1601 & 1602 budgets, apart from Cost Centre GRD4004, Skillseekers.

8.2. Generally service training plans were addressing clear operational service needs. While more effective co-operation between services and across the training delivery sector may deliver more effective training locally, that process will take some time to deliver significant cost savings.

~~looking to the future training which will in turn tend to lead to uptaketrainingare as yet no specific financial implications contained within these proposals. Greater co-ordination and focus on training should lead to economies of scale and efficiency improvements but there is also likely to increased uptake of training which will tend to increase spend. Overall the principle objective of these proposals is to obtain better value for money in the training.~~

~~9.2.If budgets are consolidated with the Head of Organisational Development there may be a need to review the mechanism to straightforwardly transfer these to support service training plans without undue reversion to Council for the approval or virements. The budgeting needs of the Council's different funds would need to be borne in mind e.g. moving budgets between the General Fund and the Housing Revenue Account or the Harbour Account.~~

~~, should this be appropriate, when actual costs become budgets are consolidated with the Head of Organisational Development by EMT and the Head of Organisational Development~~

~~9.3.Engaging a business school partner is likely to have short to medium term costs and this might require a re-evaluation of the corporate training contingency when actual costs become clearer.~~

~~10.~~9. Policy and Delegated Authority

~~10.1.~~**9.1. Organisational Development and Further and Higher Education & Training Strategy are part of the remit of the Executive Committee. The Executive Committee has delegated authority to implement decisions within its remit for which overall objectives have been**

approved by the Council, in addition to appropriate budget provision (SIC 90/03).

~~10.1.~~**9.2.** As per Financial Regulations (Report F-021-F) paragraph 7.10.1 (c), Amounts between two point five and ten times the de minimus sum which do not create an ongoing commitment require the approval of the Executive Management Team. This set of virements has been approved by Executive Management Team.

10. Conclusions

10.1.   The development of capable staff is absolutely fundamental to the Council being able to meet the many challenges of the future in delivering high quality services to the people of Shetland.

10.2.   Obtaining the right balance between corporate and service training can assist in both the effectiveness and efficiency of that staff development.

~~By subjecting the Council's training plans and budgets to scrutiny by EMT, it will be possible to give training a corporate focus.~~

~~The proposals outlined above should allow the Council to improve its already considerable efforts in training. Improved performance throughout the chain, from identifying needs to organising and delivering solutions, can only deliver better value for money.~~

~~By collecting all of the Councils training budgets within the remit of a Training Management Board to be targeted and dispersed in line with policy will give a focus that has hitherto been lacking.~~

~~The Council improving co-ordinating its considerable current efforts in training from identifying needs, to organising and delivering solutions, should improve performance throughout the chain and demonstrate better value for money.~~

11. Recommendations

~~I recommend that the Executive Committee;~~

11.1.   I recommend that the ~~I recommend thatA~~**Executive Committee note the contents of this report.**~~:~~

~~note the steps already taken, and approve the proposals regarding the implementation of the Council's Strategic Training and Management Development Policy, all as described in section 3 above.~~

Decide whether a Training Sounding Board should also be constituted and if so provide guidance on its membership and terms of reference. **:-**

11.2.Any other recommendations

Our Ref: **JRS/**JJ/**........../DESL** _____ **Report No.** **XXX.....-D**CE-27-F
Date: 52**7 June** **89 September** **2004**October 2003

APPENDIX A

TRAINING MANAGEMENT BOARD – TERMS OF REFERENCE

1 Scope

The Training Management Board is responsible for leadership in the management and co-ordination of all training initiatives and activity across services within the Council.

2 Objectives

? To ensure that a Training Strategy is developed, maintained and implemented which reflects the policies and the business requirements of the Council as a whole.

? To steward Training budgets centrally and ensure that Training programmes and projects are properly planned and managed.

? To ensure that appropriate levels and quality of service in all Training areas are provided across round the Council and prioritise competing requirements if necessary.

To ensure all members of staff are having their training needs effectively evaluated and properly met to discharge their duties and develop their capabilities.

To ensure that training needs and training activities are properly recorded so that staff and managers can benefit from access to training histories.

? To ensure that an effective mechanism for communicating on Training matters is in place to and from colleagues and peers within all levels of the Council.

3 Structure

Chief Executive
Executive Director – Community Services
Executive Director – Infrastructure Services
(or their nominees)

Head of Organisational Development
Chair being rotated between members of the Board on an annual basis.

Supported by Organisational Development, Train Shetland and Colleges Policy with other officers attending as required by the agenda.

4 Reporting and Delegated Authority

The Training Management Board will provide information and report progress to all Services, Committees and Departments where relevant. It will seek approval from Council where required on Financial matters Capital Projects and the introduction or change to major policy.

The Training Management Board will have delegated authority to administer Training expenditure. This authority will extends to the setting of priorities for expenditure, the virement of training budgets to support service training programmes, the appointment of Budget Responsible Officers for special Ttraining Board Projects, the allocation of budgets within rolling programmes and the awarding of contracts for particular projects on the Councils behalf subject to standing orders, statutory requirements and Council budget limits.

5 Meetings

Meetings will be held in line with the Council cycle as required but may also be called by the Chairman as necessary.

There shall be at least one meeting per annum of the Training Board held in conjunction with the Training Liaison Board to jointly review progress and plans.

Meetings will be minuted and issued to the Executive Committee.all Directors and members of the Training Liaison Board.

APPENDIX B

TRAINING LIAISON BOARD – TERMS OF REFERENCE

1. Scope

The scope of the Training Liaison Board will include all training activities within the Council and the wider Shetland context as deemed appropriate by members. This may include initiatives concerned with: supporting the internal operation of the council; services to the wider community; provision within education and supporting local commerce and industry.

2. Objectives

To ensure that the appropriate level of political awareness and focus is directed towards the provision of training and a training infrastructure within both the council and the wider Shetland context. This may involve liaison with external bodies as appropriate.

To appraise the Training Board of the wider perspective on trainng matters.

3. Structure

???? Five Members who select the chairman of the Training Liaison Board

Supported by Organisational Development with other officers attending as required by the agenda

4. Reporting

The Training Liaison Board will not have any devolved decision making powers.

5. Meetings

Meetings will be held in line with the Council cycle as required but may also be called by the Chairman as if necessary.

There shall be at least one meeting per annum of the Training Liaison Board held in conjunction with the Training Board to jointly review progress and plans.

Notes of the discussions held will be made and issued to members of the Training Board and made available to all members.

Shetland
Islands Council

REPORT

To: **Executive Committee**~~Management Team~~   ~~(insert date)~~22 June 2004~~9th1stOctoSeptem~~

From: **Senior Special Projects Manager**
Head of Service - Organisational Development ~~Senior Special Projects Officer~~

Report No: **CE-26-F**

Performance Management Framework

1. Summary

   1.1. This paper sets out a suggested framework for monitoring and reporting on the Council's performance.

2. Background

   2.1. Performance management is about monitoring performance against targets, identifying opportunities for improvement, and delivering change.   Effective performance management needs co-ordinated planning and review systems. Its purpose is to enable key decision makers, both political and managerial, to take decisions which are based on facts about performance.

   2.2. Various planning and reporting cycles already exist within the Council, and the challenge is to link these up in a meaningful way. Effective frameworks will have to be built with consent rather than by imposition, but they must be driven by leadership.

   2.3. This framework is mostly about the process of Performance Management. Just as important is developing a culture of innovation and risk tolerance. This needs to allow not only positive feedback on success, but also effective identification of, and corrective action on, failure.

   2.4. The proposed framework seeks to build on existing strong cycles, such as monthly management accounts, and improve non-financial reporting; examples of non-financial reporting include reporting on service

outcomes against priority targets, on progress made with improvement actions, and on the resources used to achieve these.

2.5. **The framework should be seen as a flexible tool, which is capable of evolving to meet the needs of its users; Appendix A provides a schematic of the proposal, and Appendix B illustrates the likely content of the main performance reports.**

3. Corporate Plan Monitoring

3.1. **The central document of the performance framework is the Corporate Plan. This contains the Council's pledges to the community. This in turn links to Service Plans, which are designed to deliver on these pledges.**

3.2. **The priorities within the Corporate Plan have been allocated to lead members and to officers. Executive Management Team and elected members endorsed these lead roles in the last meeting cycle.**

3.3. **Key activities and targets to monitor progress on delivery of the Corporate Plan have now been identified (set out in Appendix C). The Executive Committee is now invited to endorse these.**

3.4. **Progress against the Corporate Plan will be reported to Executive Committee 6 monthly. This report will give progress on implementation, highlight points for corrective action where the Council has not been on target, and note any situations where responsibilities or resources have changed.**

4. Service Planning

4.1. **Service Heads are responsible for drawing up Annual Service Plans for their service areas, in discussion with their service managers and their Executive Directors, and keeping their spokespersons fully briefed.**

4.2. **Service Plans cover the following main elements:-**

- **pledges to customers**
- **improvement activities**
- **efficiency activities**
- **performance indicators and targets**
- **summaries of resources allocated to the service**

4.3. **Service Plans for 2004/2005 have now been produced by all services and can be viewed on the Councils Intranet site at www.sic.gov.uk/serviceplanning.**

4.4. These annual Service Plans will become the Council's key operational management tool, and progress against these Plans will be reported to service committees on a six monthly basis. These reports will give provide more detailed information than the Corporate Plan progress reports, but with similar objectives to generally inform members of progress or issues. Both Annual Plans and monitoring reports will be placed on the intranet, to provide a ready reference point for members and managers, alike.

5. Management process

5.1. The management process would involve a more frequent update cycle. Departments would make internal arrangements to suit their remit, but typically Service Managers would meet monthly with their Heads of Service, who would report monthly to their Executive Director or equivalent; the department head would take selected highlights to Executive Management Team for information or discussion, as appropriate.

5.2. This monthly management process would not only allow prompt corrective action to be taken on recent performance, but would also provide a forum to raise forthcoming or potential issues, in order to anticipate these and adjust the next month's activities accordingly.

5.3. The performance targets and agreed actions outlined in service plans also provides a mechanism to review performance of service heads and service managers and could be part of the information taken into account during annual appraisals

6. Financial Implications

6.1. There should be no financial implications arising from this report. The proposed framework should allow service delivery to be monitored alongside financial information.

7. Policy and Delegated Authority

7.1. Performance management arrangements and Best Value are part of the remit of the Executive Committee. The Executive Committee has delegated authority to implement decisions within its remit for which overall objectives have been approved by the Council (SIC 90/03).

8. Conclusion

8.1. Performance reporting has to be a combination of reporting on inputs and outcomes, showing how the Council is using its resources and performing against targets, and how this compares with performance in previous years, and with the performance of other bodies.

8.2. Different audiences have an interest in this information, and will need different levels of detail at difference times. The proposed framework is intended to provide members and managers with the opportunity to see what is working smoothly, as well as what needs attention.

9. Recommendations

9.1. It is recommended that the Executive Committee recommends to the Council that :

9.1.1. they adopt the proposals set out in this report and in appendices A and B, concerning periodic reporting of performance against Service and Corporate Plans; and
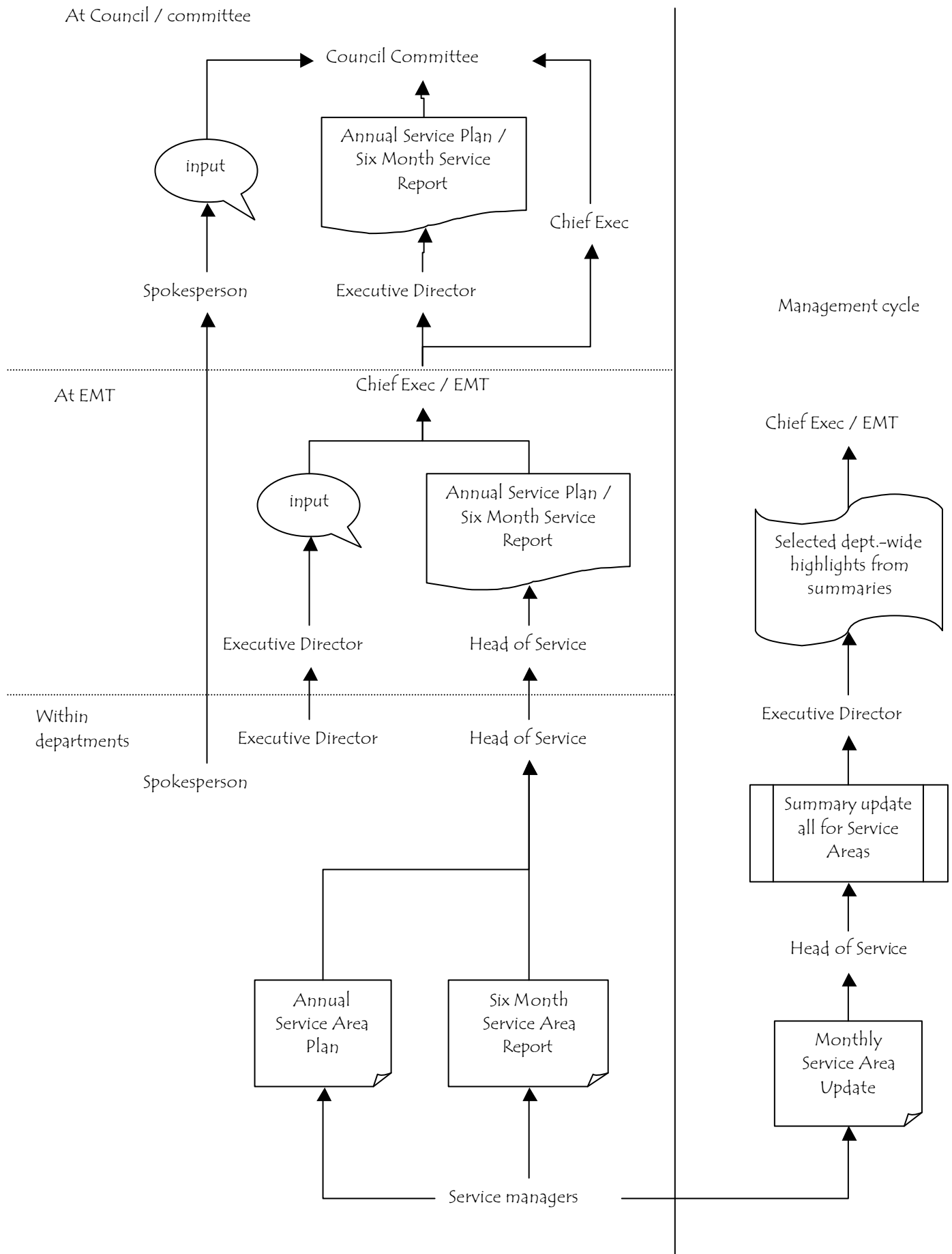
9.1.2. they agree the activities and targets set out in Appendix C, for monitoring progress on implementation of the Corporate Plan.

Date: 14 June 2004
Ref: DESL /JRS   **Report No: CE-26-F**

APPENDIX A

At Council / committee

Council Committee

input

Annual Service Plan /
Six Month Service
Report

Chief Exec

Spokesperson

Executive Director

Management cycle

At EMT

Chief Exec / EMT

Chief Exec / EMT

input

Annual Service Plan /
Six Month Service
Report

Selected dept.-wide
highlights from
summaries

Executive Director

Head of Service

Executive Director

Within
departments

Executive Director

Head of Service

Spokesperson

Summary update
all for Service
Areas

Head of Service

Annual
Service Area
Plan

Six Month
Service Area
Report

Monthly
Service Area
Update

Service managers

Annual Plan	Six Month Report	Monthly Update
1 pledges to customers	**statement of compliance AND/OR exceptions to date and reasons**	**confirmation that can meet pledges OR notice of issues which might affect delivery**
2 improvement activities / Action Plan	**progress on improvement activities**	**confirmation that progress is on target OR notice of issues which might affect delivery**
3 performance indicators & targets	**statement of compliance AND/OR exceptions to date and reasons**	**confirmation that measurements are on target OR notice of issues which might affect delivery**
corporate		
service		
4 resources allocated to this service		
revenue	**budget v actual performance**	**budget v actual performance**
capital	**progress on capital projects**	**progress on capital projects**
assets	**asset statement**	**movements AND/OR changes to requirements**
staff	**staffing statement**	**movements AND/OR changes to requirements**
5 -	**actions required to keep service on target**	**confirmation that actions are being taken OR notice of issues which might affect delivery**
6 -	**-**	**plan to address identified issues, for discussion and agreement with line-manager**

~~Decide whether a Training Sounding Board should also be constituted and if so provide guidance on its membership and terms of reference. :~~

~~11.2.Any other recommendations~~

APPENDIX B

APPENDIX A

TRAINING MANAGEMENT BOARD – TERMS OF REFERENCE

1   Scope

The Training Management Board is responsible for leadership in the management and co-ordination of all training initiatives and activity across services within the Council.

2   Objectives

? To ensure that a Training Strategy is developed, maintained and implemented which reflects the policies and the business requirements of the Council as a whole.
? To steward Training budgets centrally and ensure that Training programmes and projects are properly planned and managed.
? To ensure that appropriate levels and quality of service in all Training areas are provided across round the Council and prioritise competing requirements if necessary.
To ensure all members of staff are having their training needs effectively evaluated and properly met to discharge their duties and develop their capabilities.
To ensure that training needs and training activities are properly recorded so that staff and managers can benefit from access to training histories..
? To ensure that an effective mechanism for communicating on Training matters is in place to and from colleagues and peers within all levels of the Council.

3   Structure

Chief Executive
Executive Director – Community Services
Executive Director – Infrastructure Services
(or their nominees)

Head of Organisational Development
Chair being rotated between members of the Board on an annual basis.

Supported by Organisational Development, Train Shetland and Colleges Policy with other officers attending as required by the agenda.

4   Reporting and Delegated Authority

The Training Management Board will provide information and report progress to all Services, Committees and Departments where relevant. It will seek approval from Council where required on Financial matters Capital Projects and the introduction or change to major policy.

The Training Management Board will have delegated authority to administer Training expenditure. This authority will extends to the setting of priorities for expenditure, the virement of training budgets to support service training programmes, the appointment of Budget Responsible Officers for special Ttraining Board Projects, the allocation of budgets within rolling programmes and the awarding of contracts for particular projects on the Councils behalf subject to standing orders, statutory requirements and Council budget limits.

5   Meetings

Meetings will be held in line with the Council cycle as required but may also be called by the Chairman as necessary.

There shall be at least one meeting per annum of the Training Board held in conjunction with the Training Liaison Board to jointly review progress and plans.

Meetings will be minuted and issued to the Executive Committee.all Directors and members of the Training Liaison Board.

APPENDIX B

TRAINING LIAISON BOARD – TERMS OF REFERENCE

1. Scope

The scope of the Training Liaison Board will include all training activities within the Council and the wider Shetland context as deemed appropriate by members. This may include initiatives concerned with: supporting the internal operation of the council; services to the wider community; provision within education and supporting local commerce and industry.

2. Objectives

To ensure that the appropriate level of political awareness and focus is directed towards the provision of training and a training infrastructure within both the council and the wider Shetland context. This may involve liaison with external bodies as appropriate.

To appraise the Training Board of the wider perspective on trainng matters.

3. Structure

???? Five Members who select the chairman of the Training Liaison Board

Supported by Organisational Development with other officers attending as required by the agenda

4. Reporting

The Training Liaison Board will not have any devolved decision making powers.

5. Meetings

Meetings will be held in line with the Council cycle as required but may also be called by the Chairman as if necessary.
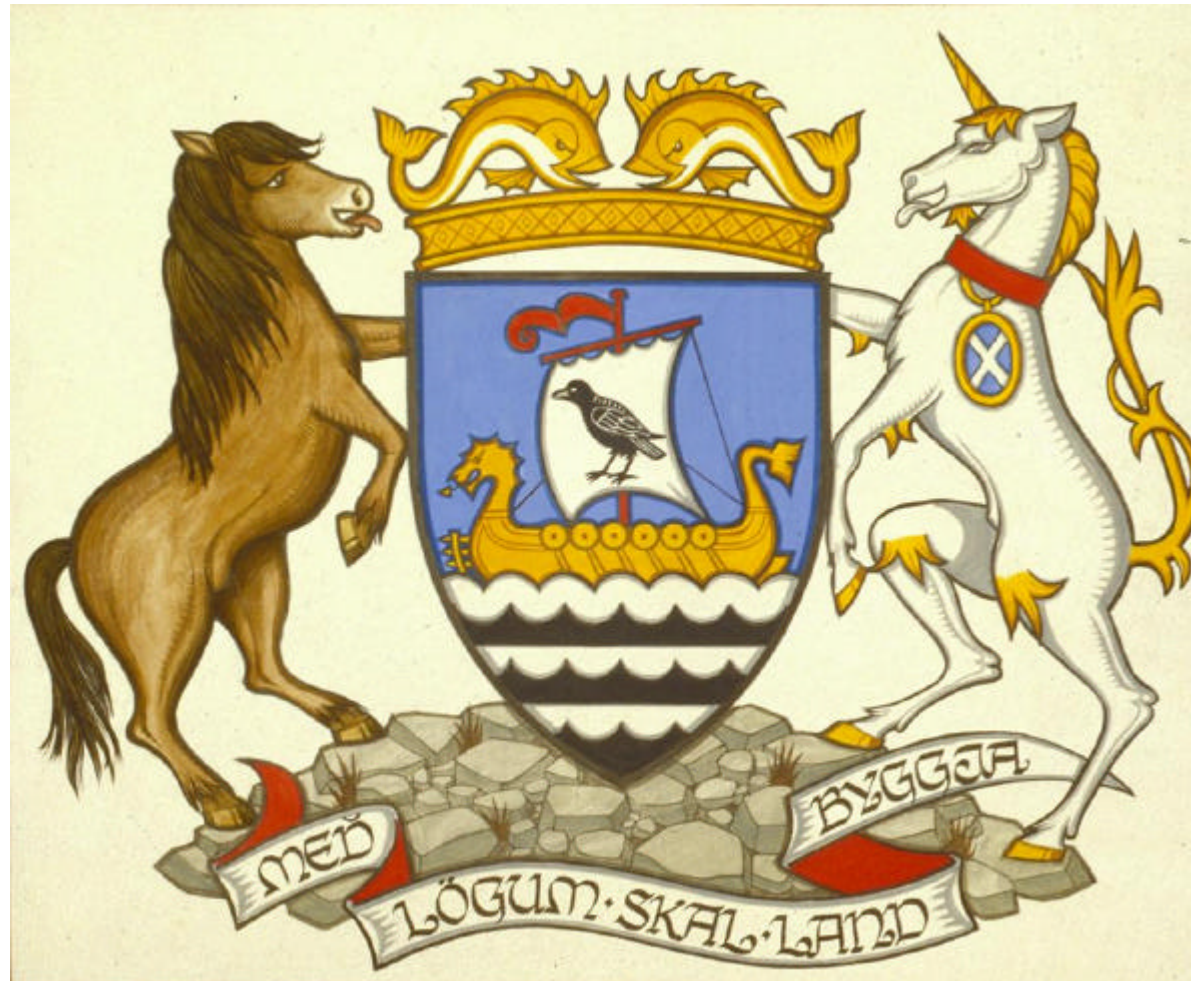
There shall be at least one meeting per annum of the Training Liaison Board held in conjunction with the Training Board to jointly review progress and plans.

Notes of the discussions held will be made and issued to members of the Training Board and made available to all members.

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
Sustainable Economic Development				
Marketing Shetland In order to improve the competitiveness of Shetland, Shetland businesses, and Shetland products it is essential to improve our marketing.	Continuing to invest in the marketing service and the development of the Shetland brand linking that to products with the aim of adding value to the economy.	Chair, Economic Forum. **Head of Business Development**	Have in place a style guide, origin device and website + prepared branding operational plan during 2004/05.	Project progress reports to Executive Committee
Skills Development In order to meet the needs of a modern economy as many people as possible in Shetland need the right skills to match new work opportunities.	Focusing on the development of transferable skills and entrepreneurship in both young people and adults, in order to equip them best to fulfil these needs.	Chair, College Board of Management **Economic Development Co-ordinator**	**Have in place during 2004/05 a system that feeds training needs into the programmes for training provision**	Progress reports to Executive Committee
External Communication Because Shetland is geographically remote from its markets we must keep improving our communication links with	Continuing to press for external air and sea services that meet Shetland's business and social needs including pressing for Public Service Obligations (PSOs)	Transport Spokesman **Executive Director, Infrastructure**	**Pursue the external air Public Service Obligation with partners and other stakeholders.**	Progress reports to Infrastructure Committee.

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
communication links with the rest of the world in order to help improve competitiveness.	(PSOs). Seek to ensure that Shetland is connected to the UK by high quality electronic communications links to enhance business use of technology, including pressing for Broadband.	**Chair, Economic Forum** **Head of Business Development**	nges ADSL enabled to 50% of the Shetland public	**Project progress reports to ICT Management Board and Executive Committee**

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
Economic Diversification To develop a less fragile economy and create new quality jobs, we need to have more diverse businesses and products.	The Council will do this by promoting development in sectors such as technology, renewables and culture by targeting support.	Chair, Economic Forum **Head of Business Development**	**Full economical production from 1 new or fringe aquaculture species** Support for 3 added value food production projects **Support for 1 IT project** **Support development of one new activity to Shetland** **Achieve positive announcement for an electricity interconnector cable to Shetland**	Progress reports to Executive Committee
Strengthening Rural Communities It is key to the overall economic health of Shetland to develop the economy of rural areas, so that rural communities remain and/or become places where people can live and work with good career prospects.	The Council will do this by supporting commercial activities throughout Shetland with preferential assistance for remote areas and by seeking to decentralise some public sector employment away from Lerwick.	Chair, Economic Forum **Head of Business Development**	**Completion of 3 community economic development infrastructure projects** **Implementation of Initiative at the Edge in Northern Isles and North Mainland** **Support for 1 value added/product development project in a rural location** **Support 10 grading**	Progress reports to Executive Committee

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
			improvement projects in tourism accommodation	

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
BENEFITING PEOPLE AND COMMUNITIES				
Improving Health The quality of life of everyone in Shetland can benefit from improved health.	Making sure that all Council services are provided in a way that seeks to improve the general health of the population.	**Spokesperson Public Health** **Executive Director Community Services**	Develop audit of all services to determine whether they are provided in a way that improves health **Work with partners in health improvement, public health and consumer protection roles.** **Continue to develop staff welfare programme and ensure safe and healthy workplaces**	Reports to Health Action Team
Equal Opportunities Shetland will benefit from everyone having the same chances to make their fullest contribution in every field.	The Council will do this by ensuring there is no discrimination in any of our services and by promoting equal opportunities at all times.	Chairperson Social Forum Executive Director Community Services	Services delivered by Community Services will all be accessed for equalities impact during 2004/05. **Set-up and support of a Shetland racist incident panel.** **Provide multi-lingual support for 2004/05 public performance report.**	Progress reports to Executive Committee
Social Justice	Targeting our services to	Chairperson Social Forum and	Comprehensive Social Justice indicators will be	Progress reporting to Community Planning

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
As a caring community we want to know that public resources are fairly allocated, and help to reduce inequalities and injustice.	those who need them most, and making services as accessible and affordable as possible.	Spokesperson Social Work **Head of Social Work**	developed and agreed during 2004 / 2005. Develop joint assessment procedures for all agencies involved in Children's services	Board.

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
Active Citizenship Shetland is strengthened by all of us sharing responsibility for our future.	The Council will do this by supporting groups and individuals in their efforts to maintain high quality facilities and community life..	Chair, Services Committee **Head of Community Development**	Production of a community profile for each community council area during 2004 / 2005 with Community input, that can be easily updated annually. **Achieve the Councils application for an Adventure Activities Licence.** **Improve the application process for grant assistance to the voluntary sector** **Progress new museum and archive project**	Report to Services Committee
Community Safety Everyone has the right to feel safe in their community.	Working with statutory and voluntary partners to address and respond to safety issues concerning communities.	Spokesperson Housing. **Head of Housing**	Implement Community Wardens scheme.	Progress reporting to Services Committee
Achieving Potential Shetland has much to gain economically, socially and culturally from all individuals being	The Council will do this by continuing to provide the best learning environment for all:.	Spokesman Education and Young People **Head of Education**	Equip and staff Additional Support Needs base at AHS Complete and implement decisions of the Best Value Education Service	Progress Reports to Services Committee

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
able to make the most of themselves and their talents.			Value Education Service review. Commission the building of a new Anderson High School	

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
LOOKING AFTER WHERE WE LIVE				
Respecting Our Unique Landscape Because of its geography and history Shetland has a unique and distinctive landscape, which we need to conserve and improve for the benefit of all.	Encouraging a high standard of building and landscape design, and by implementing the policies contained within the Shetland Structure and Local Plans.	**Spokesperson Planning** **Head of Planning**	**Adopt and publish the Ahetland Local Plan and the Shetland House document in 2004/05.** **Undertake a review of the Shetland Structure Plan for publication in 2005/06**	Progress reporting to Infrastructure Committee
Protecting Natural Resources We also need to protect this unique resource, so we are all able to continue to benefit from it.	Ensuring that all Council buildings and services minimise their impact on the environment, including the conservation of energy and light pollution. We will also make local sourcing and resource usage a key element in the procurement of goods and services	**Chair Environment Forum** **Executive Director Infrastructure**	**Undertake full energy audit in 2004/05 to determine areas for improvement in energy efficiency** **Publish procurement guidance in 2004/05**	Progress reporting to Infrastructure Committee.
Managing Waste Effectively	The Council will do this by making sure that we minimise waste, and	**Spokesperson Environment Chair Infrastructure**	**Instigate kerb side recycling collections in 2004/05**	Progress reporting to Infrastructure Committee.

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
We all need to manage waste effectively and efficiently to limit its impact on our environment.	promote the re-using, recycling and recovery of resources.	Head of Environment	Employ Waste Prevention Officer in 2004/05	

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
Cherishing Biodiversity The range and quantity of wildlife is one of Shetlands special features and keeping and enhancing it will benefit our economy and culture.	The Council will do this by continuing to encourage consideration of the effect our services have on Shetland's biodiversity and by seeking greater local control over our marine environment.	**Spokesperson Environment** **Head of Planning**	**Implement the diversity plans published in 2003/04.** **Continue to expand the Fishing for Litter project.**	Progress reporting to Infrastructure Committee.
Improving Internal Transport Shetland is a scattered community and we need to have sustainable and easy to use systems for transporting freight and people to underpin all our economic and social aims.	The Council will do this by continuing to maintain and improve roads and improving our systems of public transport. We will also sustain inter-island communications and seek improvements with fixed links, where appropriate, starting with the Bressay Bridge.	**Spokesperson Transport** **Executive Director Infrastructure** **Head of Roads** **Ferry Service Manager** **Transport Services Manager**	Create an accurate inventory of the road network in 2004/05. Agree Service specifications for Ferry Services by April 2005.	Progress reporting to Infrastructure Committee.

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
CELEBRATING SHETLAND'S IDENTITY				
Our Cultural Identity If we are to make the most of our distinctiveness we have to respect Shetland's cultural identity, its diverse cultural traditions, its heritage, its creativity and its vitality.	Continuing to provide a wide range of access to arts and music. Value the diversity and benefits new cultures and ideas bring to Shetland. Encourage minority groups and individuals to express their cultural identity.	Spokesperson Culture Head of Service Community Development	Support community transport initiatives which enable everyone to participate in Cultural activities of their choice Produce a directory for the Arts in Shetland Encourage communities and agencies to be inclusive in their approach to cultural events and increase public participation.	Cultural Strategy Implementation
Thinking and Acting Collectively We need to have confidence in our own capabilities and to be innovative in providing locally appropriate solutions that address national and international priorities effectively.	Maximise the opportunities for Shetland, in national and European legislation and proposals. Inform the debate about what can be done in Shetland, by considering good practice in other island groups, rural regions, progressive communities both in Scotland and world wide.	**Vice-Convenor** **Head of Organisational Development**	**Facilitate the Community Planning process in the development of the 2020 Shetland Community Plan.**	Executive Committee reporting from Community Planning Board.
Promoting Excellence	Committing to service pledges to customers	**Convenor**	**Ensure the Best Value Audit**	Best Value Action Plan

Priority	Task	Lead Responsibility	Timescale & Targets	Monitoring
The Council must set excellent standards for its own outlook and services in order to fulfil its leadership role in Shetland society.	pledges to customers, Promoting and monitoring high standards of behaviour for staff and members Making quality a key test in the Council's procuring of goods and services.	**Chief Executive**	**Process assists in promoting service quality improvement**	

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004

From: Agricultural Development Officer

DV043-F
CHANGES TO CONDITIONS OF AGRICULTURAL CONTRACTORS SCHEME

1.0   Introduction

    1.1   **The Agricultural Contractors Scheme has been supporting the provision of a satisfactory agricultural contracting service in Shetland since its inception in 2001. It has recently become apparent that the conditions of the Agricultural Contractors Scheme needed clarification regarding the procedure to be followed where a contractor is trading in an item of machinery or equipment against the cost of an item new to the business.**

    1.2   **This report recommends that the Terms and Conditions of the existing Agricultural Contractors Scheme be revised to offset the trade-in value of existing items of machinery or equipment against the value of item(s) applied for under the Agricultural Contractors Scheme, leaving the 25% grant assistance available to be payable on the remaining balance.**

2.0   Background

    2.1   **The Agricultural Contractors Scheme was created in 2001 with the aim of helping towards the provision of a satisfactory agricultural contracting framework in Shetland.**

    2.2   **Agricultural contractors are vital to the Shetland agricultural industry as they provide a service to crofters who cannot afford or justify the purchase of machinery or equipment for themselves.**

2.3   **In the past where an applicant to the Agricultural Contractors Scheme has an item to part exchange against an item new to their business, there has been ambiguity as to how the 25% grant available should be applied – either to the cost of the replacement item in its entirety, or to the balance for the replacement item after the value of the part exchange item has been deducted. Both the aforementioned approaches have been used.**

3.0   Proposals

3.1   **The Agricultural Contractors Scheme Conditions will be amended to take into account the following policy clarification:**

3.1.1   **Where an item is being part exchanged against an item new to the contracting business, the 25% Agricultural Contractors Scheme grant will be payable against the balance remaining once the value of the part exchange item has been deducted from the sale price of the new item.**

4.0   Financial Implications

4.1   **There will be no financial implications as such, as the budget for the Agricultural Contractors Scheme will remain unaltered.**

4.2   **However, by consistently taking into account the value of part exchange items, this will nominally reduce the mean amount of an Agricultural Contractors Scheme grant payment, so allowing the Agricultural Contractors Scheme budget to be spread further amongst eligible applicants.**

5.0   Policy and Delegated Authority

5.1   **The Economic and Development policies adopted by the Committee on 9 December 2003 [Min Ref 34/03] and by the Council on 17 December 2003 [Min Ref 161/03] contain the following relevant policies:**

2.5.4   **"Supporting the retention and promoting the sustainable growth of key rural industries including agriculture"**

3.1.2   **"Generate improved product quality and greater efficiency of production in all agricultural sectors"**

5.2   **This report is being presented to the Executive Committee in accordance with the remit for policy and planning coordination and economic strategy [Min Ref 90/03]. However, as the report seeks to amend existing policy, the Committee is unable to exercise delegated authority and has, therefore, to make a recommendation to the Council.**

6.0   Conclusions

6.1   **The clarification of procedure where part exchange items are involved will remove previous ambiguities and perceived unfairness, and so ensure all applicants are treated equally.**

7.0   Recommendation

7.1   I recommend that the Committee recommends to the Council to approve the revised conditions of the Agricultural Contractors Scheme as specified in Appendix 1.

Date: 08 June 2004   **Report No: DV043-F**
Our Ref: JD/KS

APPENDIX 1

Agricultural Contractors Scheme Draft Conditions

1   Grant assistance is available under this scheme to assist agricultural contractors in the purchase of agricultural machinery and equipment. The grant will only be available to agricultural contractors based in and operating within Shetland.

2   Agricultural machinery and equipment new to the contracting business will be eligible for grant. Second hand machinery and equipment may be considered for assistance. Such machinery must be inspected or certified as fully serviceable to last a period of five years by an independent engineer.

3   The purchase of replacement machinery or equipment will not be eligible for grant assistance but may be considered for loan assistance. However, due to the essential role of large round balers and the associated high level of wear and tear the grant aid of replacement balers would be considered for assistance.

4   Mechanical excavators and associated equipment will not be eligible for either grant or loan assistance.

5   Non-agricultural contractors and applicants who propose to offer a service, which is already adequately provided, will not be eligible for assistance. The competition aspect will be assessed by the Agricultural Technical Team, which consists of officials from SEERAD, SAC, Shetland Enterprise and SIC Economic Development Unit.

6   Where an existing item of machinery or equipment is being traded in against the purchase of an item new to the contracting business, grant assistance where granted will be paid on the balance remaining after the value of the trade-in has been deducted from the cost of the new item.

7   The application form must be accompanied by an Agricultural Development Plan and a Five Year Cash Flow Analysis that will be assessed by the Councils Agricultural Development Officer. The Plan and Cash Flow must be prepared by either the Scottish Agricultural College or by a consultant approved by the Economic Development Unit.

8   All eligible projects may receive total Council grant assistance of 25%. Grant assisted machinery and equipment must be used solely for agricultural purposes. The 25% grant is limited to a maximum of £15,000 per business in 2004/05.

9   Applicants must ensure that the proposed purchase of agricultural machinery and equipment is not eligible for SEERAD, CCAG or any other assistance.

10   If your proposals are acceptable you will receive a letter offering grant assistance. Purchase of machinery and equipment must not be undertaken prior to a written offer of grant being received from SIC's Economic Development Unit otherwise it will not be eligible for funding. All grants are discretionary and subject to the availability of finance. They are not automatic.

11   **Grant will be paid out on actual eligible expenditure as shown by valid original invoices satisfactorily receipted.**

12   **Applicants will be required to keep the grant assisted machinery and equipment in good working order for at least 5 years from receipt of grant and must make it available for inspection by Shetland Island Councils Economic Development Unit on request.**

13   **Applicants must supply independently prepared annual accounts of their business to the Council within 9 months of the end of the financial year for each of the 5 years following receipt of grant.**

14   **The Council reserves the right to find out the amount of arrears of debt, if any, owed to the Council by applicants for assistance and to withhold payment of any assistance until such time as the arrears have been cleared or satisfactory arrangements have been made to clear such arrears.**

15   **Failure to observe any of the conditions of the Scheme may involve repayment of the grant and may disqualify the applicant from future assistance from this grant or other grant and loan schemes run by the Council.**

16   **Closing date for receipt of application forms is 31 March 2005.**

17   **Recipients of grant assistance from the Council must abide by the terms of the animal health schemes operated by the Shetland Livestock Marketing Group Limited. In particular, grant recipients must comply with the set of rules for importation of sheep into Shetland. Failure to comply with the terms of relevant operational animal health schemes will result in grant money being reclaimed by the Council and to disqualification from receiving future Council grant assistance.**

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004

From: Agricultural Development Officer

DV044-F
CHANGES TO CONDITIONS OF POTATO, VEGETABLE AND HORTICULTURAL SCHEME

8.0   Introduction

    8.1   **The Potato, Vegetable and Horticultural Scheme (hereafter referred to as PVHS) has been supporting the development of vegetable production in Shetland since 1989. It has recently become apparent that the conditions of the PVHS needed revision in two regards.**

    8.2   **Since 1989 the changing agricultural market on Shetland has led to new priorities and directions, recognised and detailed in the recently published "Strategy for Shetland Agriculture" (August 2003).**

    8.3   **This report recommends that the Terms and Conditions of the existing PVHS be revised to take into account the new criteria.**

9.0   Background

    9.1   **In the past the PVHS has supported the purchase of tractors by individual crofters. In 2001 the Agricultural Contractors Scheme was introduced with the overall aim of freeing crofters from the high capital costs associated with the purchase of such items.**

    9.2   **The PVHS is intended to provide help towards specialised machinery, buildings and equipment, and as such tractors should not qualify under this scheme, being capable of far more general uses on and off the farm.**

9.3   **In practice, what has been occurring is that applicants have been applying for assistance for expensive new tractors under the PVHS when the overall acreage of vegetables they grow are economically out of scale with the investment involved. In fact the tractors are used for general agricultural work leading to other crofters being confused when their requests for assistance to purchase similar tractors are turned down.**

9.4   **In the past where an applicant to the PVHS has an item to part exchange against a replacement item, there has been ambiguity as to how the 25% grant available should be applied – either to the cost of the replacement item in its entirety, or to the balance for the replacement item after the value of the part exchange item has been deducted. Both the aforementioned approaches have been used.**

10.0   Proposals

10.1   **The PVHS Conditions (shown in Appendix 1) will be amended to take into account the following policy clarifications:**

10.1.1   **Tractors will be excluded from the PVHS.**

10.1.2   **Where an item is being part exchanged against a replacement item, the 25% PVHS grant will be payable against the balance remaining once the value of the part exchange item has been deducted from the sale price of the replacement item.**

11.0   Financial Implications

11.1   **There will be no financial implications as such, as the budget for the PVHS will remain unaltered.**

11.2   **However, by consistently taking into account the value of part exchange items, this will nominally reduce the mean amount of a PVHS grant payment, so allowing the PVHS budget to be spread further amongst eligible applicants.**

11.3   **The removal of tractors from the PVHS should encourage crofters to use the local agricultural contractors, thence avoiding the high capital outlay involved in purchasing a tractor.**

12.0   Policy and Delegated Authority

12.1   **The Economic and Development policies adopted by the Committee on 9 December 2003 [Min Ref 34/03] and by the Council on 17 December 2003 [Min Ref 161/03] contain the following relevant policies:**

2.5.5   **"Supporting the retention and promoting the sustainable growth of key rural industries including agriculture"**

3.1.3   **"Generate improved product quality and greater efficiency of production in all agricultural sectors"**

12.2 **This report is being presented to the Executive Committee in accordance with the remit for policy and planning coordination and economic strategy [Min Ref 90/03]. However, as the report seeks to amend existing policy, the Committee is unable to exercise delegated authority and has, therefore, to make a recommendation to the Council.**

13.0   Conclusions

13.1 **The removal of tractors from the PVHS will encourage crofters to use the local agricultural contractors, thereby freeing themselves from the high capital costs of such items. Moreover, this amendment will provide clarification of the PVHS and avoid confusion amongst agriculturalists.**

13.2 **The clarification of procedure where part exchange items are involved will remove previous ambiguities and perceived unfairness, and so ensure all applicants are treated equally.**

14.0   Recommendation

14.1 **I recommend that the Committee recommends to the Council to approve the revised conditions of the PVHS as specified in Appendix 1.**

Date: 08 June 2004   **Report No: DV043-F**
Our Ref: JD/KS

APPENDIX 1

PVHS Draft Conditions

1   **Grant assistance is available under this scheme to assist towards the purchase of specific potato and vegetable machinery, buildings and equipment. Grant assistance under this scheme will** <u>not</u> **be available towards the purchase of plant or machinery capable of a broader functioning ability, such as tractors.**

2   **Applicants must explain to the Council's satisfaction why existing buildings are unsuitable for the use to which any new building will be put.**

3   **All eligible projects may receive Council grant assistance of 25%. The 25% grant is limited to a maximum grant of £10,000 to any one business in 2004/05.**

4   **Where an existing item of machinery or equipment is being traded in against the purchase of an item new to the business, grant assistance where granted will be paid on the balance remaining after the value of the trade-in has been deducted from the cost of the new item.**

5   **The application form must be accompanied by an Agricultural Development Plan together with a 5 Year Cash Flow Analysis. The Plan and Cash Flow must be prepared by either the Scottish Agricultural College or by a consultant approved by the Economic Development Unit. This Development Plan may also be used to support an application for an Agricultural Loan from the SIC's Charitable Trust.**

6   **Applicants must ensure that the proposed purchase of agricultural machinery, buildings or equipment is not eligible for SEERAD, CCAG or any other assistance.**

7   **If your proposals are acceptable you will receive a letter offering grant assistance. Purchase of machinery, equipment or the commencement of building work must** <u>not</u> **be undertaken prior to a written offer of grant being received from SIC's Economic Development Unit otherwise it will not be eligible for funding. All grants are discretionary and are subject to the availability of finance. They are not automatic.**

8 **No payment of grant will be made until adequate evidence is presented to the Council showing that:**

    (a) Expenditure has been incurred. Valid original invoices satisfactorily receipted are required.
    (b) The balance of the cost of the project has been raised in a manner satisfactory to the Council.

9 **The claim form together with receipted original invoices and supporting documents must be submitted by the date stipulated in the letter of offer.**

10 **Applicants will be required to keep grant aided machinery and equipment in good working condition for at least 5 years from receipt of grant, and must make it available for inspection by Shetland Islands Councils Economic Development Unit on request.**

11 **Applicants must supply independently prepared annual accounts of their business to the Council within 9 months of the end of the financial year for each of the 5 years following receipt of grant.**

12 **The Council reserves the right to find out the amount of arrears of debt, if any, owed to the Council by applicants for assistance and to withhold payment of any assistance granted until such time as the arrears have been cleared or satisfactory arrangements have been made to clear such arrears.**

13 **The level of potato and/or vegetable production described or proposed in the SAC Development Plan must be maintained at a minimum level of 75% of peak production for at least 5 years from receipt of grant.**

14 **Failure to observe any of the conditions of the Scheme may involve repayment of the grant and may disqualify the applicant from future assistance from this or any other grant or loan schemes run by the Council.**

15 **Recipients of grant assistance from the Council must abide by the terms of the animal health schemes run by the Shetland Livestock Marketing Group Ltd. In particular, grant recipients must comply with the set of rules for the importation of sheep into Shetland. Failure to comply with the terms of relevant operational animal health schemes will result in grant money being reclaimed by the Council and to disqualification from receiving future Council grant assistance.**

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004

From: Research Assistant

DV 046-F
FARMERS 4 NATURE

1.0   Introduction

1.1 The purpose of this report is to present the case for providing £75,000 of grant assistance over a 5-year period to the Shetland Crofting, Farming and Wildlife Advisory Group (SCFWAG). This assistance will form part of SCFWAG's contribution to the Interreg IIIB North Sea Programme project Farmers 4 Nature, for which 50% ERDF co-funding has recently been approved. A full list of project objectives and envisaged achievements are listed in Appendix I.

2.0   Background

2.1 Farmers 4 Nature is an international co-operation project under the Interreg IIIB North Sea Programme, with 10 partners comprising organisations from five countries around the North Sea: the UK, Norway, Germany, Belgium and the Netherlands. The project aims to find new ways to improve the ecological values of agriculture by making them a working agri-business in rural areas of the North Sea region. The main output of the project will be a set of pilot projects which combine modern sustainable farming with key ecological values, and which will offer shared experience, knowledge and expertise among the project partners. The project will commence in 2004 and run through until 2008.

2.2 The contribution of SCFWAG to the project will be a pilot project entitled "Living Islandcapes – sustainable land use for our unique environment." The aim of this project is to implement the Shetland Agricultural Biodiversity Action Plan (see Appendix II), with the envisaged result being an increase in the diversity and bio-diversity of in-bye land, resulting in a more diverse agricultural system which in turn will lead to better conditions of both stock and land. The stock will attain enhanced and distinctive market credibility. The overall goal of the project is to increase the sustainability of agriculture in Shetland.

2.3 In order to implement the project, the Living Islandscapes team will liase with other agencies regarding the promotion and introduction of the project to crofters and farmers. Visits will be made by SCFWAG advisers to 75 farms and crofts over 3 years. Farmers and crofters will be encouraged to diversify their agricultural practices and support will be given to research and introduce wildlife-friendly arable cropping and using traditional breeds of cattle for conservation grazing management. FWAG whole farm landwise reports and a Farm Biodiversity Action Plan highlighting key habitats on the farm or croft will be prepared for all participants.

2.4 At present the precise details of how support is to be given to farmers and crofters are unclear, as the Living Islandscapes group are still to be advised by the Interreg North Sea secretariat on this matter. What is clear is that the 75 participating farms and crofts will be selected by Living Islandscapes on the basis that they will be enthusiastic and proactive participants who are likely to make the most of the opportunities afforded by the project at the time, continue to follow their template after the project has finished and will act as advocates of the principles involved to others in the industry.

3.0   Proposal

3.1 Given the need for diversification in Shetland agriculture, and the objectives and envisaged achievements of the "Living Islandscapes" project, it is proposed that the Council approves a sum of £75,000 in grant assistance for the project, to be paid in annual instalments of £15,000 per annum, for the period 2004-2008.

4.0   Financial Implications

4.1 A sum of £50,000 is provided for Agricultural General Assistance under RCD1150 2406 for 2004/05. The annual sum of £15,000 per annum would be met out of this budget.

4.2   **Below is a financial breakdown of the Farmers 4 Nature project -**

Total budget of Farmers 4 Nature -   **£2,182, 604**

Total allocation for SCFWAG -   **£408,994**

Financing -
Interreg IIB North Sea   £204,497*
SCFWAG   £25,375**
Shetland Islands Council   £75,000
Shetland Enterprise   **£75,000**
Scottish Natural Heritage   **£29,122**

* 50% funding from Interreg IIIB
** In -kind equivalent financing

Of the financing detailed above, the funding from Interreg and the funding from Shetland Enterprise is confirmed. The application to Scottish Natural Heritage is awaiting final approval.

5.0   Policy and Delegated Authority

5.1   **This report has been prepared in accordance with the following Economic Development policies (Economic Policy Statement – Executive Committee 9 December 2003 [34/03]; Shetland Islands Council 17 December 2003 [161/03]):**

3.1.2: Generate improved product quality and greater efficiency of production in all agricultural sectors.

3.1.4: Maintain and enhance the high health quality of Shetland livestock.

5.2   This report is being presented to the Executive Committee in accordance with its remit for policy and planning co-ordination and economic strategy (Min. Ref. 90/03). Given the policies detailed in paragraph 5.1 the Committee is enabled to make a decision on the recommendation.

6.0   Conclusions

6.1   As stated in Appendix I, agriculture in Shetland faces many difficulties, not least from Government and EU policy which often overlooks particular constraints faced by Shetland. This project will offer a more regional approach tailored to suit the unique needs of Shetland farmers and crofters, in order to mitigate some of the effects of CAP reform. Once the project phase is completed, there will also be the opportunity to learn from the experiences and expertise of the other partner regions who have conducted their own pilot projects, in order to create a regional strategy for diversifying and maintaining the sustainability of agriculture in Shetland.

6.2   The move from traditional mixed agriculture to a sheep based monoculture has had a detrimental effect on arable hectarage and the environment in Shetland. This project would offer a move back to more mixed, sustainable agriculture which is better for the environment and will be beneficial to the industry as a whole, building upon the marketing possibilities of regional produce, indigenous breeds and the particular qualities of the Shetland land, stock and environment.

6.3   In light of CAP reform it is clear that there is a need for diversification in agriculture, especially in an environment such as that of Shetland. The consultations undertaken with farmers and crofters during this project will pave the way towards changing agricultural methods towards a more sustainable future, both in terms of the environment and the industry.

6.4   The Council has power in terms of Section 20 of the Local Government in Scotland Act 2003 to fund projects which it considers likely to promote the well-being of its area and persons within it. This project will assist the farming and crofting community in Shetland and benefit the wider community through the improvement of the natural environment

7.0   Recommendations

7.1   This report recommends that Executive Committee approve a grant of £75,000 over five years for Shetland Crofting, Farming and Wildlife Advisory Group, to be used as part of their co-funding for the Interreg IIIB North Sea project Farmers 4 Nature.

Date: 02 June 2004
Our Ref: TC – F4N   **Report No: DV 046-F**

APPENDIX 1

Living Islandscapes – sustainable land use for our unique environment

Introduction – Agriculture in Shetland

Being the most geographically isolated community in the EU means that agriculture in Shetland faces many difficulties. Chief among these are the high cost of agricultural supplies, freight costs and quality maintenance.

The severity of the Shetland climate also has an adverse effect on agriculture, with high winds, long winters (dairy cattle have to be kept inside for 8 months of the year, beef cattle for 7 months of the year), short growing seasons, restricted sunshine, high levels of salt in the air and high relative atmospheric humidity. There are only a small number of crops suited to growth in these weather conditions.

After geography and climate, the greatest determining factor for Shetland agriculture is the Common Agricultural Policy. Present day production has developed largely to take advantage of the range of support payments with the emphasis on numbers of livestock kept, principally sheep. In the light of the reform of the CAP the potential for desertification of agricultural land in Shetland is considerable.

1.   Project Objectives

This project has two main strands:

a)   Encouraging arable cropping
- **Increase the area under wildlife-friendly arable cropping by providing incentives beyond the Scotland-wide agri-environment schemes to ensure benefits specific to Shetland's economy and environment. Increasing the amount of crops being produced will have biodiversity benefits and will also enable farmers and crofters to finish more stock locally and use this as a marketing advantage.**
- **Indigenous varieties of crops are particularly suited to the vagaries of the Shetland climate and the short growing season, and their use should be encouraged.**
- **The value of arable cropping, and its benefits to biodiversity and local agriculture will be highlighted through farm walks and events, to improve education and awareness. This also provides a valuable opportunity to encourage tourism initiatives.**
- **Contractors have tended towards bigger machinery too large and heavy for the soil type. This project will encourage reinstatement of smaller arable plots requiring lighter types of equipment. It is envisaged that as this project gains momentum contractors will be encouraged to meet this demand.**
- **Traditional dry-stone dyked kale yards used for household vegetable production have fallen out of use. Even small cultivated areas have wildlife and domestic benefits, but there is no provision under the RSS for this small-scale production. Home production of vegetables on a vernacular system will be encouraged.**

b)   Introduction and retention of native breeds of cattle

- **Conservation grazing – Under the current agri-environment schemes there are payments for excluding stock during the summer months in order to allow the plants to flower and set seeds. A greater environmental gain would be achieved by using cattle rather than sheep, either to graze at a low density during the summer, or for the back-end grazing. Due to the fragile nature of the peaty soil only smaller, lighter breeds of cattle will be appropriate.**
- **Waste management – The absence of cereal production in recent times means that there is no surplus straw for animal bedding. Remaining cattle producers have been obliged to provide cattle housing that relies on slurry-based waste storage. If more farmers are to be encouraged to keep cattle then a simpler, more cost-effective solution is required. Using traditional middens for storing animal waste will be the most cost-effective solution for small units with small herds of cattle. However, an imported bale of straw is ten times more expensive in Shetland than in mainland Scotland. The project will support greater use of straw bedding and traditional middens.**
- **An increased area of locally produced winter feed will be necessary if keeping cattle is to be a financially viable option. This project seeks to encourage greater levels of agricultural activity with its consequent benefits for the industry.**

As an adjunct to the main strands:

Wild Corners

The wild corners of Shetland within agricultural land have the potential to incorporate many of the local and national priority habitats and species (see 4). Maintaining or - where they are currently absent - creating pockets of these habitats will increase the wildlife of the croft or farm. This project will provide advice and funding to enable crofters and farmers to enhance or create wild corners on their land.

2.   Envisaged Project Achievements

- Enhanced conservation management of in-bye habitats
- **Redressing the balance between cattle and sheep**
- **Promotion of indigenous breeds and varieties**
- **A broader range of agricultural produce with greater marketing potential**
- **Increased area under cultivation**
- **Appreciation of the value of wild corners**
- **A more varied agricultural industry that is financially viable and sustains rural communities**
- **The success of this regionalised approach could be used to inform future agri-environment policy to the benefit of the agricultural industry and the environment in Shetland**

3.   Monitoring and Evaluation

All participating farms and crofts will be visited on an annual basis to assess the wildlife and agricultural benefits of the project. Monitoring farmland birds and the habitats being grazed by wild cattle will enable the steering group to judge the success of the project in environmental terms.
It is also important that the project should be acceptable to farmers and crofters and this will become apparent by shifts in stock types and numbers, and changes in land use. The long-term success of the project relies on farmers and crofters achieving greater financial security.

4.   Key biodiversity species benefiting from this project

Local priority – **lapwing, oystercatcher, redshank, curlew, golden plover, whimbrel, snipe, twite, meadow pipit, rock dove, merlin, Shetland wren, plants dependent on arable cultivation**

National priority – **otter, sea/brown trout, skylark, red-necked phalarope, bumblebee, oyster plant, eyebright, hawkweed, Shetland pond weed, fresh water pearl mussel**

APPENDIX 2

Shetland Agricultural Bio-diversity Action Plan ("Shetland Agri-BAP")

The aim of the Shetland Agri-BAP is that it should be a template for modern agriculture in Shetland, encouraging land usage which is in harmony with the unique environment of Shetland.

Objectives for the environment:
- **To encourage appropriate grazing of all habitats both in-bye and on the hills**
- **To support a better balance between cattle and sheep recognising the particular qualities of the indigenous breeds**
- **To promote the production of both native and other varieties of crops**
- **To show special regards to the *neuks* and corners of Shetland "where the wild things are"**

Objectives for the community:
- **To ensure that the Shetland community take ownership of the Agri-BAP**
- **To promote a healthy environment in Shetland with communities maintaining responsible practices**
- **To encourage a varied agricultural industry that is financially viable and sustains rural communities**
- **To use the Agri-BAP as a tool to lobby Government and agencies to accept that further agricultural support and environmental schemes are tailored to fit Shetland**
- **To encourage through education an appreciation of the role of agriculture in our environment**

The main goal of the Agri-BAP is to offset the potential difficulties arising from reform of the Common Agricultural Policy and to take advantage of "decoupled support", breaking the link with numbers. This will present an excellent opportunity to build more sustainable agriculture, selling goods that buyers want and creating a countryside folk like.
The particular constraints faced by agriculture in Shetland are often overlooked by Government when formulating Scotland-wide agri-environment policy. This project, however, adopts a regionalised and tailored approach to unique circumstances. There is a limited range of agricultural goods produced in Shetland and none of them can

compete on the market at commodity price levels. There is a need for regional produce and emphasis should be placed on its intrinsic qualities. These include extensive numbers of indigenous breeds of livestock and crops, the particular qualities of these native breeds, and the health of livestock bred in a clean, isolated island environment. The Agri-BAP builds upon and promotes these unique properties of Shetland produce.

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004
       Shetland Islands Council30 June 2004

From: Head of Finance

THE CAPITAL PROGRAMME OUTTURN 2003/04
Report No: F028-F

1.   Introduction

   1.1   The report covers the following:

   - **The General Fund Programme**
   - **The Reserve Fund Programme (Marine Projects)**
   - **The Harbour Account**
   - **The Pilot Boat Renewal Fund**
   - **The Housing Revenue Account (HRA)**

   1.2   The report is supported by four Appendices:

   - **Appendix 1: Year Outturn 2004: By Fund**

- **Appendix 2: Year Outturn 2004: By Service Area**
- **Appendix 3: Year Outturn 2004: By Project**
- **Appendix 4: Significant Variances**

1.3   Carry forwards required to complete outstanding obligations are given in Column 9 in Appendix 3 and additional budgets necessary to complete outstanding obligations are given in Column 10 with the revised final budgets shown in Column 11.

1.4   The figures given in Column 11 of Appendix 3 form the basis of a separate report, The Capital Programme – June 2004 (F029-F) for consideration at this meeting. That separate report includes the addition of new projects or the re-programming of existing projects proposed by the Capital Programme Management Team (CPMT).

2.   The Overall Position

2.1   **The Council originally budgeted £28.865 million and spent £24.584 million or 85% of it. The budget was reduced during the year from £28.865 million by £4,541 million to £24.342 million, largely on the general fund (see section 3). The actual spend exceeded the revised budget by £260,000 or 1%.**

2.2   **For the detailed position by Fund, Service Area and Projects refer to Appendices 1, 2 and 3 respectively.**

3.   Major Variances during 2003/04

These are discussed in Appendix 4 but significant influences on the overall outturn are given below:

3.1   <u>General Fund</u>

3.1.1   <u>Education</u>: **Overall the budget reduced by some £2 million during the year due to the ongoing review of the scheme of provision (Best Value) on a number of schools eg**

- **Happyhansel**
- **Olnafirth**
- **Mid Yell**

The Additional Support Needs Unit at AHS was also delayed during a review of the accommodation to be provided.

3.1.2 **Environment**: There was a significant net increase in budget of almost £1.5 million due to the purchase of the Landfill Site originally planned for 2004/05.

3.1.3 **Ferries & Terminals**: Overall, there was only a modest overspend of £108,000 however there were two significant variances underlying this.

 3.1.1.1 The Yell Sound Terminals which overspent by £2.1 million against the original budget, as reported previously, and for which a separate report is being prepared.

 3.1.1.2 The Fetlar Ferry Terminal which underspent by some £1.5 million. This was mainly due to delay occasioned in the early stages by restrictions imposed by SNH that adversely affected marine construction operations. The works will continue to completion in 2004/05.

3.1.4 **Roads**: The budget reduced overall by approximately £1.9 million due, in the main, to the deferment of A971 Haggersta. However, the reduced budget was overspent by almost £1 million, much of that in the minor works rolling programme, the delayed reconstruction of King Harald Street in particular.

3.1.5 **Social Work**: The budget reduced overall by some £1.7 million, primarily due to Kantersted Respite Unit being delayed. Initially this was a need to review the accommodation specification in light of emerging needs and in full consultation with parents and carers. Latterly, public objections to the Notice of Intention to Development have led to another delay.

3.1.6 **Summary**

Budget Revisions	£000 (under)/over
Education	(2,000)
Environment	1,500
Roads	(1,900)
Social Care/Work	(1,700)
Others	(441)
	(4,541)

Overspends (Against Revised Budgets)	£000
Roads	990
Environment	(586)
HRA	(187)
Others	43
	260

3.2 **All Other Funds (See Section 1.1)**

There were no significant variances.

4.   Financial Implications

   4.1   In 2003/04 the Council reduced its budget during the year by £4.451 million and spent £260,000 more than the revised budget. That reduction more was in respect of projects deferred to future years with corresponding budgets transferred forwards to 2004/05 and later.

   4.2   While there was an overall overspend of £260,000, there were significant overspends in real terms of some £3 million (Ferry Terminals, £2.1 million and Roads, £0.9 million), against the original budget that would have been a net drain to reserves had the slippages not occurred. This may yet have a significant negative impact on Capital Programme projects in future years.

   4.3   Most of the adjustments required to budget for future years were approved on 31 March 2004. The minor revisions, carry forwards, increases and decreases required at this point for projects currently underway and which span into 2004/05 are detailed in Appendix 3. The figures below are net totals.

	£000
Carry forward	**101**
Budget Increase	**52**
	153

   4.4   The additions are required to fund contractual obligations not completed in 2003/04 that will be settled in 2004/05. Reductions resulted on projects that were ahead of programme at the year end and thus spent more of the total project budget in that year than originally envisaged. Thus the 2004/05 budgets have been reduced.

   4.5   As noted in Section 1.4 proposals for the addition of new projects and significant revision to existing projects are given in a separate report following this one.

5.   Capital Programme Management Team (CPMT)

   5.1   CPMT was established in 2003 and the new Capital Programme Method was approved in September of that year (min ref 122/03).

   5.2   Since then, CPMT has undertaken a major review of all projects, their cost, position in programme and has assessed their indi vidual likelihood of starting and proceeding to those programmes. The outcome of that review was reported to Council on 31 March 2004 (min ref 37/04).

   5.3   The review referred to in 5.2 resulted in a General Fund Capital Programme budget of some £21 million. This included some projects with a degree of uncertainty attached to them regarding start dates. These remain under review and will be addressed in a separate report, see Section 1.4.

6.   Delegated Authority

   6.1   Matters relating to the Council's Capital Programme stand referred to Council (min ref 122/03).

6.2 This report is presented to the Executive Committee in its role of monitoring financial matters.

7. Recommendations

7.1 I recommend that the Executive Committee recommend to Council that:

7.2 Council note this report and Appendices 1 – 4.

7.3 Council approve the carry forwards and budget additions detailed in Appendix 3 as summarised in Section 4.3 above.

Report No: F028-F   Date: 15 June 2004
Ref: ICM/DMC

CAPITAL PROGRAMME 2003-04
YEAR-END REPORT - APPENDIX 4

1.   Community Services

1.1   **Community Development**

1.1.1   Overall: The budget reduced during the year from £674,000 to £506,000 and that was overspent by £17,000 at year end. Most of the budget reduction was to the rolling programme, although £100,000 of that was vired to South Nesting School to support the Multicourt planned there.

1.1.2   **Jubilee Park Pavilion: The original budget of £187,000 was increased to £191,000 but the latter was overspent by a further £10,000 due to unforeseen works to services and the addition of a disabled access.**

1.1.3   **St Ringans: There was £11,000 saving on St Ringans where the final account was less then anticipated.**

1.2   **Education**

1.2.1   **Overall: The budget reduced during the year from £3,607,000 to £1,511,000, a drop of 58%. This was due, in the main to:**

	£
Happy Hansel School	**471,000**
Olnafirth School	**524,000**
Mid Yell JHS	**735,000**
	1,730,000

all being deferred until future years pending the BVSR.

1.2.2   **Rolling Programme: The Rolling Programme benefited from a Scottish Executive grant of £263,000 raising it to £637,000 that was underspent in aggregate by £30,000.**

1.2.3   South Nesting School: The budget for 2003/04 started at £686,000 and was reduced to £600,000 due to delay. £100,000 was vired to it from the Community Development Rolling Programme to fund a multicourt being constructed there,

thus raising it to £700,000. However by the year end it was ahead of programme and overspent by £97,000. The 2004/05 budget will be reduced by an equal amount.

1.2.4   **AHS New Build: The fees budget of £394,000 was reduced to £100,000 during the year while the feasibility study was updated. However, even that was underspent by £64,000. However, a further £77,000 was charged to the feasibilities studies code GCF47000 that overspent as a result. Hence the actual cost of the study was £113,000 or £13,000 over budget.**

1.2.5   **AHS Special Needs Unit: The budget of £405,000 was reduced to £50,000 in 2004/05 due to revision of the accommodation specification with consequent delay. However, by the end of the year the additional fees resulted in an overspend of £24,000 and the budget for 2004/05 will be reduced by an equal amount.**

1.3   **Housing**

1.3.1   **Rolling Programme (General Fund): The budget of £169,000 was reduced to £69,000, but even against that there was a saving of £12,000. Whilst some possible projects had been identified there was none of such pressing urgency as to warrant the diversion of the then scarce Housing Department resource and the funding was diverted to other general opportunities/needs outwith the housing remit.**

1.3.2   **Housing Revenue Account (HRA): This account spent £1,620,000 out of a budget of £1,807,000, thus presenting a saving of £187,000 or 10%. Historically, the Housing Service has had delegated authority to manage this account by applying the budget allocation under various headings to areas of greatest need. Thus there are some headings where no projects have been identified, others where later projects have been advanced. A number of final accounts were settled and retention monies paid for which no specific budget provisions had been made. There are, however some significant variances.**

HCH3304 Environmentals Various: **This was overspent by £83,000 due to projects planned for later years being advanced.**
HCH3516 Internals Phase 1: **This underspent some £80,000 due to revised contract cash flow requirements.**
HCH3707 Mid Lea Demolitions: **There was a £74,000 underspend resulting from delay due to asbestos being found in the houses.**

1.4   **Social Work**

1.4.1   **Overall: At the start of the year the budget was £1,841,000 which reduced to £1,669,000. Of that only £117,000 was actually spent. See 1.4.3 below.**

1.4.2   **Rolling Programme: The £38,000 budget was reduced to £19,000 by diverting an equal amount to the Transport Fleet Management Unit that took over the responsibility for processing vehicles previously charged under their heading.**

1.4.3   **Taing House: This project was finally completed in March 2003, but too late to effect payment of the final account. £31,000 balance of budget has been carried forward to 2004/05 to cover this.**

1.4.4   Kantersted Respite New Build: There was a budget of £1,765,000 at the start of the year that reduced to £102,000 pending a review of the facilities to be provided. The difference of £1,663,000 was deferred to 2004/05 for construction that was due to start early in the financial year. There was an underspend of £27,000 of the £102,000 and this also has been transferred to 2004/05. However, objections to the planning application that has now been referred to the Scottish Executive will mean further delay into 2005/06 and further slippage £173,000) seems inevitable. This is noted in report F029-F on the Capital Programme Review.

2.   Executive Services

2.1   <u>Finance</u>

2.1.1   Feasibility Studies Budget: This budget, originally of £149,000 overspent by £96,000. Of this £77,000 is directly attributable to the AHS New Build budget where it should more properly have been charged. The remaining overspend of £19,000 may be offset by a greater underspend on the Education Access Audit rolling programme budget. The Feasibilities Studies budgets also funds Access Audits.

2.2   <u>ICT</u>

2.2.1   Overall the variances were insignificant.

2.2.2 However, carry forwards are proposed on the following projects that underspent marginally, to complete contractual obligations in 2004/05.

	£
Library Management System	18,000
Document Archiving	13,000
Decentralised Working	11,000
SSIS Upgrade	12,000

2.3 <u>Legal & Administration</u>

2.3.1 Overall: The budget started the year at £530,000 which reduced during the year to £360,000 and finally spent £305,000. See below.

2.3.2 Copper Pipework Replacement: The original budget of £220,000 was reduced to £175,000 when it was realised that the extent of works planned would not be completed during the year due to access restrictions in schools. However, the design work was done and the final cost was £24,000 over the reduced budget, but within the original planning.

2.3.3 Office Accommodation Strategy: The budget started at £250,000, was reduced to £155,000 and that underspent by £59,000. This was entirely due to delay in the conversion of the old library into offices for Council that resulted from illness on the part of the architect engaged for the work. It could not be resourced speedily from elsewhere. The reduction in budget earlier in the year, £95,000 was moved to 2004/05 previously and the underspend of £59,000 will be carried forward.

2.3.4 District Heating (Council Properties): The original budget of £60,000 was reduced to £3,000 due to a lack of opportunities to connect. The balance was envisaged to replace worn air conditioning units in the ICT computer systems unit at Garthspool. However, that work was not completed by 31 March and the balance of £25,000 is carried forward to pay for the works when it is.

3.   Infrastructure Services

3.1   Environment

3.1.1 Overall: The original budget of £2,576,000 was increased to £4,049,000 due to early purchase of the land for the Landfill site. This was provided for 2004/05 and was budgeted for there. However, negotiations with the Lerwick Port Authority required earlier payment.

3.1.2 Lerwick Waste to Energy: This project was overspent by £27,000 (a total spend of £42,000). This was in respect of legal fees paid that resulted in a liquated damages payment to the Council of £500,000.

3.1.3   Tingwall Burial Ground: This underspent £171,000 on the original budget of £496,000. The tender originally accepted was very keenly priced and the budget had not been reduced earlier for fear of significant claims or extra payments being required.

3.1.4   Rolling Programme: This programme spent almost exactly the original budget for £286,000 but underspent £64,000 against an in year revised budget of £341,000. The underspend was due to saving on plant purchase where some sound, second hand equipment was secured at good discounts from new.

3.1.5   Housing Improvement Grants: There was an underspend of £165,000 that was, however committed. That comittment will be met now from the new Scottish Executive allocation.

3.1.6   Reserve Fund Property Grants: The underspend of £159,000 will be carried to 2004/05 to fund commitments made but not paid.

3.1.7   Housing Repair Grants: £33,000 underspend will be carried to 2004/05 for the reasons given in 3.1.5.

3.2   Ferry & Terminal Replacement Programme

3.2.1   Overall: The programme was overspent by £51,000 on a revised budget of £9,537,000 (originally £9,429,000) but there were two major items of significance during the year (see 3.2.4 and 3.4.5 below).

3.2.2   The Rolling Programme: There was an underspend of £64,000 resulting from new vehicle purchases being deferred.

3.2.3   Belmont Ferry Terminal: The original budget of £399,000 was deferred to future years pending a review of the Ferry Terminal Programme.

3.2.4   Yell Sound Terminals: The original budget of £3,330,000 overspent by £2,183,000. This has been reported previously and the budget was revised in March 2004. A separate report on this subject will be presented to Council by Infrastructure Services Department. £63,000 of the overspend is an ahead of programme item and the 2004/05 budget will be reduced accordingly.

3.2.5   Fetlar Ferry Terminal: The budget of £3,170,000 was reduced during the year to £1,710,000 and actually underspent by only £14,000 which will be carried to 2004/05. The reason for the reduction in budget (which was transferred to 2004/05 previously), were restrictions imposed by SNH that delayed early marine construction works. The project will continue to completion in 2004/05.

3.2.6   Papa Stour Terminals: This overspent £82,000 on a budget of £1,918,000. This was an ahead of programme item and will be deducted from the 2004/05 budget.

3.2.7   Papa Stour Ferry (Re-Engined Filla): The budget was reduced from £347,000 to £250,000 during the year, in anticipation of less work being required than originally envisaged. In fact the cost paid out was £211,000 presenting a significant saving overall.

3.2.8   Whalsay Terminals: There was a saving of £43,000 due to less model testing work than expected. This resulted from deferred studies pending a review of the programme.

3.3   Planning – no items to report.

3.4   Roads

3.4.1   Overall: The roads budget was initially £5,912,000 that reduced to £4,028,000 mainly due to A971 Haggersta and Levenwick Junction being deferred until 2004/05 at the earliest. The revised budget was overspent by some £950,000, some £646,000 of that on the rolling programme.

3.4.2   Central to Stove, Sandwick: This project overspent by £35,000 in 2003/04 and will require a further £34,000 in 2004/05 to see it complete. This is due to additional safety works such as footpaths, etc, due to be done separately later being included in the present contract.

3.4.3   Levenwick Junction: This project had been deferred but was started earlier than planned when the land issue was resolved it therefore overspent £39,000 on the 2003/04 budget. The project will continue into 2004/05 but initial works on the road have revealed that considerably more will need to be done, than originally envisaged, to reinforce embankments and the road base. An additional £161,000 is required and this has been provided for.

3.4.4   Parkhall to West Burrafirth: The budget of £1,550,000 was increased to £1,700,000 due to considerable extra earthworks and other additional safety works required. This revised budget has been exceeded by a further £112,000.

3.4.5   Setter to Central, Sandwick: This also overspent by £34,000 for the addition of footpaths, etc referred to in 3.4.2 above.

3.4.6   Bressay Bridge: This overspent £97,000 during the year being ahead of programme. That is a cash flow matter and the 2004/05 budget will be reduced by an equal amount.

3.4.7   Rolling Programme: The original budget of £1,086,000 was increased to £1,211,000 when it was realised it was going to be overspent. By how much was not realised at the time. The overspend on the revised budget was £646,000 making the total overspend against the original budget £771,000.   The overspend arose from a series of sub-headings:

- Minor Works Roads

- Footways and Street lighting

- Traffic Management

- Road Reconstruction

Much of the overspend is attributable to the King Harald Street project being delayed from 2002/03, that work having to be paid for in 2003/04. Unfortunately other projects planned for that year out of the same funding were neither curtailed nor delayed.

3.5   <u>Transport</u>:   The overspend of £29,000 was offset by income from the sale of surplus vehicles.

4.   Ports & Harbours

4.1   Redevelopment of West Blackness (Reserve Fund): There was a saving of £31,000 on completion of the project. There is due provision for payment of retention in 2004/05.

4.2   Harbour Account Various: There was a saving of £13,000 on the reconstruction of Garth's Pier and an underspend of £12,000 on the New Stores at Sellaness due to delay upon the discovery of asbestos that had to be removed. That amount is carried forward to 2004/05 to complete the work.

4.3   Pilot Boat Replacement Fund: There were no transactions.

Shetland
Islands Council

REPORT

To: Executive Committee   22 June 2004

From: Head of Finance
        Executive Services Department

Report No: F-027-F

Quality of Life Funding - Outturn 2003/04 and carryforwards to 2004/05

1.0   Introduction and Key Decisions

> *1.1   This report informs Members of how the £640,637 Quality of Life funding allocated to this Council for 2003/04 was spent.*

> **1.2   This report also informs Members of the current 2004/05 Quality of Life funding allocation and requests approval of unspent 2003/04 budget carryforward into 2004/05.**

2.0   Background

> *2.1   In December 2002 the Scottish Executive announced the allocation of £180 million of Quality of Life funding for local authorities over the next 3 years. The allocation for Shetland is £455,000 for 2004/05 and £526,000 for 2005/06 and is based on the Council's share of Estimated Service Expenditure.*

2.3   Ministers expect the use of the funds to reflect the shared central and local government priorities for improving the local environment and increasing opportunities for children and young people.

2.4 All projects being funded by the Quality of Life Initiative have been approved by Council (February 2003 for the 2003/04 Projects and March 2004 for the 2004/05 Projects).

3.0   Quality of Life – Outturn and Carryforwards 2003/04

3.1   A detailed list of the projects undertaken during 2003/04 and their main achievements is provided in Appendix 1.

3.2   Of the £640,637 allocated to Shetland, £542,508 (85%) was spent during 2003/04.

3.3   In January 2004, we notified the Scottish Executive that an underspend was anticipated and they advised that the estimated underspend of £100,475 would not be reclaimed by them and could be carried forward into the 2004/05 budgets so that projects could be completed. The carryforward amount requested to the Scottish Executive was an estimated amount, as the financial year had not yet ended; the actual amount of carryforward required at the year end is £85,817.

3.4   Appendix 2 shows all the projects undertaken in 2003/04 and details the projects which require budget carried forward into 2004/05, an explanation is given as to the reason for each carryforward.

4.0   Quality of Life 2004/05 Budget

4.1   A detailed list of projects in the current financial year is set out in Appendix 3.

4.2 For 2004/05 there is total funding of £455,000 available for Quality of Life projects. Should the carryforwards detailed in this report be approved the budget will rise to £540,817.

5.0   Financial Implications

5.1   Should the £85,817 carryforward from 2003/04 to 2004/05 be approved there will be an increase the 2004/05 Quality of Life Budget from £455,000 to £540,817 as detailed in Appendix 3.

6.0   Policy and Delegated Authority

   6.1   This report is being presented to the Executive Committee in terms of its remit for financial planning and monitoring.

   6.2   Although the proposals in this report are in line with current Council initiatives, the new funding package affects more than one service area, and determination of expenditure has not been delegated to any Committee or Officer, therefore a decision of the Council is required.

7.0   Recommendations

   7.1   It is recommended that Members approve the 2003/04 budget carryforward and note the revised 2004/05 budget of £540,817.

Date: 15 June 2004
Our Ref: Accountancy/CW   Report No: F027-F

Shetland College and Train Shetland Board of Management

Shetland Business Innovation Centre
Monday 7 June 2004 at 2.45 pm

Present:

W H Manson (Chairman)
C B Eunson
E Fullerton

Apologies:
A J Cluness
F B Grains
W A Ratter
JLB Smith
W Stove

In attendance (Officers):
G Dargie , Principal, Shetland College
E Smaaskjaer, Admin Officer, Shetland College
W Shannon, Economic Development Manager
K Smith, Service Manager, Train Shetland Islands Council
M Eva, Officer-in-Charge, Blydehavn Nursery
Hazel Anderson, Clerk

Circular
The circular calling the meeting was held as read.

38/04   <u>Minute</u>

Mr Eunson referred to Min Ref 28/04 and asked where the wool-grading course was being held.   Mrs Smith confirmed that the course would take place at Shetland Wool Brokers.

Mr Eunson then referred to Min Ref 33/04 and asked why there was a need for a change of use application.   It was confirmed that there would be a much greater usage of the building once training sessions began, and there would be increased need of car parking space.   Guidance would be taken from the Planning Department.

The Chairman then referred to 34/04 Salaries, and said that he wished to report details of the discussion at the JNC to the Board.   This would be taken in private after other agenda items were dealt with.

The minute of the meeting of 27 April was agreed on the motion of Mr Eunson, seconded by Mrs Fullerton.

39/04   Presentation by Officer-in-Charge, Blydehavn Nursery

Mr Dargie introduced Mrs Marina Eva, Officer in Charge, Blydehavn Nursery, and asked members to note that the final report from HMI on Blydehavn Nursery had not yet been received.   Mrs Eva would therefore be referring to the Interim Report.

Mrs Eva said that she had been the Officer-in-Charge for over a year now, the nursery catered for 12 children, and had just had an HMI Inspection.   She was pleased to say that the Inspectors had told her that this was the first time that they had found that all 5 key strengths had been met.   The only real recommendation was that the staff continue with their good work.   She wished to thank Mr Dargie and her staff for their continued support.

She then invited questions, and the first was an enquiry as to whether they had any thoughts of expanding. Mr Dargie explained that any expansion of the nursery was constrained by the limited size of the building; the maximum numbers were 12.   Mrs Fullerton suggested that looking into the future, with both Shetland College and Train Shetland on the same campus, thought should perhaps be given to the provision on childcare on site.   She was aware that this would not be able to be realised

immediately, but the vision might be useful.   Mr Dargie said that the nursery was a remnant of the college's time at Gressy Loan.   It was further noted, that with the rebuilding of the Anderson High School, the building might not always remain available to the College.

The Chairman thanked Mrs Eva for her presentation, and said that the Board looked forward to receiving the final report.

40/04   **Chairman's Report**

It was noted that Mr Ratter, Chairman, was on holiday, but would no doubt report to the next meeting.

41/04   **IIP Action Plan Update**

Mr Dargie referred to the report (Appendix 1) prepared by Mr Horne. In Mr Horne's absence, he explained that the Action Plan had been agreed with staff and IIP Auditors.   He said that the third action points, that of expanding and strengthening the college's senior management team should now go back to the end of August 2004, to allow the Board the opportunity of completing their Review and Restructuring discussions.   Mrs Fullerton queried the timescale on the Action Plan, and said that she thought it was important to be clear where the college was going and not rush things through. It was explained that the dates had been generally agreed with staff and IIP Auditors and should be achievable.

Members noted the report.

42/04   **Enrolments and SUMs Monitoring**

Mr Dargie spoke to the report (Appendix 2) and said that the college was broadly on target, with only 225 SUMs still to be achieved. The Board were pleased to note the content of the report, and that 281 SUMs had been achieved since the last report, the majority of this through work carried out by Train Shetland.

In answer to a question Mr Dargie confirmed that the SUMs target for Shetland College would remain static for the next two years. Mr Dargie said that the Funding Council were also looking at how "Higher" education was accounted for, and there may be possible growth in this sector.

Mrs Smith said that she would wish the Board to note that there will be a decrease in Train Shetland enrolments, due to the uncertainty as to when the move will happen, the fact that there will be less training rooms, and the staff time required to organise and make the move to the Business Centre.

It was agreed that as the next meeting of the Board of Management would be 21 August 2004, an interim update should be brought to the Review Group, and Board Members could be invited to attend.

43/04   **Shetland College Financial Update**

Members noted the report, which was tabled (Appendix 3). Ms Smaaskjaer explained that the accumulated deficit to the end of March 2004 had yet to be written off. Once that has been done, we will have a clearer picture, but meantime it is impacting on the budget processes for next year. She was confident that tight control in April, May, June and July, will result in a break even, but the financial position is quite tight with little room for spending additional money. The Chairman suggested that she follow this up with Finance.

44/04   **Course Proposal – Food Preparation and Cooking SVQ Level 2**

Mr Dargie introduced Mr Stark, who spoke to the report and answered all questions posed by members.

He explained that the full-time course had been withdrawn last year, due to lack of uptake, but he had been working with the industry since then to see what could be done. He had also taken into account the work done to date by Rachel Stove of Shetland Enterprise, in her Hospitality and Tourism skills survey. The proposals which were now before the Board were a result of the clear message from the industry that they would rather have p/t day release courses for staff, than full time or block release.

He confirmed that SVQII would be the initial award, with the intention if the course is successful, of offering a higher qualification after 2 years.

Mrs Smith said that she hoped the Board would note that they had delegated Skillseekers and Modern Apprentices to Train Shetland, and that other applicants to this course should come through Train Shetland. Mr Stark said that he would discuss this with her further.

In response to a question from Mr Eunson, it was confirmed that these courses would be available to all sectors of the catering industry.

Mrs Fullerton said that she welcomed the reference to the use of local produce.   She then questioned the work currently being carried out for the Welfare Trust and whether economically this was good for the college. Mr Stark confirmed that it broke even.   Mrs Fullerton then suggested that there could be some mileage developing similar work with both Shetland Islands Council and the Church of Scotland.

On the motion of the Chairman, seconded by Mrs Fullerton, the recommendations were approved.

45/04   **Renewable Energy Skills unit – Planning Issues**

Members approved the recommendations in the report, which was tabled (Appendix 4).

The Chairman then moved that the Board resolve in terms of subsection 4 of Section 50A of the Local Government (Scotland) Act 1973 to exclude the public from this meeting during consideration of this additional item on the grounds that it is likely that, if the public were present, there would be disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A to the said Act.   Mrs Fullerton seconded thus motion.

46/04 **Shetland College Lecturers' JNC – Salaries**

The Chairman outlined the discussion on salaries, held at the JNC held just prior to this meeting.

Ms Donaldson had explained that the decision of the Union's Branch Meeting was that they were keen to have a minimum of 4% increase in salary agreed. She went on to say that Teachers had received 10% over and above McCrone. Waiting for the settlement for other members of staff was holding this back. Other staff members had their own JNC; the College Lecturers' have their JNC. College Lecturers have increasing workloads, and are more and more taking on tasks similar to teachers.

Mr Dargie had asked whether they were prepared to accept an interim settlement of 3%. Ms Donaldson had said that they were not; the message from the Branch meeting was a minimum of 4%. She said that any type of interim solution was out of the question.

Mr Manson had pointed out that Mr Stove was today at a meeting in Edinburgh discussing the other staff's pay settlement. He had confirmed that the decision to await this was a financial one, and referred members to the minute of the last JNC meeting. Mr Manson had suggested that once Mr Stove returned and could provide information, another JNC would be arranged.

Mrs Fullerton agreed that this was the right course of action. She was of the opinion that it was necessary to look at both pay settlements at the same time.

Board Members noted that the 10% referred to by Ms Donaldson, was actually 10% over 3-4 years.

There was some discussion regarding what some members perceived as an anomaly, in that a small staff group of only 20 people have their own JCC.   A JCC had been held to discuss a number of items relating to all staff in Shetland Islands Council, and then these items had been brought to the College Lecturers' JCC.   Mr Dargie explained that this was the position with the few unincorporated colleges.   It was agreed that this was a situation which should be examined further.

47/04   **Date of Next Meeting**

21 August 2004 at 2.15 pm.

Shetland
Islands Council

MINUTE

A

Shetland College/Train Shetland Board of Management
Shetland Business Innovation Centre, Gremista, Lerwick
Tuesday 27 April 2004 at 2.15 pm

Present:

A J Cluness
A Black
C B Eunson
E Fullerton
W A Ratter
J L B Smith
W N Stove

Apologies:

F B Grains
W H Manson

In attendance (Officers):
G Dargie, Principal, Shetland College
I Horne, Vice-Principal, Shetland College
E Smaaskjaer, Admin Officer, Shetland College
W Shannon, Economic Development Manager
K Smith, Service Manager, Train Shetland
J Watt, Short Course Manager, Train Shetland
A Drummond-Hunt, Asset and Properties Manager
K Eunson, Head of Section, Community Learning, Shetland College

H Anderson, Clerk to the Board

Chairperson

Mr W A Ratter, Chairman of the Board, presided.

Circular

The circular calling the meeting was held as read.

23/04   <u>Minute</u>

The minute of the meeting held on 22 March 2004 was approved on the motion of Mr Eunson, subject to noting that it was Mr Cluness who asked the question regarding Mr Drummond-Hunt's attendance, not Mr Eunson.

24/04   Presentation by Karen Eunson, Head of Section, Community Learning

The Chairman introduced Ms Eunson, who gave a presentation to the Board on Community Learning (Appendix 1).   This presentation included details of the courses provided, numbers enrolled, details of funding packages to date etc.   Of particular interest was the work undertaken by community lecturers in attracting and retaining students who had, for a number of reasons, not got as much as they might have hoped for out of school. Ms Eunson confirmed that many of the New Directions students go on to Further Education at Shetland College.

Ms Eunson answered all questions posed by the Board, and was thanked by both the Chairman and Mr Cluness and commended for the excellent work her section was doing.   Mr Smith also added his congratulations and said that from personal experience he could confirm that the feedback from students was extremely good.

25/04   Chairman's Report

The Chairman provided members with a verbal update on what had been happening since the last meeting.

He was pleased to say that, thanks to the hard work by Education Department staff, it was now hoped to commence the Distance Learning Programme for Primary Teachers at the beginning of the 2005/2006 session. There had been well in excess of 100 expressions of interest, and correspondence had gone out to all of these people, encouraging them to do some basic updates prior to applications being completed for places.

The Chairman then mentioned Renewables and indicated his pleasure at progress made over the last couple of months.   As this was an agenda item, he would not discuss this in more detail at this time.

Another interesting development was the potential of introducing traditional music teaching, and also music technology. Mrs Kay Smith had made a bid for funding in respect of music technology and was awaiting the outcome of this.   Davie Gardner of Shetland Arts Trust had also had significant input and it was hoped to have the first of the courses in traditional music teaching up and running by the start of the new session.   This development would build on the excellent teaching in schools.

The Chairman then reported on a meeting he and Mr Shannon had held with Mr Roger McClure of the Funding Council in Edinburgh last week.   This had been a very successful initial meeting, with Mr McClure who supported the approach of co-ordinating participation for all activity under the Shetland Islands Council umbrella.   The Chairman said that he had to commend Mr Shannon for his work the previous year in identifying this opportunity, which was essential to meeting the College's SUMs target this year.

The Chairman then mentioned the resignation of Dr Anne Black from the Board, the reasons for which were outlined in a report. He hoped, however, that the Board would consider inviting Dr Black to be in attendance at meetings.   Her input to date had been extremely useful and he was sure there would still be opportunity for input in certain areas.   The Board agreed that this invitation be extended to Dr Black.

26/04   Nomination of a Replacement Member to the Board of Management

Members considered a report (Appendix 2) and on the motion of Mrs E Fullerton, seconded by Mr A J Cluness, agreed that the Board of Management recommend to the Council that a letter is sent to BP Exploration seeking the nomination of Mr Robert Watt, Site Manager at Sullom Voe Terminal, to be a member of the Board for Shetland College and Train Shetland.

27/04   Action from Board of Management Training Day

The Chairman referred to the report previously circulated (Appendix 3).   He suggested that some of the functions identified in this report could perhaps best be undertaken if one member of the Board, with expertise in a particular area, was willing to take the lead.   On the motion of the Chairman, seconded by Mr Stove, the following individual lead representatives were identified:

Strategic Planning   Mr W A Ratter
Finance   Mr W H Manson
Estates Management   Mrs B Fullerton
Human Resources   Mr W N Stove
Health and Safety   Mr J L B Smith

The Chairman went on to say that should there be specific issues under any of these headings which required the setting up of a short-life working group, then the lead member should bring the subject and suggested membership of the group to the Board for final approval.

It was further agreed that the Action Points were of great assistance in concentrating the mind and that there would be merit in keeping these regularly in front of the Board to monitor progress.

In respect of these points it was suggested that it would be prudent to delay the production of the annual report until the following year.   This report should not be a large glossy document, but one for public consumption and which would also be on the College and Council website.

The Chairman went on to say that the one item not covered by the report was the suggestion that Board Members hold surgeries for College and Train Shetland Staff.   It was agreed that this was a good idea, but that discussions would have to be held with management first as to the purpose of these surgeries.

28/04   Train Shetland – Training Activity

Mrs Kay Smith spoke to her report (Appendix 4), which she said was an update on activity over the last quarter.   Staff were now organising Skill Seeker interviews, but with the economic downturn were not sure of how much employment would be available this year.   Predictions were that there would be no more than 40 positions.   She referred to the growth of short courses, with Train Shetland now organising 6 or 7 courses per day.   A list of courses presently provided was attached, and further requests were being received.   For example a recent one for a Vocational Qualification (SKLS) in wool grading, which

demonstrated the difficulty in predicting demand for SKLS places when something unexpected is asked for by an employer. Accommodation was therefore a key issue. Another area worthy of mention was that work experience was being rolled out as of next week for all S3 and S4 pupils.

The Board noted the information contained in the report, and suggested that Mrs J Watt, the Short Course Manager, provide the presentation to the next Board Meeting.

29/04   Shetland College Strategic Plan

Mr Dargie referred to the Strategic Plan (Appendix 5), which had been sent to the Funding Council following input by the Academic Board. It had, at that point, been circulated to Board Members for comment, and the Clerk confirmed that no further comments had been received. Mr Dargie said that this followed broadly the format of last year's plan, which had had a lot of staff time invested in it, and which had been commended by the Funding Council.

Mr Dargie explained that in future years the date for submission of the Strategic Plan would be the end of June, thus following the announcement of funding for the following year. This would be an obvious advantage. He then answered a number of questions posed by a member wishing further clarification. He explained that the local business community feed in mainly through the Local Skills Sub-Group of the Local Economic Forum, and referred to the presentation by Ms Rachel Stove to the last meeting. A member commended the HNC course in e-Commerce and then asked whether the College had given thought to the training of Social Workers locally, given that there was a shortage nationwide. It was agreed that this would be followed up.

In respect of Hospitality courses, Mr Dargie explained that there had been a lack of full-time students. The College was now looking at other options, and work was being undertaken on what the College can do to support the Tourism industry. Staff are working with Shetland Enterprise and consulting with local employers on what might best meet their skills needs.

Another suggestion made was that the College should perhaps consider the running of a course on public consultation skills. The consultative process often resulted in overload both for the public and for the staff. If a course like this could be developed, there would be opportunity for selling it outwith the College.

The Chairman agreed and thanked Mrs Fullerton for such positive and useful input.

30/04   Shetland College Enrolment and SUMs Monitoring

Mr Dargie referred to the report (Appendix 6) and confirmed that the College were nearer to achieving the SUMs target. He was confident that if Evening Classes were counted in, there would not be a problem.

The Board noted the position.

31/04   Shetland College Financial Update

The report (Appendix 7) was tabled, and Mrs Smaaskjaer provided clarification as requested.   On the motion of Mr Cluness seconded by Mr Smith, the report was noted.

32/04   Renewable Energy Unit based at Shetland College

Members considered a report (Appendix 8), which pr ovided an update on this project. Mr Horne updated members further in respect of property potentially for lease or sell.   This option was being investigated.   Members were of the opinion that this was a project with growth opportunity, and noted that there was also a proposal that the College could potentially be provided by power from the proposed windmill.   There was some further discussion on whether the College could play a roll in encouraging more domestic use of renewable energy, but it was noted that presently for community owned projects there was an excellent opportunity of funding, which was not yet available to private individuals.

The Board noted the position at this time.

The Chairman moved that the Board resolves in terms of subsection 4 of Section 50A of the Local Government (Scotland) Act 1973 to exclude the public from this meeting during consideration of the following items on the grounds that it is likely that, if the public were present, there would be disclosure of exempt information as defined in paragraphs 1, 6, 8, 9 and 11 of Schedule 7A to the said Act. Mr W H Manson seconded this motion.

33/04   Accommodation for Train Shetland

Mr W Shannon introduced the report (Appendix 9) and said that since the preparation of the report a number of obstacles had appeared.   The Capital Programme Monitoring Team had met yesterday to make a decision on funding and had deferred taking a decision until some of these hurdles were sorted out.   He then invited Mr Andrew Drummond-Hunt, who had done a lot of work on these reports, to report to the meeting.

Mr Drummond Hunt said that the problem was basically that the Council's Capital Programme was very tight, and they were struggling to find sufficient funds for projects.   They had therefore delegated the decision to Mr Graham Johnston, Head of Finance.   There were also some additional problems to be overcome, for example Revenue Funding, the assignation of the lease from SBIC, and obtaining planning consent for the change of use of the property.   He could not commence the latter process as yet, as he had been instructed by the Chief Executive not to apply until after the 11 May.

Mr Cluness said that he couldn't see why SLAP couldn't do the work necessary, this would mean there was not a need to dip into the Capital budget.   Mr Cluness also would prefer no delay in applying for planning permission. He was meeting with the Chief Executive later in the day and would discuss this with him. He went on to say that the Executive Committee would make a final decision.

Mrs Fullerton asked for clarification regarding the two options.   Mr Drummond-Hunt explained that the costs for SBIC would be considerably less than indicated, as car parking could be provided on an alternative site at less cost. Mr Cluness also pointed out that the building belonged to Shetland Islands Council, whereas the other option was a lease.

Mrs Smith pointed out that there was little room for expansion of her activities, given that there would be fewer rooms than she presently uses, even following conversion of SBIC.   The Chairman confirmed that there was land available belonging to Shetland Islands Council in the immediate vicinity.

A suggestion was made that, should additional training rooms be required in the short term while the extension was being built to SBIC, SBS were a useful contact and had rooms available.   This could also be looked at by Shetland College in the event of additional room usage.   It was further noted that there would be accommodation available in Shetland College during the holiday periods.

Mrs Smith also mentioned that if she has to provide courses from a number of sites this could have staffing implications.   She was advised that she should bring any problems of this nature back to the Board for discussion. She asked for reassurance that there would be no move from Gressy Loan until SBIC is

ready to move into, and that Phase 1 and 2 would run concurrently The Board accepted that Train Shetland should move into SBIC only when the Phase 1 works have been completed. In the meantime, Phase 2 should be progressed as soon as possible.

Mrs Smith then provided details of some of the alterations required to SBIC.

The Chairman informed the Board that steps were being taken to look in detail at the timetabling of rooms. He mentioned that the schedule provided to him by NAFC was very useful. Mr Dargie confirmed that Shetland College was in the process of looking carefully at timetabling of rooms.

The Chairman moved that the Board accept the recommendations outlined in the report, including 7.3 in the affirmative.   Mr Cluness, who said he would discuss this directly with the Chief Executive, seconded this.

34/04   Salaries of Lecturers at Shetland College

Members considered the report (Appendix 10).   Concern was expressed that although financial implications were available for the cost of implementing the 4% claim by lecturing staff, no information was yet available to indicate how the costs of implementing any pay increase for other staff in the College and Train Shetland would be funded. A member suggested that to agree a settlement for Lecturing staff only would not be a good message to give to other staff. The Board had a financial management role and therefore needed to have full information in order to make an informed decision. It was therefore unanimously agreed that steps be taken to ascertain the level of the claim by APT&C staff, before proceeding any further.

35/04   Scottish Quality Management System (SQMS) and Investors in People (IIP) Audit Reports

Members considered the report (Appendix 11) and noted that an Action Plan to address problems identified in the IIP report had been prepared and that Mr Rae Tulloch of Shetland Enterprise would be meeting with staff as a follow up. It was agreed that progress on this should be reported regularly to the Board.

Mr Dargie further reported that the HMI follow up inspection was taking place during the week commencing 24 May 2004 and he expected that they would also wish to meet with the Chairman and possibly other Board Members.   It was noted that one of the concerns raised by the last HMI report was that of leadership, and it was hoped that the formation of the Board and the contents of Strategic Plan would deal in most part with these concerns.

36/04   Any Other Competent Business

The Board agreed that a Sub-Group to take forward the Review and Restructuring of the College should be formed. Members elected were the Chairman, Mr W H Manson, Mr W N Stove and Mrs B Fullerton.   The first meeting would be held as soon as a date could be identified in all diaries.

37/04   Date of Next Meeting

Monday 7 June 2004 at 2.15 pm.

Executive Committee - Tuesday 22 June 2004
Agenda Item No. 12 (b) - Public Report

Shetland College and Train Shetland Board of Management

Shetland Business Innovation Centre
Monday 7 June 2004 at 2.45 pm

Present:

W H Manson (Chairman)
C B Eunson
E Fullerton

Apologies:
A J Cluness
F B Grains
W A Ratter
JLB Smith
W Stove

In attendance (Officers):
G Dargie , Principal, Shetland College
E Smaaskjaer, Admin Officer, Shetland College
W Shannon, Economic Development Manager
K Smith, Service Manager, Train Shetland Islands Council
M Eva, Officer-in-Charge, Blydehavn Nursery
Hazel Anderson, Clerk

Circular
The circular calling the meeting was held as read.

38/04   <u>Minute</u>

Mr Eunson referred to Min Ref 28/04 and asked where the wool-grading course was being held.   Mrs Smith confirmed that the course would take place at Shetland Wool Brokers.

Mr Eunson then referred to Min Ref 33/04 and asked why there was a need for a change of use application. It was confirmed that there would be a much greater usage of the building once training sessions began, and there would be increased need of car parking space. Guidance would be taken from the Planning Department.

The Chairman then referred to 34/04 Salaries, and said that he wished to report details of the discussion at the JNC to the Board. This would be taken in private after other agenda items were dealt with.

The minute of the meeting of 27 April was agreed on the motion of Mr Eunson, seconded by Mrs Fullerton.

39/04   Presentation by Officer-in-Charge, Blydehavn Nursery

Mr Dargie introduced Mrs Marina Eva, Officer in Charge, Blydehavn Nursery, and asked members to note that the final report from HMI on Blydehavn Nursery had not yet been received. Mrs Eva would therefore be referring to the Interim Report.

Mrs Eva said that she had been the Officer-in-Charge for over a year now, the nursery catered for 12 children, and had just had an HMI Inspection. She was pleased to say that the Inspectors had told her that this was the first time that they had found that all 5 key strengths had been met. The only real recommendation was that the staff continue with their good work. She wished to thank Mr Dargie and her staff for their continued support.

She then invited questions, and the first was an enquiry as to whether they had any thoughts of expanding. Mr Dargie explained that any expansion of the nursery was constrained by the limited size of the building; the maximum numbers were 12. Mrs Fullerton suggested that looking into the future, with both Shetland College and Train Shetland on the same campus, thought should perhaps be given to the provision on childcare on site. She was aware that this would not be able to be realised

immediately, but the vision might be useful.   Mr Dargie said that the nursery was a remnant of the college's time at Gressy Loan.   It was further noted, that with the rebuilding of the Anderson High School, the building might not always remain available to the College.

The Chairman thanked Mrs Eva for her presentation, and said that the Board looked forward to receiving the final report.

40/04   **Chairman's Report**

It was noted that Mr Ratter, Chairman, was on holiday, but would no doubt report to the next meeting.

41/04   **IIP Action Plan Update**

Mr Dargie referred to the report (Appendix 1) prepared by Mr Horne. In Mr Horne's absence, he explained that the Action Plan had been agreed with staff and IIP Auditors.   He said that the third action points, that of expanding and strengthening the college's senior management team should now go back to the end of August 2004, to allow the Board the opportunity of completing their Review and Restructuring discussions.   Mrs Fullerton queried the timescale on the Action Plan, and said that she thought it was important to be clear where the college was going and not rush things through. It was explained that the dates had been generally agreed with staff and IIP Auditors and should be achievable.

Members noted the report.

42/04   **Enrolments and SUMs Monitoring**

Mr Dargie spoke to the report (Appendix 2) and said that the college was broadly on target, with only 225 SUMs still to be achieved. The Board were pleased to note the content of the report, and that 281 SUMs had been achieved since the last report, the majority of this through work carried out by Train Shetland.

In answer to a question Mr Dargie confirmed that the SUMs target for Shetland College would remain static for the next two years. Mr Dargie said that the Funding Council were also looking at how "Higher" education was accounted for, and there may be possible growth in this sector.

Mrs Smith said that she would wish the Board to note that there will be a decrease in Train Shetland enrolments, due to the uncertainty as to when the move will happen, the fact that there will be less training rooms, and the staff time required to organise and make the move to the Business Centre.

It was agreed that as the next meeting of the Board of Management would be 21 August 2004, an interim update should be brought to the Review Group, and Board Members could be invited to attend.

43/04   **Shetland College Financial Update**

Members noted the report, which was tabled (Appendix 3).   Ms Smaaskjaer explained that the accumulated deficit to the end of March 2004 had yet to be written off.   Once that has been done, we will have a clearer picture, but meantime it is impacting on the budget processes for next year.   She was confident that tight control in April, May, June and July, will result in a break even, but the financial position is quite tight with little room for spending additional money.   The Chairman suggested that she follow this up with Finance.

44/04   **Course Proposal – Food Preparation and Cooking SVQ Level 2**

Mr Dargie introduced Mr Stark, who spoke to the report and answered all questions posed by members.

He explained that the full-time course had been withdrawn last year, due to lack of uptake, but he had been working with the industry since then to see what could be done.   He had also taken into account the work done to date by Rachel Stove of Shetland Enterprise, in her Hospitality and Tourism skills survey.   The proposals which were now before the Board were a result of the clear message from the industry that they would rather have p/t day release courses for staff, than full time or block release.

He confirmed that SVQII would be the initial award, with the intention if the course is successful, of offering a higher qualification after 2 years.

Mrs Smith said that she hoped the Board would note that they had delegated Skillseekers and Modern Apprentices to Train Shetland, and that other applicants to this course should come through Train Shetland. Mr Stark said that he would discuss this with her further.

In response to a question from Mr Eunson, it was confirmed that these courses would be available to all sectors of the catering industry.

Mrs Fullerton said that she welcomed the reference to the use of local produce.   She then questioned the work currently being carried out for the Welfare Trust and whether economically this was good for the college. Mr Stark confirmed that it broke even.   Mrs Fullerton then suggested that there could be some mileage developing similar work with both Shetland Islands Council and the Church of Scotland.

On the motion of the Chairman, seconded by Mrs Fullerton, the recommendations were approved.

45/04   **Renewable Energy Skills unit – Planning Issues**

Members approved the recommendations in the report, which was tabled (Appendix 4).

The Chairman then moved that the Board resolve in terms of subsection 4 of Section 50A of the Local Government (Scotland) Act 1973 to exclude the public from this meeting during consideration of this additional item on the grounds that it is likely that, if the public were present, there would be disclosure of exempt information as defined in paragraph 6 of Part 1 of Schedule 7A to the said Act.   Mrs Fullerton seconded thus motion.

46/04   **<u>Shetland College Lecturers' JNC – Salaries</u>**

The Chairman outlined the discussion on salaries, held at the JNC held just prior to this meeting.

Ms Donaldson had explained that the decision of the Union's Branch Meeting was that they were keen to have a minimum of 4% increase in salary agreed.   She went on to say that Teachers had received 10% over and above McCrone.   Waiting for the settlement for other members of staff was holding this back. Other staff members had their own JNC; the College Lecturers' have their JNC.   College Lecturers have increasing workloads, and are more and more taking on tasks similar to teachers.

Mr Dargie had asked whether they were prepared to accept an interim settlement of 3%. Ms Donaldson had said that they were not; the message from the Branch meeting was a minimum of 4%. She said that any type of interim solution was out of the question.

Mr Manson had pointed out that Mr Stove was today at a meeting in Edinburgh discussing the other staff's pay settlement.   He had confirmed that the decision to await this was a financial one, and referred members to the minute of the last JNC meeting. Mr Manson had suggested that once Mr Stove returned and could provide information, another JNC would be arranged.

Mrs Fullerton agreed that this was the right course of action.   She was of the opinion that it was necessary to look at both pay settlements at the same time.

Board Members noted that the 10% referred to by Ms Donaldson, was actually 10% over 3-4 years.

There was some discussion regarding what some members perceived as an anomaly, in that a small staff group of only 20 people have their own JCC.   A JCC had been held to discuss a number of items relating to all staff in Shetland Islands Council, and then these items had been brought to the College Lecturers' JCC.   Mr Dargie explained that this was the position with the few unincorporated colleges.   It was agreed that this was a situation which should be examined further.

47/04   **Date of Next Meeting**

21 August 2004 at 2.15 pm.

Shetland
Islands Council

NOTE

Special Environment & Transport Forum
Council Chamber, Town Hall, Lerwick
Monday 31 May 2004 at 2.15 p.m.

Councillors:
A J Inkster   J H Henry
I J Hawkins   W Tait

In Attendance (Officers):
G Spall, Executive Director, Infrastructure Services
I Bruce, Transport Officer
D Haswell, Committee Officer

Apologies
Capt G G Mitchell
B P Gregson
N Flaws, HIAL
J L B Smith

Invited to Attend:
J C Irvine   F A Robertson
J G Simpson
P Clarkson, HIAL
C Laignel, HIAL
W Fraser, ASCC
D Eva, NHS Shetland
G Henderson
A Black, Shetland Enterprise
A Steven, Shetland Islands Tourism

Also:
S Grier, Loganair
J Cameron, Loganair

Chairperson:
Mr J A Inkster, Chairperson of the Forum, presided.

Circular:
The circular calling the meeting was held as read.

16/04   **Loganair Services**
The Forum noted a Discussion Paper by the Executive Director, Infrastructure Services (Appendix 1).

The Chairperson welcomed Mr Grier and Mr Cameron, representatives from Loganair, to the meeting today. He said that some discussion had taken place with Mr Grier and Mr Cameron earlier today and asked Mr Grier and Mr Cameron to provide Members with an update on service delivery and, in particular, consultation between Loganair, the Council and members of the public.

Mr Grier said that he and Mr Cameron were very pleased to have been invited to the meeting today. He said that Loganair had been very excited when they had taken over British Airways Citiexpress routes on

1 March 2004. With regard to consultation, he said that he believed the Sumburgh – Aberdeen route had settled down and consultation could now commence on a formal basis. It was proposed that Loganair and Officers and Members of the Council should meet twice per year with the meetings taking place prior to the start of the summer and winter timetables. The formal meetings would be interspersed with any informal discussions that may be required. Also, it was hoped that if any Officers or Members of the Council were in Glasgow, Loganair would make every effort to have discussions, if they were required.

Mr Grier continued to say that Loganair had been delighted to take over the Sumburgh – Aberdeen route but it was recognised that this route had been in decline over the last few years. Loganair hoped to increase passenger traffic on this route but it was recognised that there was a job to do. In this regard, the Council's support and input was required as to how Loganair should proceed. It was hoped that a partnership approach could be adopted.

In relation to the decline in passenger traffic on the Sumburgh – Aberdeen route, Mr Grier said that Loganair accepted the concerns. It would be easy to say that Loganair were not performing the route as well as British Airways Citiexpress but this would be without any foundation. Loganair had looked at the wider reasons for the decline, particularly as this route had suffered a greater decline compared to most other services in the Highlands and Islands. The decline could be attributed to the following reasons:

- Recent difficulties in the local economy
- People choosing to travel by Northlink; and
- Council policy, which differed from other local authorities, of buying fully flexible fares and not buying discounted fares which results in a reduced allocation of discounted fares being available to the general public

Mr Grier said it was inevitable that Loganair would lose some traffic to the much improved ferry service to Aberdeen that was provided by Northlink but Loganair would try and win this traffic back. Loganair were suffering from the fact that ferry services were very highly subsidised. Loganair had made this point to the Scottish Executive and had stated that air services and ferry services to remote parts of the Highlands and Islands should be complementary to each other. Loganair were trying to get a more level playing field in this issue and had asked the Scottish Executive to give consideration to air services being subsidised.

Loganair had been anxious to take over the service and run it the same as it had been run by British Airways Citiexpress and, although it looked like exactly the same service, Loganair had wet-leased aircraft. However, Loganair were using the same aircraft, the same crews, the same engineers and the same timetables. The ATP aircraft had been supplemented with SAAB aircraft during the summer period. Having

now taken over the service for 3 months, Loganair were trying to discuss ways of improving the service. An extra rotation would be added on the Aberdeen - Sumburgh – Aberdeen route on a Sunday evening as Loganair had recognised the pressure on the 2nd rotation on the Sunday evening service. This additional rotation was in collaboration with HIAL for the later service from Sumburgh – Aberdeen and it was anticipated that this later service would be well received by the public.

Mr Grier said that the ATP aircraft had had a very good run and he hoped that the public had not found any problems with them. When the ATP aircraft had had problems, Loganair had been able to slot in SAAB aircraft; an option that had not been available to British Airways Citiexpress. Loganair had done this on a few occasions. As far as the future was concerned, Loganair had undertaken to evaluate replacement aircraft for the ATP. They had been evaluating aircraft with a 50 seat capacity which could operate in and out of Sumburgh and they believed that this would be a much more economic way of operating the service. The replacement aircraft would come into place, hopefully, in Spring 2005.

Mr Grier continued to say that he understood that the Council had been anxious to try and obtain cheaper air fares and Loganair had tried to be responsive to this. Loganair had undertaken their own exercise to determine how cheaper fares could be available. There were now 30% more seats available at the discounted price range. It was hoped that this would kick-start the service and it was clear that everyone wanted the service to be successful. With regard to the Sumburgh – Edinburgh route, Mr Grier said that this had been a bit static and Loganair were anxious that this route should also be stimulated because, in their view, it was not operating to its full potential. It was possible that the economic factors could be attributed to the downturn on this route. However, the full fare for this route would be reduced by 10%. Also, Loganair had reintroduced 2 other fares which were not dependent on a Saturday night stay and these fares were now cheaper and available with savings of up to £106. The other cheaper fare, which required a Saturday night stay, would be retained. Mr Grier said that the reintroduction of the 2 other fares was a major step forward.

With regard to the winter timetable, Mr Grier said that because Loganair had taken over a number of services and because of all that was going on, all of the services had to be balanced. Loganair recognised that the timing of the Sumburgh – Edinburgh route had changed and, when it came to reviewing the winter timetable, Loganair were committed to ensuring that the Sumburgh – Edinburgh route left Sumburgh as near to the start of the day as possible. It was recognised that the core traffic on this route was indigenous traffic. Loganair also recognised that a connection to Aberdeen which was previously available had been missed out and he gave assurances that this would be rectified for the winter timetable.

The Chairperson thanked Mr Grier for updating Members on the present position. He said that he understood that Loganair felt they were operating in an uneven playing field in relation to the very high subsidies provided to ferry operators. Also, he understood that Loganair felt that there were a number of factors outwith their control that had impacted on services and costs. Further, he took on board the comment that the Council was the only local authority who purchased cheaper fares which was to the detriment of the general public.

Mr J C Irvine advised that he had asked the Executive Director, Infrastructure Services to prepare a report to the Forum, and thereafter, the Infrastructure Committee setting out the pros and cons of this anomaly (i.e. the policy of the Council to buy fully flexible fares).

Mr Grier said that Loganair were trying to make their services more attractive to the general public. Loganair were risking losing further revenue and were taking a gamble by reducing fares. However, it was hoped that this would encourage people to use the service.

In response to a question from a Member, Mr Grier confirmed that the additional rotation from Aberdeen – Sumburgh – Aberdeen on a Sunday evening was indeed an extra rotation. He added that there would still be an ATP that would be based at Sumburgh overnight.

A Member said that he was pleased to receive some good news from Loganair today. In relation to the fares, he said that people were always advised to book 1 – 2 weeks in advance in order obtain the cheapest fare. He said that he could understand why people did not travel by air because of the cost, particularly for families.

Mr Grier said that he had not been complaining that the ferry services received a high subsidy but the fact was that the airlines did not receive any subsidy whatsoever. The important point was that airlines would never be able to match ferry fares, particularly for children, but airlines offered a service of convenience. Loganair aimed to offer the best fares it could. He reiterated the point that air services and ferry services were complementary to each other. Referring to the HITRANS report, Mr Grier said that the report drew attention to the sensitivity between fares and the possibility to generate new traffic.

In response to the comment that Loganair were looking at using 50 seat aircraft, a Member queried if these new aircraft would be able to take off from Sumburgh at times when the wind direction could affect the take-off. At the moment, when it was likely that wind direction could affect an aircraft taking off, passengers were offered the chance of going on a later flight and receiving compensation for doing so. Mr Grier said that Loganair would be looking at several types of aircraft. If the Dash 3800 aircraft was used the problem with wind direction should be reduced, if not eliminated. He reiterated the point that not only had the fare on the Sumburgh – Edinburgh route been reduced but 2 other fares had been introduced that did not require a Saturday night stay. The earlier

bookings were made, there was a greater chance of getting a cheaper fare and this was an incentive to buy early.

A Member expressed concern at the cost of children's fares. Mr J Cameron said that one change Loganair had made was to reintroduce children's fares. These fares were 33% less than the adult fare at the time of booking. In accordance with rules from the CAA, if a child is over 2 years old, they require to have a seat. The CAA rules say that a child fare is for children aged 2 – 11.

In response to concerns from a Member regarding recent reports that a Pensioner had experienced problems at Aberdeen Airport with British Airways because they did not have the correct form of ID, Mr J Cameron advised that Loganair had looked into this issue. British Airways do accept different types of ID and photographic ID was not required. Any official document bearing the passenger's name and address would be sufficient. Mr Grier added that an education process was required for staff at Aberdeen Airport in respect of the types of ID that would be acceptable.

Mr A Steven said his comments related to inbound tourism to Shetland. He said that he did not believe that flights to Shetland should be classed as convenience travel, nor were they cost effective. Quite frequently, he had witnessed people coming to Scotland and only finding out about Orkney, Shetland and the Western Isles at that time. He added that British Airways had managed to market areas specifically by place. Mr Steven asked the Loganair representatives if they felt Loganair was marketing as actively as it could.

Mr Grier said that one weakness of Loganair was that their marketing was undertaken as part of the British Airways brand and was part of the franchising agreement. Mr Grier agreed that there was more that could be done at a marketing level and, in this regard, Loganair would like to collaborate with Shetland Islands Tourism and the Council as much as possible. Mr Cameron agreed and said that Loganair did want to market their services more actively. Quite a bit of effort had been put behind the Loganair website. He concluded by saying that Loganair did market all of their routes but it was important that the tourist market was also catered for.

Mr G Henderson said that he was in attendance at the meeting today as a passenger representative on Sumburgh Airport Consultative Committee and as the Chair of the Sumburgh Airport Strategic Partnership. In his role as passenger representative, he said he had taken on board the comments made by Mr Grier and Mr Cameron but advised of a situation whereby someone had tried to book a flight to Glasgow 2 months in advance of the travel date and had been quoted a fare of £420. Recently, there also appeared to be a problem with Air Miles. In his view, Loganair were operating as a business and, therefore, their returns had to be maximised.

Mr Henderson continued to say that the concept proposed by HITRANS was that Inverness should be the hub airport. He added that the Council were currently in discussions with the Scottish Executive regarding the possibility of introducing PSOs on Highlands and Islands routes and this discussion was ongoing. Further, the Sumburgh Airport Strategic Partnership were attempting to get a modest extension to the runway at Sumburgh Airport in an attempt to get much more affordable fares to Shetland. This was also at an advanced stage. Mr Henderson said he welcomed the fact that meetings would be held between the Council and Loganair twice per year. He suggested that the meetings should dovetail with the Sumburgh Airport Consultative Committee meetings that were held in October and March.

Mr Grier said that Loganair did have to be commercially successful and recognised that this meant providing services that people could use and afford. It was Loganair's aim to increase passenger traffic and, as previously indicated, it was hoped that the change in fare structure would help that.

Referring to the HITRANS report, Mr Grier said that Loganair had been discussing the report with HITRANS and HITRANS had given an undertaking to evaluate the report with a view to reducing fares in the Highlands and Islands. Mr Grier said that his concern was that the recommendations of the HITRANS report might not be implemented as soon as people hoped they would be. He added that he was on public record as saying that there should be some interim assistance for the cost of air travel in the Highlands and Islands by way of a Scottish Executive subsidy to HIAL or if the Scottish Executive were to waive or absorb some of the passenger charges at airports run by HIAL. Loganair had submitted a formal proposal to the Scottish Executive and the Minister of Transport that passenger charges and landing charges could be waived which would then be passed on to passenger fares resulting in passenger fares being reduced by approximately £20 - £30. So far, the Scottish Executive had considered the proposal but no action had been taken. Loganair believed that this would be an interim benefit to the travelling public and Loganair were striving to work with everyone to try and reduce the cost of air travel.

In response to the comment about the problem with Air Miles, Mr Cameron advised that British Airways had changed the way they distributed Air Miles. There were now 2 companies, BA Miles and Air Miles. If you travelled on a full fare, passengers now earn BA miles on BA flights but Air Miles seats are still available.

In response to the comments from Mr Grier regarding interim assistance from the Scottish Executive to HIAL, the Executive Director said that he had reservations about going down this route until the HITRANS issues were concluded which would, hopefully, be soon. The suggestion by Mr Grier was contrary to the Council's current policy and he again reiterated the point that the Council should wait until discussions with HITRANS had been concluded. Mr J C Irvine said he

agreed with the Executive Director that the current Council policy to pursue the PSO route should continue to apply. Perhaps other avenues could be considered once this had been concluded.

Ms A Black referred to the comments made by Mr Grier regarding the Shetland economy and the comparisons made to other island communities. She said that it should be clear that Shetland was going through a process of change but there was still a very buoyant economy. She added that it would be interesting to undertake surveys on passenger usage, particularly on the Sumburgh – Edinburgh route to determine how many passengers were being lost. Also, which passengers were travelling and where to. Air travel was very important for the social and economic well-being of Shetland and, in this regard, it was important that people worked together to their best avail. She concluded by saying that air travel had to be accessible.

The Chairperson suggested that it would be useful if the twice-yearly meetings with representatives of Loganair took place in the Forum setting. He added that he was hopeful that airfares would be reduced.

In response to a question from a Member regarding e-booking and e-tickets, Mr Grier advised that, as previously advised, Loganair did not require photo ID. He added that all the low cost airlines did require photo ID. Part of the cost of airfares included the arrangement Loganair had in place with British Airways whereby baggage could be checked in direct to the passenger's destination. This was a service that was not provided by low cost airlines.

In response to a comment from a Member in relation to the cost of freight to Foula, the Executive Director advised that the cost was the same if people used the ferry or used Loganair. He added that discussions were continually ongoing with Loganair on this issue.

Mr A Steven advised that he had been aware of tourists being told that British Airways no longer provided flights to Fair Isle or they had been advised that a flight was full when it was not. Mr Grier said that the problem was that the flight to Fair Isle was now provided by Loganair, not British Airways but people should still be able to make travel arrangements to get to Fair Isle. He said that there had been a slight hiccup with the Fair Isle service earlier on in the year when Loganair proposed that the Saturday services be varied. The proposal had been withdrawn.

Mr J Cameron said that information about Fair Isle should be available from British Airways.

In response to a question from a Member regarding the possibility of student concessions on the Foula flight, it was noted that this was a

Departmental issue and it would be considered when the contract for internal air services was looked at.

- 159 -

CHAIRPERSON

Shetland
Islands Council

NOTE

Environment & Transport Forum
Council Chamber, Town Hall, Lerwick
Wednesday 2 June 2004 at 2.15 p.m.

Councillors:
J H Henry   I J Hawkins

In Attendance (Officers):
A Hamilton, Head of Planning
D Macnae, Network Manager
I McDiarmid, Planning Control Manager
V Hawthorne, Development Plans Manager
B Barron, Planning Officer (Development Plans)
S Pallant, Planning Officer (Implementation)
D Haswell, Committee Officer

Apologies
A J Inkster   Capt G G Mitchell
W Tait
W Fraser, ASCC
A Steven, Shetland Islands Tourism
W Ross, Shetland Civic Society
M Clifton, Shetland Amenity Trust

Invited to Attend:
F B Grains   R G Feather
F Robertson   W H Manson
A Inkster, ASCC
J Uttley, SNH
P Ellis, RSPB
H Jamieson, Lerwick Town Centre Association

Chairperson:
In the absence of the Chairperson, Mrs I J Hawkins was appointed as interim Chairperson, on the motion of Mr J H Henry, seconded by Mr A Inkster.

Circular:
The circular calling the meeting was held as read.

17/04   **Verbal Update from Community Planning Board - Chair**
The Chair of the Community Planning Board was not present at the meeting. Mr W H Manson, who represented Shetland Enterprise on the Board, provided Members with information about the Community Planning Board. He said that up until May 2003, Community Planning Boards had been a wish of the Scottish Executive. Now, Community Planning Boards were a statutory function of local authorities. The Community Planning Board were promoting the "Your Voice" campaign.

The Chairperson felt that there was still some confusion in relation to the role of the Community Planning Board and suggested that a seminar should be held so that this could be discussed.

18/04   **Light Pollution Policy**
The Forum considered and noted a Discussion Paper by the Head of Planning (Appendix 2). An information leaflet was tabled at the meeting and is attached as Appendix 2a.

Mr A Inkster said that he was disappointed with the Policy. Whilst the Policy proposed that any new development would require details of a lighting scheme, there was no proposal as to how the Council would deal with current light pollution. He said that the Council should take the lead as there were a number of Council properties (e.g. schools) that emitted light pollution. Another Member agreed that the Council should take the lead.

In response to a question from a Member in relation to the colour of streetlights, the Network Manager advised that there was a technical reason why orange streetlights were prevalent. It was hoped that white lights would be developed in the future. The orange streetlights were very economical and white streetlights were a lot brighter than the orange ones and gave off much more glare.

The Head of Planning said he accepted the points made by Mr Inkster but said that the purpose of the Policy was to ensure that it fitted into the Shetland Local Plan. He agreed that the Council should take the lead and suggested that the Forum recommend this to the Infrastructure Committee. He added that trying to take action retrospectively would prove to be extremely difficult and he could not think of the basis on which this could be done.

Referring to the leaflet, a Member said that the information that detailed what Council proposed to do should be tightened up. He also suggested that there should be a timetable. The Head of Planning took these comments on board and confirmed that this would be examined.

The Network Manager advised that there were approximately 3,000 streetlights in Shetland. He added that a National Performance Indicator was being developed to determine how many streetlights were over 30 years old. This indicates the likely frequency of replacement.

A Member was of the view that if a light was causing a hazard, for example, on a public road, the local authority or the Police should have the authority to ask the owner of the light for it to be redirected. However, he added that streetlights had to be effective and not leave pools of shadows. Another Member agreed and said that there was also a question of health and safety issues for streetlights to be provided.

The Planning Control Manager said that if the Policy was approved, anyone submitting a planning application would also be asked to submit details of any lighting scheme. However, this would result in delays in processing planning applications and it would be difficult to assess a lighting scheme on paper. Also, there was potential for planning applications to be submitted to the Planning Board for consideration if they did not have a lighting scheme.

The Network Manager advised that there was a separate process to go through if it was a large development that required streetlights. Such schemes would, possibly, include a road which would have to be constructed by the developer as a public road. The public road would have to meet the Council's standards. He added that trained engineers were available in the Roads Section to advise anyone needing help with the design of a lighting scheme.

The Head of Planning again reiterated the point that the concerns made by Mr A Inkster would be looked at to see if they could be addressed. It would be drawn to the attention of the Infrastructure Committee and Members would be asked if they wished the Policy to apply to current light pollution, not only new developments.

Mr J Uttley said that an audit should be carried out to identify the scale of the problem. Thereafter, maintenance schedules and replacement schedules could be prepared. The Development Plans Manager questioned who would undertake the audit and said that Planning Services did not have the staff available to do it.

The Planning Officer suggested that a letter could be sent to the Executive Director, Community Services asking if it was possible for lights at schools to be switched off overnight. A Member pointed out that, in some cases, lights were left on as a deterrent to prevent vandalism.

The Chairperson advised that it would be for the Infrastructure Committee to decide how this issue should be progressed.

18/04   **Retailing Information**
The Forum noted a Discussion Paper by the Head of Planning (Appendix 3).

Mr H Jamieson said that the findings of the survey were mainly accurate. In relation to car parking, he said it would be beneficial if Fort Charlotte was available for people to park their cars. Over the last 2 years, the Street had really picked up and the improvements to the Street by the Council had helped this. Mr W H Manson said that there were still some people who did not realise that the Street was pedestrianised. He suggested that there should be a drive by the Council or the Police to remind people that it was pedestrianised and, perhaps, more signs should be erected. He added that, in his view,

short-term parking should be considered for the bottom end of the Hill Lane car park.

The Planning Officer (Implementation) advised that the survey would be followed up with Shetland Retailer's Association and Lerwick Town Centre Association.

There was a brief discussion on Council buildings being used by traders, e.g. sales in halls and, in response to a comment from a Member, the Head of Planning advised that he was aware of the situation referred to and the Department were examining this case at the moment.

The Planning Officer (Implementation) advised that this particular issue had not been mentioned during the interviews for the survey but he would raise this matter with the Lerwick Town Centre Association and Shetland Retailers Association.

In response to a question from a Member, Mr H Jamieson advised that a number of shops did now open on public holidays.

19/04   **National Planning Framework for Scotland**
The Forum noted a Discussion Paper by the Head of Planning (Appendix 4).

The Head of Planning briefly introduced the report and said, as indicated in section 2.5 of the report, it was intended to feed into more effective spatial planning at a European level. The document could be beneficial and, indeed, it mentioned Lerwick as a major freight gateway. In his view there would not be any drawbacks for Shetland as a result of the National Planning Framework.

Mr F A Robertson advised that he had recently attended a Planning Conference where the National Planning Framework for Scotland had been discussed. The Scottish Executive was looking at an overall Planning Strategy for Scotland which would incorporate all issues, e.g. transportation, economy, etc. Also mentioned at the conference was the question of when there was a severe traffic problem in one area where there was a restriction of land, it was possible that developments could take place in an adjacent village and there would be no infrastructure to back this up. In his view, an overall Planning Strategy would be useful to Shetland and Scotland as a whole and he hoped that the Council would have input into the Framework when it was issued as a consultation document.

The Forum otherwise noted the Discussion Document and commended it to the Infrastructure Committee.

20/04   **Rights of Appeal in Planning – Scottish Executive Consultation**
The Forum noted a Discussion Paper by the Head of Planning (Appendix 5).

The Head of Planning briefly introduced the report and drew Members' attention to Appendix 1 and said that Members' views were sought on the draft response.

Mr F A Robertson said that this was a fairly big departure from the normal planning process and, in his view, there were pros and cons. A third party right of appeal could result in an increase in appeals which, in turn, could result in a delay on the decision of planning applications. He added that the Scottish Executive were looking for a sense of fairness in the planning process, particularly with regard to environmental issues and the EU and the Scottish Executive were looking to sustain what already existed in the countryside.

In response to a question from a Member regarding Q5 of the draft response, the Head of Planning advised that if you were the landowner on which a development was proposed, you were entitled to stop the development and, therefore, it would be pointless giving third party right of appeal to the landowner.

Mr W H Manson said that he supported the idea of a third party right of appeal but objectors should not come forward once a planning decision has been made. Any representations should be made on the original planning application. In relation to the categories listed at section 3.2 of the report, Mr Manson said that he would support all of the categories listed as being entitled to third party right of appeal.

In response, the Head of Planning advised that this would affect the proposed response to Q6. The second and third categories had been combined and it was proposed that if both of these categories applied, then a third party right of appeal should also apply. If the Forum wished this section to say "any of these three categories" then this would be made clear to the Infrastructure Committee.

The Forum otherwise noted the contents of the Discussion Document.

21/04   **Part 1 Land Reform (Scotland) Act 2003 – Scottish Executive Consultation: Draft Guidance for Local Authorities and National Park Authorities**
The Forum noted a Discussion Paper by the Service Manager, Development Plans (Appendix 6).

The Service Manager, Development Plans briefly introduced the report and advised that the Council had received an extension of the deadline for submitting comments. Most other local authorities had already submitted their comments.

Mr J Uttley advised that he had cross-checked the proposed response with Scottish Natural Heritage's response and both responses were very similar.

The Forum otherwise noted the Discussion Document and agreed to commend the response to the Infrastructure Committee.

22/04   **Making Development Plans Deliver – Scottish Executive Consultation**
The Forum noted a Discussion Paper by the Head of Planning (Appendix 7).

A Member questioned the benefit to the Council of the proposed response to Q15a. The Head of Planning explained that this related to the Grampian region as a whole and covered transport links, the future of Aberdeen Harbour, air travel etc. He said that the Council may wish to support this in order to add weight to it. On the other hand, there may also be matters that the Council were unhappy with. By supporting the proposed response, this would give the Council an opportunity to feed into the consultation document.

The Forum otherwise noted the Discussion Document and agreed to commend the proposed response to the Infrastructure Committee.

23/04   **Satellite Dishes and other Antennas – Scottish Executive Consultation**
The Forum noted a Discussion Paper by the Head of Planning (Appendix 8).

The Head of Planning briefly introduced the Discussion Paper and said that it was one of the most complicated consultation documents he had come across.

The Service Manager, Development Plans said that the proposal was to deregulate the mechanism that was currently in place. He added that there was a very complicated matrix involved in the deregulation process. Also, the Department had some concerns on the proposals, e.g. Q23.

The Forum otherwise noted the Discussion Paper and agreed to commend the response to the Infrastructure Committee.

Mr J Uttley sought Members' views as to whether they felt the current Forum structure was working. He expressed concern that agenda papers were, very often, issued late, that there appeared to be no consistency in invitations to stakeholders and he was concerned that it was for Officers to decide which stakeholders should be invited. He also expressed concern that with the late issue of agendas, there was very often insufficient time for stakeholders to provide input into things.

The Chairperson said that stakeholders should be consulted to find out their views. She added that when the Review of Forums had been discussed at the Council, she had supported the idea of having 6 Forums but her proposal had been defeated.

Mr P Ellis also said that stakeholders did not receive copies of minutes.

The Head of Planning said that he was not happy either that stakeholders were only receiving their agendas 1 day in advance of a meeting. He added that it was often difficult for Officers to decide what matters should be referred to Forums. Also, Forums now took a themed approach, for example, the theme of today's meeting had been Planning. He concluded by saying that the whole question of the role of the Forums was unresolved.

CHAIRPERSON

Shetland
Islands Council

NOTE

Social Forum
Council Chamber, Town Hall, Lerwick
Thursday 10 June 2004 at 10.30am

Councillors:
W N Stove   W H Manson
F B Grains

Stakeholders:
W Fraser, Association of Shetland Community Councils
A Gill-Merral, Shetland Welfare Trust
C Haworth, Hjaltland Housing Association
S Jack, NHS Shetland
A Watt, Shetland Arts Trust

Also:
Councillor J H Henry

Apologies:
Councillors Eunson, Knight & Mitchell
B Baker, Church Representative
M Hannah & J Nicolson, Teacher Representatives
A Mitchell, School Board Representative
Alcohol Advice Centre
Shetland Childcare Partnership
Shetland Citizens Advice Bureau
Shetland Council of Social Service
Shetland Islands Tourism
Shetland Recreational Trust
Shetland Youth Information Service

In Attendance (Officers):
J Watt, Executive Director – Community Services
C Ferguson, Community Care Manager
J Johnston, Senior Education Officer
D Kerr, Senior Planning & Information Officer
G Smith, Head of Community Development
L Geddes, Committee Officer

Chairperson:
Mr W N Stove, Chairperson of the Forum, presided.

Circular:
The circular calling the meeting was held as read.

Minutes:
Except as undernoted, the note of the meeting held on 22 April 2004 was confirmed.

Arts and Communities Conference 2006
Mr A Watt advised that he would give a presentation on this item at the next Forum meeting.

The Chairperson said that he was disappointed at recent media criticism regarding the Forum system, particularly relating to those invited to meetings and comments regarding the lateness of papers.

He pointed out that the Social Forum continued to invite all organisations who had been members of the various Forums under the previous Forum structure, and that the Social Forum papers were usually sent out two weeks in advance.

12/04   **Verbal Update from Community Planning Board - Chairperson**
The Executive Director – Community Services outlined the aims of community planning to the Forum, and gave an update on the items discussed at the last Community Planning Board meeting including the "Choose Life" initiative, equality and community safety strategies, Community Health Partnerships and Dialogue Youth. She advised that it had been agreed that there should be updates at Forum meetings in order to ensure that there were links between the Council Forums and the Community Planning Board. The Board had a key role in engaging the community and developing partnership working, and it was intended that the Board would lead that process.

The Chairperson said that it would be useful for the Forum to have a presentation on community planning, so that all stakeholders were fully informed of the process.

13/04   **Disability Strategy**
The Forum considered a report by the Executive Director – Community Services (RECORD Appendix 1).

The Senior Education Officer summarised the main terms of the report, advising that the findings of the three sub-groups – learning disabilities, physical disabilities and sensory disabilities – had recently been pulled together and a "distilled" document had been produced that would be suitable for the consultation exercise. During the summer, consultation would be carried out with young people and individuals, and it was intended to hold a seminar for elected members on 2 September. The document would then be distributed for wider consultation. Mr S Jack would also be presenting the document to the NHS Board in July. It was very much intended that the Strategy was one that would be acted upon. It would also guide officers in determining where services should be actioned and developed in the future.

Mr S Jack said that it had been intended to produce a consultation document which was short, accessible and in simple language. Once it had been out for consultation, an action plan could be created and planning could start to fit in with the new financial cycles. He said that he had some concerns that people may think the consultation document was too short because it had been distilled. Forum members said that they felt that it was important that the full research document was available on request.

A member commented that Elected Members had only recently been appointed to the Group, and that it would be desirable to involve them at an earlier stage.

The Executive Director said that it had been acknowledged that this type of group needed Elected Member representation. She went on to say that the Group had also recognised that they did not have the whole picture, and that there had been a concern that services were only being delivered to those who actively sought them. However attempts had been made to capture everything in the consultation document. She added that she pointed out to the Council that cuts would have to be made elsewhere if growth was to be funded.

The Chairperson said that it was apparent that there would be a need for more funding to be available for disabilities in the future. Because the definition of "disability" had widened, this would exacerbate this. He also felt that employment opportunities for the disabled should be referred to in the terms of reference.

Members of the Forum commented that the Strategy was well thought-out, but that it was important that the strategy would be acted upon, and that it was not seen as the end result of the process.

It was also commented that the Strategy was a good exercise in community planning, and the Chairman said that it would be useful if officers could come back to a future Forum to inform of any progress.

14/04   **Cinema and Music Venue – Progress Report**
The Forum considered a report by the Head of Community Development (RECORD Appendix 2).

The Head of Community Development summarised the main terms of the report, outlining the current position and the way forward. He advised that there would not be a report presented to the Services Committee in June. Instead there would be a report to a special meeting of the Capital Projects Management Team (CPMT) on 17 June. It was hoped that CPMT would then recommend to the Council, at its meeting on 30 June, that they consider placing the project on the long-term capital programme.

He went on to say that a number of feasibility studies had been carried out, and that a socio-economic study had been carried out to assess the impact of the venue. Due to the financial difficulties facing the Council and the Shetland Charitable Trust, the original feasibility study had been revisited to see if reduced capital costs could be achieved whilst maintaining the quality and vision of the project. He added that there was some encouraging news in that there were now indications from the Scottish Arts Council that matched funding of up to £2million may now be available.

A decision from the Council would allow the Stage 1 application process to be completed for the deadline of 4 October, with the results of this application known in March 2005. If the project was successful, work could then begin on the Stage 2 application.

In response to a query regarding the preferred site, the Head of Community Development said that the site was now part of a bigger

parcel of land owned by SLAP, but no decision had yet been made as to its future use. However SLAP and the CPMT were aware that it was the preferred site for the project, and would take this into consideration. However the issue of the site would have to be addressed for the Stage 1 application.

Councillor W H Manson added that whilst the site had not been earmarked for the project, there were no short-term plans to use the site for anything else.

A member commented that he felt this would be the last opportunity to maximise funding from external resources. The Scottish Arts Council had indicated that they felt the project was valuable, and he did not feel that the work to scale down the project was compromising the quality and the delivery of services. He went on to speak about the value of music to the economy, and said that investment in the project would be an investment in the future of the economy in Shetland.

Members of the Forum reaffirmed their support of the project and said that it was crucial that the project moved forward now.

A member enquired if it would be possible for the Council to state that matched funding could come forward at a later stage, such as when the Stage 2 application went forward.

The Head of Community Development explained that this had not been clarified yet, but it would be necessary to have a robust Stage 2 bid. The Stage 2 submission had to be made within two years of the Stage 1 application. However there would need to be a clear commitment from the Council at the Stage 1 process. If everything was approved and went to plan, it would be at least 2009 before a building was in place.

In response to a query regarding whether consideration had been given to private finance, he replied that it was unlikely that private enterprise would be involved in the capital element of the project. However there were aspects within service provision, such as catering, which could be franchised. He went on to say that if target audience numbers were realised, the building itself could operate at a surplus. However there were costs associated with the outreach element of the project, and it would also be unlikely that any private enterprise would want to deliver outreach at a loss.

The Forum agreed to recommend that their full support for the cinema and music venue should be reiterated to the Council, and that the importance of achieving the relevant deadlines should be stressed.

15/04 **Issues for Future Discussion**
- Arts & Communities Conference 2006
- Community Planning
- Shetland Charitable Trust budget proposals

Island Games 2005

The Head of Community Development advised that accommodation had yet to be finalised, but that all the money had now been drawn down for the capital projects. All capital projects had come within the budget allocated.

Cultural Strategy

The Head of Community Development said that the action plan would be signed off in the following week. A piece of work had emanated from discussion with HiArts regarding the Cultural Strategy, and how it could be used as a model to inform rural Scotland, and possibly some urban areas and European areas, on how to quantify cultural activity across different themes. It was intended to draw up a brief to commission a piece of work to look at the value of cultural activities in economic terms. This was still at early stages, but it would be appropriate to present a report to a future Forum meeting on this.

Mr A Watt said that the Forum might wish to acknowledge the achievement of Mr Russell Gair who had recently won the Instrumental Teacher of the Year award in Scotland. Mr Gair was a member of the Shetland Arts Trust team and he worked closely with the Education Service.

The Forum noted that there had been 140 nominations for this award, and agreed that it was a fantastic achievement.

CHAIRPERSON