



## **REPORT**

**To: Development Committee**

**10 June 2010**

**From: Head of Economic Development**

**DV043-F**  
**Public Activity Report**  
**April and May 2010**

### **1.0 Introduction**

- 1.1 This activity report is being presented to Development Committee as a means of communicating with Members the current project and potential business activities being led by the staff in Economic Development.

Following a request at the Development Committee on 22 January 2009 (Min Ref 16/09), the Activity Report has been divided into two separate reports – one for public viewing which contains general information which can be considered in public, and one for non-public viewing which will contain sensitive information. This is the public version.

- 1.2 The report gives updates in the following areas:

- Ongoing project work
- Government initiatives

### **2.0 Links to Corporate Priorities**

- 2.1 The activities reported in this document aim to fulfil our commitments in the Corporate Plan to deliver a sustainable economy and supports the aims contained in the Economic Development Policy Statement (2007-2011).

### **3.0 Risk Management**

- 3.1 This is an information report so there are no risks associated with the recommendations.

### **4.0 Ongoing Projects**

#### **4.1 Vessel Maintenance Facility Study**

Arch Henderson and MVA Consultancy are currently examining potential infrastructure solutions and site options based on minimum parameters identified through the consultation exercise. They are also examining options for management structures and business models to be applied to a hypothetical facility, as well as State Aid implications attendant to public involvement in the construction/management of such a facility.

The first draft report will be due on 18 June 2010, with a meeting to be held on the week of 28 June 2010 to discuss the draft.

#### **4.2 Shetland Telecom**

A meeting has been arranged with BT for 06 June in Edinburgh. The purpose of the meeting is to discuss areas of the Fibre Optic Cable project where the SIC and BT can work together for mutual benefit. In the last few weeks BT have shown a greater level of willingness to co-operate with the project. At this stage of the project it is critical that any intention on the part of BT to develop infrastructure in Shetland be factored in to the project design. As a worst case scenario, the discussions should ensure that there is no wasteful duplication of investment.

The project is in the process of notification to the EU with regard to achieving state aid clearance. The pre-notification paper (as described in the report to Development Committee on 29 April 2010 [Min Ref 29/10]) has been submitted to the Scottish Government's State Aid Department and has been passed to the UK Government's Department of Business, Innovation and Skills (BIS) for comments. It now has to be passed by BIS to UKRep in Brussels before being formally submitted to the EU State Aids Department. At that stage we will receive comments for inclusion in a formal notification document. The project has been designed with EU regulations in mind so any changes will hopefully be kept to a minimum.

#### 4.3 Shetland Hamefarin 2010

As of 26 May 2010 there were 521 registrations of Hamefarers through [www.shetlandhamefarin.com](http://www.shetlandhamefarin.com).

Tickets for Hamefarin events, including concerts and coach trips, went on sale in 15 March 2010. Sales have so far been very healthy, with ticket sales for a number of coach trips selling out well before Hamefarers begin to arrive.

The schedules for local area coach trips are being finalised, and will be publicised via the website and local media as soon as possible.

#### 4.4 Shetland Round Britain and Ireland Race

By the time this is read at Development Committee the Round Britain and Ireland Race will be underway with a record number of 57 entries. The first of the yachts will be arriving in Shetland around 15 June and the last by 18 June. The PR campaign has been very high profile with articles appearing in the national sailing press whenever press statements have been issued. Arrangements have been made for a Yachting World journalist to visit Shetland during the Lerwick stopover which will give a further opportunity for promoting what Shetland has to offer as a yachting destination.

#### 4.5 Flavour of Shetland

Preparations for Flavour of Shetland are almost completed. The event takes place over 17-20 June featuring 19 craft businesses, 36 stage performances, 6 food outlets along with storytelling. Some complementary children's activities have also been arranged. The event will feature craft retail huts which have been designed and constructed in Shetland and which will be available for use with future events such as The Tall Ships 2010. Due to significant levels of overcrowding in 2009 additional security provision has been arranged and a turnstile system introduced to control site numbers in accordance with maximum allowable capacity. A visit from the Lerwick Jarl Squad and Hamefarin' Galley on Saturday 19 has also been arranged.

#### 4.6 Events and Festivals Strategy

It was hoped that finalised work in this area could be presented to the Development Committee at this meeting, however it has not been possible within the administrative deadline. The consultation on this exercise has been extensive and the work in this area in respect of strategic work will be presented at the next Development Committee meeting on 26 August 2010.

#### 4.7 Johnsma's Foy Research Project

Dr Colin Smith's visit to Shetland to interview those directly associated with the Johnsma's Foy Committee went very well and initial thoughts are currently being drawn together from these. Dr Smith is very experienced in the area of events and tourism so results are eagerly awaited. An additional public survey is being considered if this can be carried out within the established budget set for the research.

#### 4.8 Shetland Food Festival

Following some consultation, it has been agreed to move the Shetland Food Festival dates to 6-14 November. To date, for the first 2 years of the event, this has been held around the first 2 weeks of October. The indoor, producers' market/demonstration kitchen sessions will be held at Clickimin Centre on 13 and 14 November which coincides directly with the annual Winter craft fair. This has been arranged in agreement with the organisers of this event and the events together complement each other very well. The new dates are still very much within the 'shoulder' season for tourism in Shetland and it is hoped that an annual event will be of interest to potential visitors.

#### 4.9 VisitScotland Local Authorities Conference

This was held on 29 April 2010 in Glasgow and was attended by EDU staff. The event went well and allowed for VisitScotland to outline its commitments to promoting tourism nationally and internationally to Local Authority tourism officers from across the country. The event also allowed for Local Authority officials to feed back issues to VisitScotland. As Members will be aware, the current mechanism whereby Shetland purchases promotional services from VisitScotland is via PromoteShetland. It is the preferred position locally to purchase services, individually as required, rather than necessarily signing up for an excessive annual commitment (dubbed the Memorandum of Agreement). A good relationship is held locally with VisitScotland's Lerwick office and Islands Manager Steve Mathieson is currently attempting to secure a date for a visit to Shetland from VisitScotland Chief Executive Philip Riddle to meet with the PromoteShetland Steering Group. A date in February was previously agreed and postponed due to inclement weather.

#### 4.10 Between Weathers

A script for the film has been taken to the Cannes Film Festival by Executive Director Carol McGregor where meetings to discuss the film in connection with actors, funders and distributors have been arranged. EDU staff met again with Jim Brown, Creative Director of B4 Films on 13 May to discuss progress on the film. Shetland Arts are now currently investigating possible funding via its status as a Social Enterprise. B4 Films are keen that local funding is maximised to ensure that as much local benefit from the film's potential success is realised locally. Funding aside, the target windows for filming to commence are September 2010 or, if this missed, then March 2011. EDU staff are hopeful the film will proceed.

#### 4.11 Fishing Expo 2010

The Economic Development Unit co-ordinated this year's Shetland stand on behalf of seven Shetland partners: SIC Ports and Harbours Operations, Lerwick Port Authority, Malakoff Ltd, Ocean Nets Ltd, RS Henderson Ltd, Northwards Ltd and Shetland Seafood Auctions Ltd.

All partners expressed their gratitude to having a central co-ordination body and felt that whilst the exhibition had fewer visitors than in previous years, it still plays a key role in the promotion of Shetland as a place to land fish and for showing support to the industry given its multi-million pound impact in Shetland.

#### 4.12 Scotland's Islands 2011

This project is still going ahead with the Western Isles Council taking the lead. All the external funding for the project is just about in place for a year of activities that will begin in April 2011 and run until the end of March 2012. Efforts to decide on the Shetland part of the project will begin in earnest after the Hamefarin is over.

#### 4.13 Fetlar Update

A report from Mr Robert Thomson, Development Worker for Fetlar Developments Limited (FDL), has been copied below in full to present the current perspective from Fetlar relating to the development plan. While this is reasonably positive it also demonstrates the pressing need to get some of the planned initiatives under way so that we can reinforce progress made and work towards making Fetlar's community as sustainable as possible.

"Starting from a real low point in the islands history, just 18 months on, how different things are. The population by the end of May this year will be up from 48 to 70 a 45% increase, hitting the development plans 5 year population target 3 ½ years early! There are a few houses now coming up for sale and there is confidence that the population will be even higher by the end of this year.

By the end of May, there will be five under school age children on the island, two of whom are in nursery and while there is just one primary aged child on the island we are very hopeful of more arriving within the next year. It is essential therefore that a robust continuity plan is developed for both the school and staff.

As well as the new breakwater and pier, which we believe to start this autumn, and will provide significant employment opportunities in fishing and Aquaculture. FDL have a significant number of ongoing projects and a few which have been completed. Some projects have been delayed due to our failure to securing funding from the climate challenge fund. However a significant amount of preparatory work has been done and we are actively seeking alternate funding sources.

Projects to date include:

Investing in ideas funded project for a number of study trips, these have now been completed and have guided projects under development.

Awards for all funding secured towards building a website which is currently being developed for FDL by nb communications.

Community development office now up and running and Development Worker in post. A number of community consultations and events have been held. A bi-monthly Fetlar newsletter is being published.

A new edition of the Fetlar booklet has been published and distributed.

A project to provide under cover allotments in a Greenhouse is being developed further and funding sought. A project to link a wind turbine to an electric minibus in conjunction with a community garage facility is being pursued.

A derelict pund was cleared and replaced by a new car parking area. A local visitor information point is being established in the waiting room at Hamars Ness.

The café in the hall is operating again this year during the summer months. Funding has been secured and planning application submitted for a new "Welcome to Fetlar" sign at Hamars Ness

But what is probably more important than the physical projects is the increased confidence in the community with a very positive 'vibe' in the place. There is now a belief that Fetlar is finally getting somewhere. It is very likely this sense of positivity influences people visiting to make the decision to move to Fetlar where they feel that they will be joining a community with a future.

In no short part this change in the community has been facilitated by the existence of the SIC's Regeneration policy and the Fetlar Working Group which has been an extremely successful way of coordinating the aspirations of the community with the SIC and other agencies and organizations.

It should be noted however that Fetlar's recovery is still very fragile and while everything is currently progressing very well any reduction in commitment by either the Development Company or external agencies would have the effect of endangering what has been achieved to date."

#### 4.14 Renewable Energy

The Shetland Marine Energy Development project (SMED) has been looking at what wave and tidal data is available for Shetland waters. It highlighted that the low resolution of previous models such as the UK tidal and wave atlas leaves many gaps around Shetland and miss out some of Shetland's best areas of tidal resource. To fill in these gaps and give a much improved picture of Shetland's marine energy resources, A Wave and Tidal Resource Assessment for Shetland has been tendered and the successful tender, Natural Power, commissioned to undertake the work.

This study shall model the Wave and Tidal Resources around Shetland using existing data points such as wave buoys, previous tidal surveys and met office data. The data shall feed into computational and hydrographic models. The model shall highlight hotspots of good resource and also the interaction between wave and tidal regimes. The information can be entered into the marine spatial plan and overlaid with other marine activity and areas of environmental designation. This shall narrow down areas that merit further study. Further work on sites may include detailed seabed and environmental studies as well as wave buoy or tidal metering to verify the model. This compliments work being undertaken by Marine Scotland and the Crown Estate. As future site surveys are undertaken these results can be fed into the model to improve and verify its accuracy.

The model shall also be of interest to the aquaculture industry, as the tidal model can be used to assess the movement of contaminants around aquaculture locations and also model the wave climate in potential new aquaculture locations. The work should be completed in the autumn this year. The study is being funded by money approved by the Council from the Cradle 2 Cradle Islands project and the results are aimed at the development of the marine renewable energy sector in Shetland.

#### 4.15 SACL, SLMG and Pure Shetland Lamb

At the request of the Development Committee on 29 April to seek extension of the timescales of the temporary framework measure, (min ref 24/10), discussions have taken place with the Scottish Government State Aid Unit. We have now been advised by the Scottish Government that the temporary framework can be interpreted as follows; 'The Temporary Framework is valid until 31 December 2010. Aid provided under the Framework must be approved by that date. There is no requirement to have funding claimed and paid by that date.' This new advice will considerably ease the very tight time constraints within which these projects were being managed, as we had previously been given advice that the funding had to be claimed and paid by 31 December 2010.

We will discuss this new advice with the companies concerned and their Council appointed directors.

SACL have appointed contractors for the new abattoir building at the marts site.

There is no progress to report on the Pure Shetland Lamb (Boddam) grant application.

#### 4.16 LEADER

To date the Shetland LEADER Local Action Group (LAG) has awarded £558,582 to 28 projects. Four of these projects have been funded from the Convergence budget at a cost of £124,629. In all 63 potential projects have been considered by the LAG.

#### 4.17 Business Gateway

Twenty-two Business Gateway enquiries have been logged since the beginning of this financial year in the following sectors:-

Catering – 4  
Construction – 4  
Textiles – 3  
Accommodation – 3  
Agriculture – 3  
Community Development – 1  
Food and Drink – 1  
Transport – 1  
Retail – 1  
Fish Processing – 1

Nine of these enquiries related to possible business start-ups. Four were referred to the National Business Gateway service for advice. Four were referred to Train Shetland for a place on a training course. There have been 14 appointments of business advisers. Three have applied for or are considering applying for Council assistance and two were not eligible for Council assistance. One project has been referred to HIE as a possible high growth expansion.

### **5.0 Financial Implications**

5.1 There are no financial implications arising from this report.

### **6.0 Policy and Delegated Authority**

6.1 This report has been prepared in relation to the Main Aim of the Economic Development Policy Statement 2007-2011, “to improve the quality of life of Shetland residents by promoting an environment in which traditional industries can thrive and innovate alongside newer emerging industries”. The Policy Statement was approved by the Development Committee on 24 April 2008 (01/08) and by the Council on 14 May 2008 (55/08).



6.2 In accordance with Section 11.0 of the Council's Scheme of Delegations, the Development Committee has delegated authority to implement decisions within the remit for which the overall objectives have been approved by the Council, in addition to appropriate budget provision, including:

- Economy
- Europe

As this is a report for information, there is no requirement for a decision to be made.

## **7.0 Recommendations**

7.1 It is recommended that the Committee note the contents of this report.

Our Ref: NG/JJ A09  
Date: 31 May 2010

Report No: DV043-F





## **REPORT**

**To: Development Committee**

**10 June 2010**

**From: European Officer**

### **REPORT NO: DV045-F UPDATE ON EUROPEAN ACTIVITIES**

#### **1.0 Introduction**

- 1.1 The purpose of this report is to update Members on current European issues and activities.

#### **2.0 Link to Corporate Priorities**

- 2.1 Maintaining and enhancing our links with Europe is key to the aims of achieving a sustainable economy as identified within Shetland Islands Council's Corporate Plan 2008-2011.

#### **3.0 Risk Management**

- 3.1 This is an information report so there are no risks associated with the recommendations.

#### **4.0 Funding Streams**

##### **4.1 Highlands & Islands Convergence Programme 2007-2013**

Decisions are expected by early July on the outcome of 2 Council funding applications:

- ERDF application for £367,500 for the Shetland Fibre Optic Network project, which is 25% of total project costs and the maximum grant percentage available for this type of project.

- ESF application for £85,500 towards the cost of establishing the Shetland Business Growth Training Scheme – a scheme aimed at increasing and developing workforce skills within local SMEs. A decision on this application was previously deferred subject to the provision of additional information.

#### **4.2 European Fisheries Fund (EFF) 2007-2013**

The Scottish Government are presently trying to resolve a number of financial issues with the EFF budget which is resulting in considerable delays for applicants hearing the outcomes of funding applications. The demand for funding for Axis 2 (support for aquaculture, processing and marketing) and Axis 3 projects (fishing port facilities; collective actions) vastly exceeds the available funds in the current programme.

EFF Axis 4 funding which is to target the sustainable development of fisheries areas is yet to be allocated. The Scottish Government propose that Axis 4 funds will be delivered via local LEADER groups thus focussing on a bottom up approach. However, progress has been very slow and latest information suggests that it will be at least the end of July before the Commission approve the UK Axis 4 Programme. Based on this timescale, it is likely to be towards the end of the year before Axis 4 funding is available for projects.

The total Axis 4 budget allocation for the H&I's region is £1.4 million and it has not been confirmed by the Government which method will be used to allocate the funds to eligible fisheries areas.

### **5.0 Conference of Peripheral Maritime Regions (CPMR) Activities**

#### **5.1 CPMR Fisheries Intercom Group**

The Group, chaired by Councillor Josie Simpson, met in Brussels on 17 May. Present at the meeting was Jean-Claude Cueff of DG Mare who is in charge of the CFP Reform. Mr Cueff attended the meeting to give an update on the CFP Reform process following the public consultation which ended in December 2009.

#### **5.2 CPMR Aquamarina Working Group**

Duncan Kidson from NAFC attended the last meeting on 25 March and gave a presentation of a regional approach to maritime training. This followed on from presentations by Dr Lorraine Gray of NAFC on marine spatial planning at previous Aquamarina meetings and has provided a good opportunity to raise the profile and promote the work of NAFC.

The Aquamarina Group has mainly operated as a forum for exchange of experience on a variety of aspects relating to Commission policy proposals for an integrated maritime policy. Now at the end of its two-year mandate, the future of the working group will be discussed at the next CPMR Political Bureau meeting in June.

### 5.3 North Sea Commission

Following earlier discussions around a strategy for the North Sea region, the North Sea Commission, with support from DEFRA, organised a conference in Newcastle from 17-18 March 2010 which focussed on managing the marine resources of the North Sea region. The conference was well attended by Scottish and UK Government officials, European Commission officials, and a number of UK and North Sea region representatives from sectors such as fishing, energy, oil and gas, and the marine environment. The conference examined the various competing interests within the North Sea, which is likely to increase in future, and discussed ways in which to strike a balance to achieve better integration of activities for the long-term future of the North Sea region. The issue will be discussed further at the North Sea Commission General Assembly in June.

The Commission's DG Mare are keen that any North Sea Strategy is maritime specific and intend to present a North Strategy Communication by summer 2010. At the same time, DG Regio are working on a macro-regional strategy. The EU Strategy for the Baltic Sea Region, which was adopted in 2009, brings together regions from all eight EU Member States bordering the Baltic Sea. It is the first comprehensive strategy to target such a "macro-region" and has generated wide-spread interest across Europe.

### 5.4 Islands Commission

The Islands Commission met in the Azores from 20-21 May. Councillor Angus chaired day two's proceedings covering opportunities in the field of transport, communications and tourism. The conference highlighted not only the huge potential islands have to offer for developing renewable energy solutions but also the barriers to development such as environmental legislation, statutory procedures and the need for local autonomy, access to grid and transmission charging.

In the final declaration, the conference agreed that territorial cohesion needs to go hand-in-hand with sustainable development and concluded that for territorial cohesion to have any meaningful impact in islands, there needs to be a more flexible framework to deal with island realities. This should include having improved statistical instruments to take account of territorial realities, assessing the potential impacts of new EU legislation on those territories with permanent handicaps, such as islands, and recognition that implementation of a given policy in islands will cost more than implementing the same policy in an area without any constraints.

## 5.5 CPMR General Assembly

The 2010 General Assembly will meet in Aberdeen from 29 September to 1 October. The new EU Maritime Affairs & Fisheries Commissioner, Maria Damanaki, and Johannes Hahn, Commissioner for Regional Policy, will attend the conference.

## 6.0 **Policy Issues**

### 6.1 Common Fisheries Policy

Following the public consultation on a future CFP, the first communication from the Commission has been a synthesis of the consultation responses. As expected, the consultation demonstrated a strong level of support for a regionalised model of European fisheries management. The new Fisheries Commissioner has voiced her support for the need for increased regionalisation in line with existing Community law. A number of seminars and forums are now exploring regionalisation options in more detail and how it could work in practice.

In late June, the Commission is expected to present an options reform paper.

Shetland will continue to express its views on CFP reform through SHOAL and other networks such as the CPMR.

### 6.2 Commission Work Programme for 2010

The Commission released its 2010 Work Programme on 31 March, 5 months later than normal due to the uncertainty on the outcome of the Lisbon Treaty and the new Commission only taking office in February 2010. The main initiatives we will monitor include:

- EU2020 Strategy – due to be approved in June 2010.
- EU Budget Review – first proposal due in September 2010; final proposal expected Spring 2011.
- Future Cohesion Policy – proposal expected October 2010 and will be shaped by discussions on the abovementioned.
- CAP reform, including Less Favoured Areas – proposals due November 2010. The future CAP will also be shaped by discussions on the EU budget.
- Energy Infrastructure Package – including a communication on the preparation of a blue print for offshore grids in Northern European seas.
- Maritime Policy – legislative proposal expected during 2010 to support further development towards an integrated maritime policy.
- Common Fisheries Policy – legislative proposals expected in 2011.

- Macro-regions – DG Mare will produce a North Sea communication (non-legislative) in Summer 2010, while DG Regio is expected to respond with a much larger proposal .

No major initiative is expected on State Aids however this could change due to the ongoing effects of the economic crisis.

## **7.0 Financial Implications**

- 7.1 The financial implications arising from this report are future travel and subsistence costs associated with attending external meetings. These costs can be met from existing budgets.

## **8.0 Policy & Delegated Authority**

- 8.1 This report is relevant to three of the overall aims within the Economic Development Policy Statement 2007-2011 which was approved by the Development Committee on 24 April 2008 (01/08) and by the Council on 14 May 2008 (55/08). The relevant aims are: encourage enterprise and sustainable growth; expand knowledge and build skills; and improve access and extend opportunities.

- 8.2 In accordance with Section 11.0 of the Council's Scheme of Delegations, the Development Committee has delegated authority to implement decisions within its remit for which the overall objectives have been:

- Economic Strategy
- Europe

- 8.3 As this is an information report, there is no requirement for a decision to be made.

## **9.0 Conclusion**

- 9.1 This report provides an overview and update of current EU issues and activities.

## **10.0 Recommendation**

- 10.1 Members are asked to note the contents of this report.

Our Ref: SJS/R4/10/6  
Date: 31 May 2010

Report No: DV045-F







## **REPORT**

**To: Development Committee**

**10 June 2010**

**From: Principal Officer - Marketing**

**DV046-F**  
**PROMOTESHETLAND:**  
**2010/2011 OPERATIONS PLAN AND EVENTS CALENDAR**

### **1.0 Introduction**

- 1.1 This report has been prepared to advise the Development Committee on the progress made on the PromoteShetland initiative and to both present the detailed operations plan for the financial year 2010/2011 and outline the current work to create a strategic events calendar.

### **2.0 Links to Council Priorities**

- 2.1 This report has strong links with Council Corporate Plan Policies to “Promote Shetland as a tourist destination” and “Further improve Shetland’s reputation as a place that offers excellent products and meets the needs of consumers”.

### **3.0 Risk**

- 3.1 The PromoteShetland initiative is being developed in an open and engaging manner. There are therefore no significant risks anticipated through ongoing development of the service. The project is monitored very closely by the Council both through the PromoteShetland Steering Group and PromoteShetland Operations Group - the latter which comprises solely Council Economic Development Unit and Shetland Amenity Trust officials and which addresses technical and detailed issues.

## **4.0 Background**

- 4.1 On 18 February 2009, the Council took the decision to:
- a) Give delegated authority to the Head of Economic Development to “Establish a Shetland Destination Marketing mechanism in Shetland”, with the proviso that “Every effort would be made to ensure that the operation would be done by a third party contract rather than directly employed staff” and “Only if that was difficult to achieve would there be a fixed term contract of employment established to deliver the same role”.
  - b) Approve spending of £463,392 for setting up and the first year operation of the Destination Marketing Organisation, which includes an estimated £100,000 for the purchase of marketing services from Visit Scotland [Min ref 21/09].
- 4.2 The aim of PromoteShetland is to improve the well being of the Shetland Islands, and the well being of the persons within the Shetland Islands, through the ongoing development and implementation of a Promote Shetland Marketing Strategy, which is directed towards increasing sustainable economic activity within the Shetland Islands.
- 4.3 On 27 August 2009, following an open and competitive tendering process, the Council concluded a contract with Shetland Amenity Trust for an initial two year period to provide a range of services in connection with coordinating and developing promotional work for Shetland. The contract commenced on 01 September 2009.

## **5.0 PromoteShetland Detailed Operations Plan 2010/2011**

- 5.1 Since September 2009, a range of activities and actions have been progressed and much has been achieved in this time, as detailed at the last Development Committee meeting.
- 5.2 The updated, detailed, Operations Plan for Promote Shetland is at Appendix 1 and provides a detailed overview of the actions to be undertaken to March 2011.
- 5.3 The challenge at hand is to develop the range of promotional opportunities outwith the ‘ongoing’ inherited tourism promotional projects, which the Council has funded via VisitShetland (VisitScotland) in the past, and to become more involved in other aspects of marketing relating to promoting Shetland as a place, such as living and working in Shetland, sport and leisure etc.
- 5.4 The list of proposed actions, by category, are detailed at Appendix 1. It is felt that this provides a good, balanced range of projects which seek to make full use of the budget allocated.

5.5 Particular highlights which should be noted are:

- Continued concentration on the importance of technology and the internet to PromoteShetland – eg webcast of selected Shetland events, ongoing development of the successful [www.shetland.org](http://www.shetland.org) website, enhancement of Wi-Fi in Lerwick Town Centre for visiting vessels;
- Development of additional high quality literature to promote Shetland - with a focus on 'on-arrival' print;
- Continuation of a focussed PR and Media Plan;
- Creation of an 'I ♥ Shetland' Loyalty Club;
- Continued work with Simon King;
- Very targeted media advertising campaign with a view to blending generic tourism messages with other sectors such as textiles and agriculture

## 6.0 Strategic Events Calendar

- 6.1 It is important to move towards a position where PromoteShetland is aware of significant Shetland events so that, where necessary, potential involvement can be planned well in advance.
- 6.2 This is not to say that awareness of an event will mean that PromoteShetland will take on automatic responsibility for it, but rather involvement at the right level can be negotiated where it is felt that this would be beneficial. This may, for example, vary from the supply of basic literature or promotional merchandise, coordinating use of official banners, arranging a civic-style reception through to a more fully-blown hands-on organisational approach for an external exhibition event.
- 6.3 It is one of the goals of the PromoteShetland initiative therefore to create an inclusive strategic events calendar for Shetland. This will record details of events considered of significance from a promotional/ambassadorial perspective taking place both within and outwith Shetland.
- 6.4 Addressing these opportunities to promote Shetland in a corporate and studied way, whilst recognising sensitivities, is very important as it can maximise the obvious beneficial effect which can arise through associating Shetland in the right way with certain events and people.
- 6.5 The Council, through its various activities, is an obvious contributor to such a calendar and all departmental Service Heads have already been contacted and asked to feed in appropriate events to the calendar. There are also a variety of commercial and social organisations such as NHS Shetland, Seafood Shetland, Shetland Aquaculture, Shetland Livestock Marketing Group, Shetland Rotary Club etc which would also potentially feed into this.

- 6.6 In May, EDU staff, along with PromoteShetland staff started the development of a calendar to record events of significance as described above. It is surprising, already, how many relevant events have been identified at this stage. Appendix 2 shows a snapshot of some actual, probable and past examples of these events, both internal and external, and the level of detail necessary to collate.
- 6.7 Recent examples of internal events (the emphasis being on visitors leaving Shetland with a positive impression) which would be considered relevant include:
- Shetland hosting of a joint partner meeting/visit of the Northern Periphery Programme THING project (Thing Sites International Networking Group). Coordinated by Shetland Amenity Trust. Visit by a party of 18 national and international delegates (15-18 April 2010).
  - Visit by a party of 50 from the Farmers Club of London to Shetland in connection with agriculture, aquaculture and fisheries. This was partially coordinated by Shetland Islands Council, Seafood Shetland and Shetland Livestock Marketing Group. (May 24-25).
  - The Government Shellfish Forum 12 - 14 May – industry visits and meeting at NAFC. Visit by party of 6 (May 12-14).
- 6.8 Recent examples of external events (the emphasis being on Shetland presenting Shetland at certain events) include:
- Shetland presence as part of Scottish Screen stand at the Production Show in London (16-18 February).
  - Shetland presence at the One Life Live lifestyle change event in London (18-21 March).
  - Shetland Seafood Auction presence at European Seafood Exposition (27-29 April).
  - Shetland presence at the All Energy 2010 Exhibition and Conference (19-20 May).
- 6.9 It will not be possible within the current budget or personnel capacity of PromoteShetland to engage with the full extent of activity which is likely to be identified throughout this process. However it is considered very important that this process is encouraged so that it becomes the norm to register an event through PromoteShetland to ensure that promotion for Shetland can be integrated as far as is practicable.

## **7.0 Proposal**

- 7.1 It is proposed that the Development Committee notes the progress made on finalising the Operations Plan for PromoteShetland for 2010/2011 and the merits of creating a strategic events calendar for Shetland.

## **8.0 Financial Implications**

- 8.1 On 18 February 2009, the Council took the decision to approve spending of £463,392 for the setting up and the first year operation of PromoteShetland, which included an estimated £100,000 for the purchase of marketing services from Visit Scotland [Min ref 21/09].

A budget of up to £363,000 is provided under code RRD50101701 - 'Promote Shetland Grants', the purpose of which is to cover the combined contract costs and project costs for PromoteShetland for the 2010/11 financial year. The Council approved this budget as part of its General Fund Revenue Estimates on 17 February 2010 (Min Ref: 15/10). Authority to spend this was granted by Development Committee on 29 April 2010 (Min Ref: 28/10).

## **9.0 Policy and Delegated Authority**

- 9.1 This report has been written based on the following Economic Development Policies (Development Committee Minute Reference 01/08, SIC Minute Reference 55/08):
- 6 – 'Continue to promote Shetland as a high quality visitor destination';
  - 24 – 'Improve Shetland's reputation as a place that offers products of excellent quality that meet the needs and aspirations of the consumer most likely to be interested in what Shetland has to offer; and, services provided to a standard that consistently exceeds customer expectations';
  - 25 – 'Enable individuals and businesses to develop and promote Shetland products and services with confidence and pride'.
- 9.2 In accordance with Section 11.0 of the Council's Scheme of Delegations, the Development Committee has delegated authority to implement decisions within its remit for which the overall objectives have been approved by the Council, in addition to appropriate budget provision, including:
- Economic Strategy and Europe.
- 9.3 As this report is for noting, there is no requirement for a decision to be made.

## **10.0 Observations**

- 10.1 Marketing Shetland as a whole is a community concern and therefore working together as a community is of great importance to achieve success.
- 10.2 Rather than a separate, supportive service acting on behalf of Shetland, PromoteShetland should be considered as a service working in close partnership with the community.
- 10.3 The work undertaken by PromoteShetland is guided by a Steering Group established in August 2009 which has now met on 13 occasions.
- 10.4 The event calendar will provide a good framework against which it would be possible to analyse the outcomes relating to the events listed.

## **11.0 Conclusion**

- 11.1 PromoteShetland is continuing to make good progress against the agreed aim and objectives established for the initiative and the presentation of a balanced Operational Plan for 2010/11, along with the introduction of an Events Calendar as described in this report, are considered very effective ways in which to continue to promote Shetland in a highly positive way.

## **12.0 Recommendations**

- 12.1 I recommend that the Development Committee notes the issues raised in this report in connection with the PromoteShetland Operational Plan for 2010/11 and development of the strategic events calendar.

Our Ref: NHH/KLM/ RF/1245  
Date: 31 May 2010

Report No: DV046-F

## Operational Plan 2010/2011

Version 1.6 – 30<sup>th</sup> May 2010

Draft Version for budget planning & comment

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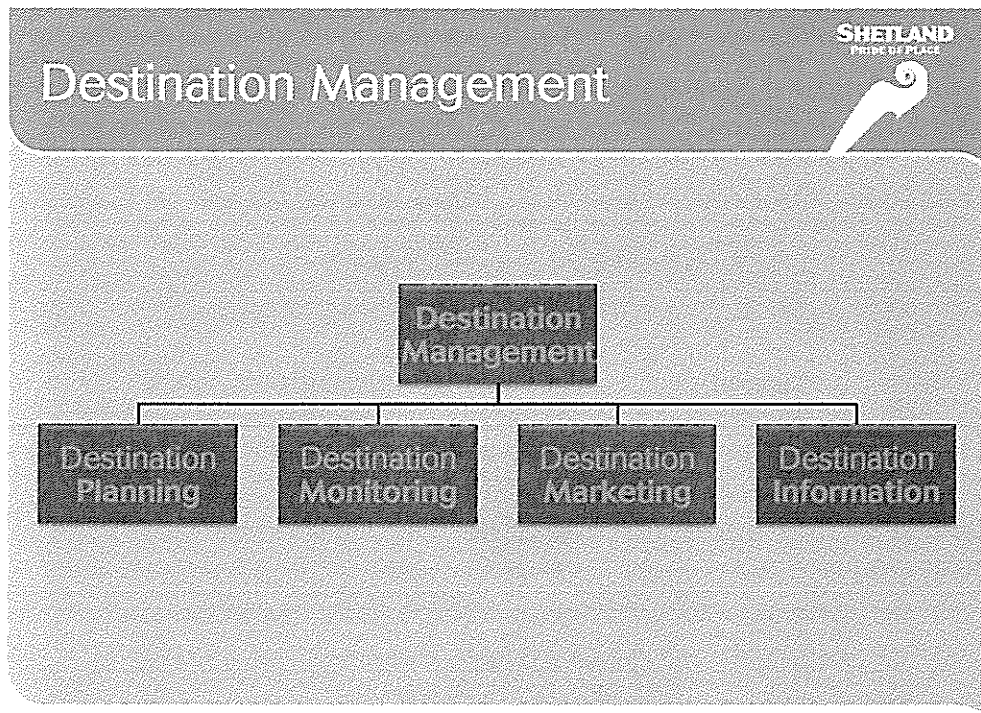
## Introduction

The contract to establish "Promote Shetland" commenced on 1<sup>st</sup> September 2009.

The primary objectives of Shetland's Destination Management Organisation are the promotion of Shetland as a place to visit, live, study or do business with.

At its most basic level Shetland needs specific activity aimed directly at our identified markets but also activity that raises the profile of Shetland as a place to be considered – the latter often best achieved through PR & media activity or indirectly through our food & drink industry.

This activity is referred to as destination marketing and is a key part of the core activity of a DMO. Most people will visit (either leisure or on business) prior to making life-changing decisions to relocate for education or work. That said, marketing is only one of the main activities of a Destination Management Organisation as shown below:

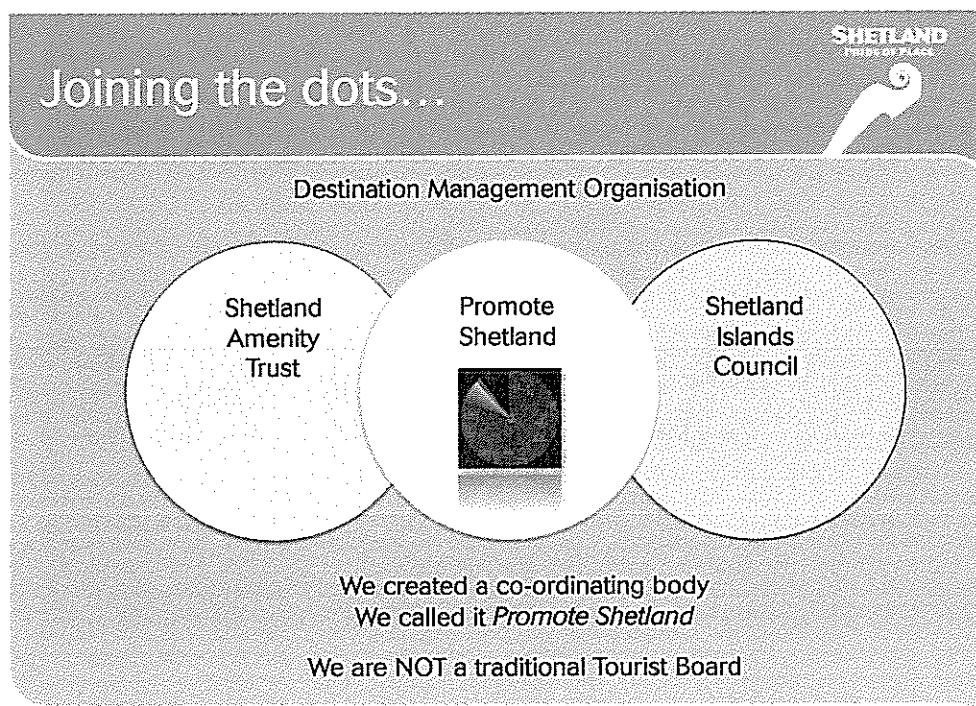


Some of the main components of Destination Management that lie beneath the main headings are listed below:

- ⇒ Identifying & Developing Local Distinctiveness
- ⇒ Sustainable Destination Management
- ⇒ Engaging with Industry
- ⇒ Developing Partnerships
- ⇒ Taking a Quality-Led Approach
- ⇒ Skills and Workforce Development
- ⇒ Developing Visitor Management Plans
- ⇒ Accessible Tourism
- ⇒ Surveying Visitor Satisfaction
- ⇒ Delivering Visitor Information
- ⇒ Product Evaluation
- ⇒ Routes to Market
- ⇒ Business Tourism
- ⇒ Events & Conferences

The Shetland Amenity Trust is already active in many of the above activities and in tourism product development so many of the ingredients required in creating an effective Destination Management Organisation are already in place.

Working closely with other Trusts and leading industry professionals will provide a sound base to create an innovative destination development team with a common purpose to continually enhance the visitor experience and exceed customer expectations.



The following strategic objectives appear in the Draft Shetland Marketing Strategy will provide the foundation for the activity listed within this Operational Plan. These are subject to change as the document is refined and finalised.

**Objective 1:**

Create a higher level of favourable recognition of Shetland's name

**Objective 2:**

Make easily available, to target audiences, information that is relevant, accurate, honest, inspiring and well-presented. These audiences include potential or actual holiday and business visitors; tour operators; customer for Shetland products; people moving to take up a job in Shetland; and people who may be interested in establishing a business in Shetland.

**Objective 3:**

Establish mechanisms through which, as far as possible, businesses, local government, local agencies and the voluntary sector work in partnership, on the basis of complementary strategies or plans, to ensure that the promotion of Shetland makes steady progress in the agreed direction and with widespread community support.

**Objective 4:**

In undertaking promotional work, create opportunities for the community and, in particular, Shetland businesses to gain a better understanding of the market and of Shetland's customers in order to make high-quality products and offer high standards of service.

**Objective 5:**

Create opportunities for all those involved in presenting Shetland to customers to study and apply relevant promotional techniques and develop good practice.

**Objective 6:**

Devise mechanisms for reviewing progress and refreshing the strategy, including dealing with complaints and obtaining external feedback.

These can only be achieved by strategic partnerships i.e. people working together for a common purpose - something Shetland has an excellent track record in delivering.

This document is designed to demonstrate the activity of Promote Shetland during the period up to 31<sup>st</sup> March 2011. It is written in plain English and will be continually updated during the period to ensure that every opportunity is taken to further enhance the information presented based on feedback but also as opportunities present themselves.

The target market in this period will predominantly be the UK with specific emphasis around our gateway's – by air and sea. The consumer focus will be on those with a passion for the great outdoors, nature and culture & heritage.

Promote Shetland is not a membership based organisation but will, as part of its core promotional activity, offer a number of routes to market through digital marketing, consumer marketing and trade marketing that are innovative and cost effective.

The Shetland Marketing Strategy is in Draft however its content is reflected in the compilation of activity and budget headings in this document - our 2010/11 Operational Plan.

There is no major change in direction proposed in the Strategy so the next 12 months continues on the sound foundation that was laid at the end of 2009.

A decision has been taken to work with the Agricultural sector this year to better understand their industry and to help develop some joint marketing initiatives.

We believe that some good work was started with the Shetland Livestock Marketing Group (SLMG) and that there is a current website – [tasteshetland.com](http://tasteshetland.com) – that could be re-launched with some new thinking.

Shetland's role as a technology 'green badge' destination will be strengthened in our promotional messages.

We are committed to working primarily with people or businesses that want to make a difference. It is also recognised that some sectors are already well advanced in their marketing operations and will not need the same level of support, if any. Our aim is to work smarter with enterprises that may be able to open up new channels for our activities or to add value to theirs.

It should be noted that Promote Shetland is a 2-year contract run on behalf of Shetland Islands Council. It did hit the ground running and has maintained a significant pace and delivered a year's activity plan within 5 months and all with limited resource – a team of three.

The marketing of Shetland is not the sole remit of Promote Shetland. Part of our role is to recognise and support the work done by so many people across different sectors and walks of life.



All Shetland Islands Council elected members will continue to be given individual presentations based on this document to allow for a better understanding of the new organisation together with open accountability. It is accepted that some will wish to have a greater involvement and more detail and this is very much welcomed.

The role that Elected Members and Officials have as ambassadors in promoting Shetland is significant so we will provide information packs or material to take to events, conferences or meetings when appropriate.

Regular progress reports are made each month to the Shetland Amenity Trust and are provided in plain English in an attempt to make the destination – SHETLAND - everyone's business.

## Appendix A

The following pages detail each project budget heading together with a description and a list of the planned activity with provisional costs.

The relationship with VisitScotland is already evolving with Promote Shetland buying into national activities where relevant to our market in the same way that we procure services from other organisations or businesses.

We look forward to a positive ongoing relationship where we can continue to be made aware of the national opportunities available or in the pipeline.

Rather than entering into a formal Minute of Agreement (MoA) with VisitScotland we would prefer to engage more on a commercial account management basis - inform; sell; invoice; keep in touch.

A progress bar gives an indication of how the planned activity is progressing with each cell equivalent to 5%

### Colour code:

**RED** – project not started or problem encountered

**AMBER** – project progressing as planned

**GREEN** – project completed



### Media Advertising:

This budget is primarily for adverts that appear in magazines linked to our target markets - generic or campaign led. Emphasis has been on fewer publications but regular and prominent exposure e.g. back page of Coast Magazine in every WH Smith outlet across the UK. We are also looking at creative use of this "booked" space by offering other key players the opportunity to joint market product alongside key destination messages. On average each advert placed is approximately £1500 and as we are usually looking for prominent exposure we can often achieve editorial and/or advertorial content as part of the agreement. We will offer competitions to drive traffic to websites and to increase demand for promotional material such as DVD and/or brochures.

In 2010/11 we will work towards blending generic destination messages with cross-sector promotional activity. Agriculture and Textiles are areas we are currently actively pursuing.

**Proposed initial activity:**

- Coast – all year - £14k
- Lonely Planet – campaign throughout 2010 - £10k
- Walk – Summer issue - £3k
- Birdwatching titles - £8k
- Outdoor titles - £4k
- Shetland Transport campaign - £4K
- 'Food & Travel Magazine' – SLMG - £7k
- 'Songlines' music industry promotion - £10k
- Creative & Design Services - £10k
- Photographic commissions - £5k

<b>Provisional Budget</b>	<b>Under spend</b>	<b>Budget to 31/3/11</b>
£75K		£75K

[illegible]









## Promotional Print

This budget is to cover the costs of design and printing of new promotional print.

The emphasis in 2009/2010 was to produce our primary 'pre-arrival' print, which manifested itself in the new 'Pocket Guide' launched at the Outdoor Show in Birmingham

In 2010/2011 our emphasis will be on 'on-arrival' print.

**Proposed initial activity:**

- New DVD content for 2011 - £10k
- Bedroom pack - £10k
- Walking Guide & Map - £5k
- Information Pack (journalists, conferences, events etc) - £5k
- Additional copies of 'Shetland Visitor' for distribution - £5k
- Shetland Flag booklet design and print - £3k
- Annual Report - £3k
- Trout Fishing Guide (design) - £2k
- Misc print opportunities - £2k

Mini-Guide will be printed if other projects come in under budget.

<b>Provisional Budget</b>	<b>Under spend</b>	<b>Budget to 31/3/11</b>
£45K		£45K

[illegible]



## Video & Photographic Assets Library

Our new Image Library was launched in April 2010 however we now require a significant library of stock video footage that can be used to provide short clips to media companies, for online promotion or for incorporating into the new DVD planned for November 2010.

**Proposed initial activity:**

- Working with the Shetland's Creative Sector, Simon King Wildlife, Amateur Wildlife Filmmakers Network (AWFN), Hopscotch Films to create a bank of high quality, innovative and inspiring footage of Shetland. - £10k
- Editing and format converting the Island Games 2005 image assets for use in the provision of stock library assets - £5k
- Embedding video clips into our primary websites
- Embedding video clips into our online brochures

Hopscotch Films and BBC commissioned documentary on Folk Festival 30<sup>th</sup> Anniversary supported at short notice

<b>Provisional Budget</b>	<b>Under spend</b>	<b>Budget to 31/3/11</b>
£5K	£10K	£15K

[illegible]



Shetland's Internet presence is one of its greatest marketing assets and this work will ensure that it continues to lead the way.

Recent developments in the Social Media channels have further enhanced our ability to communicate with our audience. We firmly believe that our online presence is one of the most innovative in the world and especially significant because of the size of geographic location and population.

The success of this asset is primarily down to the fact that the inspiration and innovation comes from within Shetland. Local partnerships, local technology companies, residents & visitors to Shetland all feed into our development plans – and then make them happen in a timely manner.

In 2010/11 we wish to make significant improvements in the area of online itinerary planning, accommodation listings and enhanced services to the aspiring visitor.

- \*Website(s) support and hosting - £10k
- Webcam network running costs - £10k
- Media Streaming Server - £10k
- Ongoing website(s) development - £5k
- \*Move to Shetland newsletter - £5k
- \*Shetland Marinas website updates - £5k
- 60 North FM – Online broadcast only - £5k
- Live event broadcasts (e.g. Up Helly Aa 2011) - £5k
- Audio & Video Production - £5k
- Admin support for 3000 'wrong' web site links - £3k
- Domain renewals, licenses & service subscriptions - £2k

<b>Provisional Budget</b>	<b>Under spend</b>	<b>Budget to 31/3/11</b>
£65K		£65K

[illegible]





## Welcome Ashore

This budget was used to match-fund the contribution made by Lerwick Port Authority to support the 'Meet & Greet' service to the Cruise Ship passengers on approx 45 vessels each year.

This has worked extremely well and is clearly seen as a unique selling point when LPA are promoting the port to destination planners in the cruise industry. It is also an essential ingredient in the PR operation for Shetland Ambassadors – something Promote Shetland will actively support.

This activity is an area we would wish to raise the profile on a national level with PR and Media interest, as there is a human story to tell that reflects well on the people of Shetland.

**Proposed initial activity:**

- Support Lerwick Port Authority and their partners to provide the 2010 'Meet & Greet' service
- Participate in pre-season planning meetings
- Participate in post-season review meetings
- Investigate additional PR & Media opportunities
- Investigate online live broadcasts of 'Meet & Greet' in operation

Provisional Budget	Under spend	Budget to 31/3/11
£6K		£6K

[illegible]



## APPENDIX B

A summary of Activity for the period September 2009 through to September 2010 will now be provided as an 'Annual Report' and issued in September – one year on from the start of the contract period.

PROMOTESHETL AND: 2010/2011 OPERATIONS PLAN AND EVENTS CALENDAR Event	Date(s)	Location	Description/relevance	Web	Organisation	Contact		
						Name	E	T
The Production Show	16-18 February 2010	London	Shetland presence at event as part of Scottish Screen aimed at attracting filming work to all parts of Scotland.	<a href="http://www.broadcastvideoexpo.co.uk/page.cfm/Link=474/t=m/goSection=33">http://www.broadcastvideoexpo.co.uk/page.cfm/Link=474/t=m/goSection=33</a>	SIC Economic Development Unit	Neil Henderson	<a href="mailto:Neil.Henderson@shetland.gov.uk">Neil.Henderson@shetland.gov.uk</a>	01595 744 960
THING Project visit	15-18 April 2010	Shetland	Hosting a joint partner meeting/visit of the Northern Periphery Programme THING project (Thing Sites International Networking Group). 18 national and international delegates being hosted	<a href="http://www.northernperiphery.eu">www.northernperiphery.eu</a>	Shetland Amenity Trust	Eileen Brooke Freeman	<a href="mailto:Eileen@shetlandamenity.org">Eileen@shetlandamenity.org</a>	01595 694 688
European Seafood Exposition	27-29 April 2010	Brussels	World's largest seafood event. A Shetland seafood stand will be present at event	<a href="http://www.euroseafood.com">www.euroseafood.com</a>	Seafood Shetland	Ruth Henderson	<a href="mailto:ruth@fishuk.net">ruth@fishuk.net</a>	01595 693 644
Fishing 2010	20-22 May 2010	Glasgow	Major Scottish fishing industry show. Shetland stand under the 'Land in Shetland' banner.	<a href="http://www.fishingexpo.co.uk">www.fishingexpo.co.uk</a>	SIC Economic Development Unit	Kevin Moreland	<a href="mailto:Kevin.moreland@shetland.gov.uk">Kevin.moreland@shetland.gov.uk</a>	01595 744 937
The Business Start-Up Show	20-21 May 2010	London	Major national business start up show. Shetland stand at event highlighting opportunities in Shetland to start a business.	<a href="http://www.bstartup.com/">http://www.bstartup.com/</a>	SIC Economic Development Unit	Douglas Irvine	<a href="mailto:Douglas.Irvine@shetland.gov.uk">Douglas.Irvine@shetland.gov.uk</a>	01595 744 932
Guild of Location Managers Shetland Recce	21-24 July 2010	Shetland	Visit by 6 principal location managers to Shetland to view Shetland with a view to attracting filming projects to Shetland	<a href="http://www.golm.org.uk/">http://www.golm.org.uk/</a>	SIC Economic Development Unit	Neil Henderson	<a href="mailto:Neil.Henderson@shetland.gov.uk">Neil.Henderson@shetland.gov.uk</a>	01595 744 960
Scottish Learning Festival	22-23 September 2010	Glasgow	Major multi-discipline learning festival event. Shetland stand in the Local Authorities Village.	<a href="http://www.ltsscotland.org.uk">www.ltsscotland.org.uk</a>	SIC Education & Community Services	Sarah Henry	<a href="mailto:Sarah.henry@shetland.gov.uk">Sarah.henry@shetland.gov.uk</a>	01595 744 4058





## REPORT

To: Development Committee

10 June 2010

From: Head of Economic Development

**Report No: DV048-F**  
**Mareel, Cinema & Music Venue**  
**Sounding Board Feedback Report #11**

### **1.0 Introduction**

- 1.1 The purpose of this report is to update Members on progress and costs on the Mareel project.

### **2.0 Links to Corporate Priorities**

- 2.1 This report links to the Council's Corporate Plan 2008-2011 which sets out a range of priorities to more effectively and efficiently organise the Council's business.

### **3.0 Background**

- 3.1 In October 2008, Development Committee agreed to the formation of a Sounding Board to monitor the Mareel project (Minute ref 44/08).

- 3.2 The membership of the board is:

- Development Committee Chairperson, Joseph Simpson
- Development Committee Vice Chairperson, Alastair Cooper
- Development Committee Member, Frank Robertson
- Head of Economic Development, Neil Grant
- Capital Programme Service Manager, Mike Finnie
- Executive Director of Education and Social Care, Hazel Sutherland

- 3.3 The remit of the Board is:

- "to monitor the activity and spend on the Mareel project"
- "to consult on behalf of the Committee and Council regarding grant conditions to be applied..."

- “to provide a progress report on the Mareel project to each cycle of the Development Committee and Council. The content of the report will be appropriate for the report to be taken in public.”

3.4 The Sounding Board also reports to Services Committee each cycle.

3.5 The Sounding Board last met on 27 May 2010.

## 4.0 Activity/Progress

4.1 The following is provided as an update on the Mareel project provided by the Sounding Board.

### 4.2.1 Project Funding

Shetland Arts have secured £12.112m of funding for the project as detailed below:

<b>Confirmed Funding</b>	<b>£000s</b>	
Shetland Islands Council	5,190	
Scottish Arts Council Capital Lottery Fund	2,120	
HIE	965	
Shetland Islands Council	965	
European Structural Funds	2,822	
Gannochy Trust	50	
	<b>12,112</b>	

### 4.2.2 Construction progress

Blockwork to the second floor has been the main activity during this reporting period and it is now nearing completion. Concrete columns at the foyer and entrance are complete. The final floor slab was cast on 26 May. Air handling units have been lifted into place in the plant room and the mechanical 1<sup>st</sup> fix has commenced. Cladding work will commence shortly. Although the entire building is unlikely to be wind and watertight by 05 July 2010 there are ground floor areas which are wind and watertight now. The revised programme still shows the contract completion as 09 March 2011.

### 4.2.3 Project Budget Summary

The level of available contingency at 06 May was £174,774, which continues to represent approximately 2% of the value of the remaining works.

## 5.0 Proposal

5.1 I propose that the Committee notes the work being done by the Sounding Board.



## **6.0 Financial Implications**

- 6.1 The Council has already approved this spend from the Capital Programme and Economic Development Unit. There are no financial implications arising from the terms of this report.

## **7.0 Policy and Delegated Authority**

- 7.1 The proposal that forms the basis of this report satisfies a number of policies, contained in the Economic Development Policy Statement 2007-2011 which was approved by Development Committee on 24 April 2008 (Min Ref 01/087 and by the Council on 14 May 2008 (Min Ref 55/08). This report has been prepared based on the following policies:

- 5. "Continue to develop Shetland as a tourist destination, through development of high quality products and services."
- 16. "Support growth of businesses in the creative industries sector."
- 27. "Enable individuals to achieve their full economic potential."

- 7.2 In accordance with section 11 of the Council's Scheme of Delegations, the Development Committee has delegated authority to implement decisions within its remit for which the overall objectives have been approved by the Council, in addition to appropriate budget provision, including:

- Economic Strategy
- Europe

- 7.3 As this is a report for information, there is no requirement for a decision to be made.

- 7.4 In accordance with Section 11 of the Council's Scheme of Delegation, management of the Shetland Development Trust, on behalf of the Council as sole Trustee, is delegated to the Development Committee.

## **8.0 Conclusions**

- 8.1 The Sounding Board will continue to engage with the project team and report back to the Committee each cycle.

## **9.0 Recommendations**

- 9.1 I recommend that the Committee notes the content of this report.

Our Ref: NRJG/JJ RF/1221  
Date: 27 May 2010

Report No: DV048-F