

MINUTE

B

Development Committee
Council Chamber, Town Hall, Lerwick
Thursday 2 October 2008 at 10am

Present:

J G Simpson	L F Baisley
J Budge	A J Cluness
A T J Cooper	A T Doull
A G L Duncan	B L Fullerton
F B Grains	R S Henderson
R C Nickerson	F A Robertson
G Robinson	C L Smith
A S Wishart	

Apologies

L Angus	I J Hawkins
J H Henry	A J Hughson
W H Manson	C H J Miller
J W G Wills	

In Attendance (Officers):

N Grant, Interim Head of Economic Development
D Irvine, Head of Business Development
N Henderson, Principal Officer, Marketing
A Hamilton, Senior Adviser
M Smith, Development Officer
L Coutts, Area Economic Development and Tourism Officer
C Medley, Head of Housing and Capital Programmes
S Morgan, Head of Children's Services
B Robb, Management Accountant
J Riise, Head of Legal and Administration
B Hill, Acting Divisional Manager - Legal
L Adamson, Committee Officer

Also:

W Goudie, Project Manager - SDT

Chairperson:

Mr J G Simpson, Chairperson of the Committee, presided.

Declarations of Interests

None.

Minutes

The minute of the meeting held on 21 August 2008, having been circulated, was confirmed.

Members' Attendance at External Meetings

There was nothing to report.

37/08 **Shetland Hamefarin 2010**

The Committee noted a report by the Head of Business Development (Appendix 1).

The Head of Business Development advised that the report provided Members with an update on the organisation of the Shetland Hamefarin in 2010, and the projected costs associated with the event. Mr A J Cluness commented that the Hamefarin should be a remarkable event and the organisers had been overwhelmed with the interest expressed to date.

In response to a question from Mrs F B Grains, the Head of Business Development explained that the Hamefarin Membership had been set at £50 for each visitor attending the event.

38/08 **Economic Importance of Childcare Services**

The Committee noted a report by the Development Officer (Appendix 2).

Mrs B L Fullerton stated that she welcomed the report, however she questioned the references in the Executive Summary that the “support may not necessarily be financial”. She said that the majority of childcare provision was additional care, and not by statute, with individuals often involved in raising funds to ensure that the facility continues to operate. Childcare was a significant contributor to the local economy, and allows people to return to work and to fill full-time jobs, and the Council should regard childcare as an individual industry and provide financial assistance to improve the provision in Shetland. The Development Officer explained that the proposal would be to provide both financial and additional support to the childcare sector in Shetland.

In response to a request from Mrs Fullerton, the Development Officer advised that the local childcare strategy would be presented to Committee within two meeting cycles. Mr G Robinson said that he welcomed the proposed timescale for the completion of the strategy which would allow the Early Years Framework, due to be published in mid-November, to be taken into account.

Mr R C Nickerson suggested that a support mechanism should be developed for single childminders, possibly in the form of a co-operative arrangement. Mr Nickerson noted that the report provided the information on the childcare provision in Shetland however no detail had been given on the number of clients. The Development Officer advised that client information was included in the full survey which was available on the Council’s internet site. Members noted that the link to the full report “Economic Value of Childcare in Shetland” was outlined in Section 3.4 of the covering report.

39/08 **Flavour of Shetland – Review of 2008 and Options for 2009, 2010 and 2011**

The Committee considered a report by the Principal Officer – Marketing (Appendix 3).

The Chairperson referred to the exceptionally poor weather during the 2008 Flavour of Shetland (FOS) event, and said that he considered Victoria Pier to be the best location for this event.

Mr A S Wishart referred to Section 1 of the report which stated that the purpose of this report was to “gain Committee approval, in principle, for the event budget requirements over the next three years in order to assist in forward planning”, however he noted that the word ‘principle’ had been omitted from recommendation 9.1(b). Mr Wishart said that these events often run out of steam and he had concerns regarding the Council’s long-term commitment to the event, and therefore proposed that funding for FOS in 2010 and 2011 should be considered on a year-by-year basis. The Interim Head of Economic Development explained that the event would be looked at on a year-by-year basis, however the intention was for the 2010 FOS to coincide with the Shetland Hamafarin, and with the Tall Ships Race in 2011. He recognised that there were resourcing issues with these larger events and reported that an Events Strategy was being prepared and would be presented to Committee within the next few meeting cycles.

Mr A S Wishart moved that the Committee approves the proposal to hold FOS in 2009, but approves, in principle, to hold FOS in 2010 and 2011. In seconding, Mrs B L Fullerton said that she had concerns that the funding for this event would be guaranteed for three years when a number of the voluntary sectors would also want a similar guarantee.

Mr A J Cluness said that these events raise the profile of Shetland and presents Shetland as a special place. He said he looked forward with interest to the Events Strategy which would contain the long-term proposals for larger events in Shetland.

During the discussion Mr A T J Cooper said that in musical terms FOS had been extremely good, however he suggested that there was a need to improve the quality and presentation of the food at future FOS events.

Mr R C Nickerson commented that Mr Wishart’s concerns were covered in Section 6.4 of the report, which outlined that the specific funding requirements for each year of the event would form part of the budget setting process and would be presented to Council for approval. Mr Wishart said that adding the wording ‘in principle’ to approval of FOS in 2010 and 2011 was a cautionary approach should the event lose momentum in future years.

40/08

The Johnsmas Foy 2008

The Committee considered a report by the Senior Adviser (Appendix 4).

In introducing the report, the Senior Adviser said that the event had been quite successful, and he had been particularly pleased by the German contribution and the involvement of local schools.

Mr A J Cluness moved that the Committee approve the recommendations in the report. Mr R C Nickerson seconded.

In response to comments from some Members, the Senior Adviser reported that there were resource issues with the Johnsmas Foy, and more involvement among other agencies in Shetland to share the organisation of these types of events would be beneficial. He added that the Events Strategy would address these issues for future years.

Mr A Cluness commented that a more co-ordinated organisation to manage both Shetland's Heritage and Tourism sectors could be the best basis to take these industries forward.

41/08

Shetland Islands Council Standard Conditions for Financial Assistance – Loans and Hire Purchase

The Committee considered a report by the Project Manager (Appendix 5).

Mr A J Cluness stated that the Deed of Conditions and Agreement documents were very complex and could discourage individuals and businesses from considering applying for loan and hire purchase contracts, and suggested that a series of straightforward explanatory leaflets on the assistance offered from the EDU should be made available.

During the discussion the Project Manager advised that each applicant receives a separate letter, outlining the relevant conditions set out in layman terms. In response to a comment from a Member, the Interim Head of Economic Development advised that it was considered necessary for the Deed of Conditions and Agreements to be presented to Committee to ensure that Members had sight of these important documents.

In response to a question, the Project Manager advised that the EDU applies a separate interest rate policy, based on the European Reference Rates to ensure state aid compliance.

On the motion of Mr A T J Cooper, seconded by Mrs B L Fullerton, the Committee approved the recommendations in the report.

42/08

Heritage Tourism Investment Programme

The Committee considered a report from the Economic Development and Tourism Officer (Appendix 6).

Mr F A Robertson reported that the previous Council had raised the profile of archaeological heritage sites in Shetland and the potential for attracting tourism to Shetland, and the Heritage Tourism Investment Programme was important to provide an overall picture of the heritage sites that Shetland has to offer.

In response to a question from Ms L F Baisley regarding the future of the SAT Ranger Service, the Economic Development and Tourism Officer advised that the current funding for the Ranger Service is due to come to an end in March 2009, and an evaluation of the service was to be carried out.

Mr A G L Duncan reported that he was disappointed that the tour buses to the south mainland from the cruise ships did not visit the Old Scatness Broch. During the discussion Members agreed that improved marketing of Shetland's tourist sites was vital, with liaison between Visit Shetland, Lerwick Port Authority, the Council and the local bus operators to develop a co-ordinated approach. It was also suggested that in addition to the Cruise Company's programme of tours, there was scope for local businesses to offer quality taxi services to the cruise passengers.

The Committee approved the recommendation in the report on the motion of Mr F A Robertson, seconded by Mr C L Smith.

43/08

Fetlar Berthing Facility

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

Mr A S Wishart moved that the Committee approve the recommendation in the report. He stated that the residents of Fetlar had been denied a vital piece of infrastructure for a number of years and it was important that the Council sends a positive message to Fetlar and to the other outlying areas of Shetland. In seconding, Mr J G Simpson reported that the Working Group had recently met with the residents of Fetlar and the main priority was to develop the pier facility and breakwater at Fetlar.

During the discussion some Members agreed that the infrastructure was vital to Fetlar, and would improve the services for the North Isles generally and increase employment, and that the work should be carried out as soon as possible to reinvigorate the island. It was reported that the Working Group was also identifying land and houses for sale, and currently residents were willing to sell four croft houses for incoming families.

Mr C L Smith said that although he had sympathy with the residents of Fetlar, he had reservations to the Council committing £600,000 to part fund this project, and he questioned the outcome of the ERDF application for funding. Mr Smith moved as an amendment, that the Committee approve the £25,000 to complete the design work in 2008/09, and then report back to Committee.

Regarding the application for ERDF funding, the Head of Business Development advised that stage 1 had been accepted, and work was progressing on the stage 2 application, which would be lodged by 10 October.

Mr J Budge noted that agriculture had not been included in the economic benefits outlined in the report, and said that as Fetlar was known as the “Garden of Shetland” agriculture should be encouraged, and there could be potential for residents to grow crops to provide the neighbouring islands. The Head of Business Development clarified that growth in agriculture was a key part of the Fetlar Development Plan.

Mrs B L Fullerton said that approving the recommendations in the report as it stands was an attempt to leapfrog the Capital Programme. Mrs Fullerton said that she would second Mr Smith’s amendment, to approve the £25,000 to complete the design work, and that the breakwater and small craft facility should be presented as one project for prioritisation in the Capital Programme.

In response to a question from a Member, the Head of Business Development advised that external funding would be sought when the individual projects for Fetlar had been defined.

During the discussion, the Chairperson said that a breakwater would improve the ferry service for Fetlar and would benefit the whole ferry service in Bluemull Sound, and there was a definite need for improved berthing facilities in order to regenerate Fetlar.

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

Shetland Islands Council as Trustee of Shetland Development Trust**44/08 Mareel Cinema and Music Venue – Remit for Project Sounding Board**

The Committee considered a report by the Interim Head of Economic Development (Appendix 8).

In response to a question from Mr R C Nickerson as to whether there was a requirement for a progress report to be provided to each meeting of the Committee, the Chairperson said that progress reports would be presented as and when considered necessary. The Head of Legal and Administration clarified that the reports would also be presented to Council to provide an update on the contribution from the Capital Programme.

On the motion of Mr A J Cluness, seconded by Mrs B L Fullerton, the Committee approved the recommendation in the report.

In order to avoid the disclosure of exempt information, Mr J G Simpson moved, and Mr C L Smith seconded, to exclude the public in terms of the relevant legislation during consideration of Items 9 and 10.

45/08 Activity Report – August-September 2008

The Committee considered a report by the Interim Head of Economic Development.

In response to a question, Mr A G L Duncan advised that himself and the EDU's Research Assistant would be attending the conference on Council-run post offices hosted by Essex County Council. During the discussion the Head of Business Development said that no decisions would be made on whether the Council would consider assisting such a facility until a Policy was first presented and agreed by Committee.

In response to a question from Mrs B L Fullerton, the Interim Head of Economic Development reported that a review of the activities of COPE was currently being undertaken and a report on the findings would be presented to Committee.

In response to a request, Mr A J Cluness and the Interim Head of Business Development provided an update on State Aid.

In response to a question from Mrs F B Grains regarding progress from the Skeld Enterprise Day, the Interim Head of Economic Development advised that the notes from the day had first been submitted to the Sandsting and Aithsting Community Council, and subsequently the actions required and resource implications would be developed.

46/08 Note of the Agriculture Panel – 15 August 2008

The Committee noted the minute of the above meeting.

The meeting concluded at 11.20am.

CHAIRPERSON