Shetland
Islands Council

REPORT

To: Shetland Islands Council   23 March 2011

From: Head of Legal and Administration

Political Management Arrangements – Appointments
Report No. LA-23-F

1.0   Introduction

1.1   The purpose of this report is to assist the Council continue its consideration of the Review of Political Management Arrangements following the decisions taken at the Council meeting on 7 March 2011.

2.0   Link to Corporate Priorities

2.1   The revision of political decision-making structures has been accorded the highest priority by the Council as a key stage in its Improvement Plan.

3.0   Risk Management

3.1   Having agreed its political management framework, there is a risk that failure to complete the constitutional arrangements and make the necessary appointments could result in a decision making vacuum.   The recommendations in this report take forward matters needed to complete the tasks.

4.0   Background and Proposals

4.1   A list of decisions taken by the Council on 7 March 2011 (Min. Ref. 29/11) is attached as **Appendix 1.**

4.2   The Council agreed on 7 March 2011 to defer consideration of the remaining appointments and arrangements.   The remaining appointments for consideration by Council today are set out in **Appendix 2**.

4.3   Following discussion by the Improvement Sounding Board at its meeting on 15 March, it is evident that Councillors want the opportunity to discuss with their colleagues, in a seminar setting, the constitutional arrangements and other issues highlighted by Members during discussion at the meeting on 7 March, including the title, composition and terms of reference of the various groups within the political management structure.   In this regard, and in consultation with the Leader Designate, seminars will be arranged with Members to consider those remaining issues listed in **Appendix 3**, with a view to the Council reaching a conclusion on these matters in preparation for implementation after 18 May 2011.

5.0   Financial Implications

5.1   There are no financial implications arising directly from the acceptance of the recommendations of this report.

5.2   The remuneration available for posts within the structure, is already tightly constrained by regulations under the Local Governance (Scotland) Act 2004 and, in so far as any officer bearer positions attracts a payment, this is shown in Section 10 of Appendix 1, and will be effective from the date following the last Council meeting under the current Committee structure (18 May).

6.0   Policy and Delegated Authority

6.1   The political arrangements of the Council are not a function delegated to any committee and therefore remain a matter reserved to the Council. In any event, key Senior Office bearer positions are rightly the domain of the Council.

7.0   Conclusions

7.1   The Council has already concluded it needs changes to its political management arrangements in order to lead the process of renewal and improvement, during the life of this Council.   Following initial appointments made on 7 March, this report submits the further appointments for consideration.

8.0   Recommendations

8.1   I recommend that the Council proceed to make the range of appointments as set out in **Appendix 2**.

March 2011
JRR

DECISIONS TAKEN ON 7 MARCH

(1) **Political Management Framework**

Adopted and established a political management framework based on Model 2 set out in the report by the Chief Executive.

(2) **Executive Committee**

(a) Established an Executive Committee

(b) Agreed the following appointments –
Leader of the Council (to be chair of the Committee)
Chair for Children Families and Learning
Chair for Communities, Health and Wellbeing
Chair for Economy and Development
Chair for Environment

(3) **Functional Committees**

(a) Established 4 functional Committees –
Children, Families and Learning
Communities, Health and Wellbeing
Economy and Development
Environment

(4) **Office Bearer Role Definitions**

(a) Agreed the role definition of Convener, Leader and Committee Chairs on the basis outlined in section 4 of the Chief Executive's report

(b) Agreed the Leader will act as Vice Convener to support the civic role of the Convener

(5) **Audit and Standards Committee**

(a) Established an Audit and Standards Committee all on the basis of, and with terms of reference based on those outlined in section 6 of the report by the Chief Executive

(6) **Development Management Committee**

(a) Established a Development Management Committee to supersede the existing Planning Board all on the basis of, and with terms of reference based on those outlined in section 7 of the report by the Chief Executive

(7) **Licensing Committee**

(a) Established a Licensing Committee to supersede, and with the current terms of reference of, the Licensing Sub Committee

(8)   **Harbour Board**

     (a)   Retain a Harbour Board

(9)   **Shetland College Board**

     (a)   Retain Shetland College Board

(10)   **Remuneration**

     (a)   Implicit in the appointments are the following remuneration arrangements in terms of the relevant regulations made under the Local Governance (Scotland) Act 2004

Leader of the Council	£27,058
Convener	£20,294 (+ civic allowance)
Chair for Children, Families and Learning	£18,804
Chair for Communities, Health and Wellbeing	£18,804
Chair for Economy and Development	£18,804
Chair for Environment	£18,804
Chair – Audit and Standards	£17,832
Chair – Development Management Committee	£17,832
Chair – Licensing Committee	£17,832
Chair – Harbour Board	£17,832
Chair – Shetland College Board	£17,832

Implementation

(1)   The bodies and the appointments set out above are established with their terms of reference formally from 19 May 2011.

(2)   The remuneration arrangements take effect from 19 May 2011.

(3)   The remaining matters would be subject to discussion at seminars with a view to a conclusion on these matters being reached before 18 May.

DECISIONS TO BE MADE 23 MARCH 2011

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- 5 -

Appoint to the following remaining positions:

<u>Remunerated Positions</u>
1   Chair – Audit and Standards
2   Chair – Development Management Committee
3   Chair – Licensing Committee
4   Chair – Harbour Board
5   Chair – Shetland College Board

<u>Functional Committees</u>
6   Vice-Chair for Children Families and Learning
7   Vice-Chair for Communities, Health and Wellbeing
8   Vice-Chair for Economy and Development
9   Vice-Chair for Environment

<u>Additional Committees/Boards</u>
10   Vice-Chair – Audit and Standards
11   Vice-Chair – Development Management Committee
12   Vice-Chair – Licensing Committee
13   Vice-Chair – Harbour Board
14   Vice-Chair – Shetland College Board

DECISIONS TO BE SUBJECT TO FURTHER CONSIDERATION.

A number of decisions require to be made. What follows is based on what is regarded as the consensus view which previously emerged amongst Members.

(1)   **Executive Committee:**

Agree the composition of the Executive Committee of 11 Councillors -

Leader of the Council
Convener
Chair for Children, Families and Learning
Chair for Communities, Health and Wellbeing
Chair for Economy and Development
Chair for Environment
Vice Chair for Children Families and Learning
Vice Chair for Communities, Health and Wellbeing
Vice Chair for Economy and Development
Vice Chair for Environment
1 other member

(2)   **Functional Committees**

(a)   Agree functional committees will comprise 11 Councillor members

(b)   Agree composition in addition to Chair and Vice Chair –

7 Councillors, one from each Ward
2 further members having regard to skill and expertise

Additional Committees/Boards

(3)   **Audit and Standards Committee**

(a)   Agree Committee will comprise 11 members being –

9 Councillor members
2 Independent assessor members

(b)   Instruct the Chief Executive to put in place suitable recruitment and appointment arrangements to co-opt the two independent assessor members of the committee, the appointments to be confirmed by the Council

(4)   **Development Management Committee**

(a)   Agree Committee will comprise 11 Councillor Members

(b)   Agree composition –

7 Councillors, one from each ward
2 further Councillors to be Chair and Vice chair of the Board
2 further Councillors having regard to skill and expertise

(5) **Licensing Committee**

Agree Committee will comprise the existing 8 Councillors including Chair and Vice Chair

(6) **Harbour Board**

Agree Board will comprise 8 Councillor Members including the Chair and Vice Chair plus 3 non-Councillor co-opted members

(7) **Shetland College Board**

Agree Board will comprise 6 Councillor Members including Chair and Vice Chair plus 3 non-Councillor co-opted members

(8) **Delegations**

Agree the delegations for the Executive Committee, functional and other Committees and Boards.

Shetland
Islands Council

REPORT

To: **Shetland Islands Council**   **23 March 2011**

From: **Head of Capital Programming**

Report No: **CPS-04-11-F**

Subject: **Budget Setting 2011/12 – Proposed Capital Programme Reductions**

1.0   Introduction

1.1   At the Special Council meeting on 10 February, Members agreed to a programme of cuts across revenue budgets totalling £9.4 million, equating to 7.7%.

1.2   This is clearly a significant step towards addressing the £18.5 million budget deficit, but leaves an outstanding balance of £9.1 million to be found elsewhere. Members have therefore agreed to a mix of capital programme reductions and additional contributions from reserves as a means of balancing the budget for 2011/12.

1.3   This report sets out the work undertaken to identify potential reductions to the value of the capital programme in 2011/12 and presents a schedule of proposals to Members for discussion and approval.

2.0   Links to Corporate Plan 2010-12 and Risk Analysis

2.1   This contributes to the efficient operation of the Council's business. It also develops proposals for a system to ensure that the Council can meet its overall financial objective of maintaining reserves at £250m.

2.2   Failure to demonstrate the Council's ability to maintain its target reserves balance has been identified as a strategic risk in recent reports by Audit Scotland.

3.0 Background

3.1 To begin the process, the Head of Capital Programming identified projects and budget headings for discussion within the wider management team. The list of identified projects and budget headings was not intended to be prescriptive, but to promote debate and to prompt alternative and additional suggestions as appropriate. The Head of Capital Programming also engaged directly with key staff across the Council in order to assess how realistic the proposals would be to implement and to assess what effect, if any, they would have on service delivery. The output from this exercise was a rationalised scheme of potential reductions. Some of these represented reductions to budgets, some were slippage and some were savings against tender estimates.

3.2 These potential reductions were then tabled at a meeting of the Financial Resources Member Officer Working Group (FRMOWG) on 23 February 2011. Officers set out the background and implications of these potential reductions and answered queries where possible. Members provided feedback as to which areas of spend they expected officers to pursue savings from. Officers undertook to resolve any outstanding queries prior to the next meeting.

3.3 A meeting of the Extended Corporate Management Team was then convened on 28 February. The purpose of that meeting was to explore areas for further savings, ensure that the savings would be achievable, establish what effect (if any) the savings would have on services and agree the format of reporting to the next meeting of the FRMOWG.

3.4 At the next meeting FRMOWG on 3 March 2011, Members were presented with answers to the outstanding queries from the meeting of 23 February and an update on the potential cost reductions identified by officers. Members were asked to note that the total value of these potential reductions fell short of the provisional savings target of £5.2 million. Officers set out options for addressing that shortfall and Members were asked for guidance as to the extent and nature of cost reductions to be presented to the Council for decision. The options are explained in greater detail in section 4.0 below. Following detailed discussion, and the identification of additional likely slippage in 2011/12, the net total of potential cost reductions was increased to £5,015,352.

4.0 Options and Implications

4.1 The potential cost reductions of £5,015,352 to the General Fund Capital Programme in 2011/12 are set out in Appendix A. In terms of presentation, these are split into a number of categories:

4.1.1 <u>Committed Projects</u>

These are projects where contractual commitments have been made, although contractors may not be on site. There is very

limited scope for achieving savings in this category and potential savings may have to be set against claims against the Council for breach of contract.

4.1.2 Maintenance Projects

These are one-off maintenance works, relating to specific, named assets.

4.1.3 Rolling Programmes

These have been subdivided by service area, i.e. Executive, Infrastructure and Services.

4.1.4 Uncommitted Projects

These projects are included in the 5-year capital programme, but are not contractually committed. This is therefore the category where there is the greatest potential for savings in year 2011/12, either by removing the budget or re-profiling spend.

4.2 As mentioned in paragraph 3.1 above, the budget reduction options set out in Appendix A fall into a number of categories. Some are budget reductions, some are slippage/ transfers and some are savings at tender stage. Appendices A and B indicate which category each figure falls into.

4.3 Appendix A is based on the figures presented to the Council in the Capital Projects Update Report on 16 February. During the process of exploring potential savings, some late slippage and other inevitable budget adjustments have become apparent. These are included in Appendix A so as to provide the most up to date information as possible, however they have an adverse effect on the net potential saving on the summary page. These are detailed in Appendices B, C, D and E.

4.4 The reduction to 2011/12 General Fund Capital Programme indicated in Appendix A is £5,015,352, a shortfall of £184,648 when compared with the indicative reduction target of £5.2 million. This shortfall must be considered alongside the following:

4.4.1 Further slippage from 2010/11 to 2011/12 is almost inevitable as we approach the end of the financial year. This will have a further adverse effect on the net value of the budget reductions.

4.4.2 There are risks and/ or possible financial penalties associated with some of the measures highlighted in Appendix B, meaning that the eventual value of the reductions could be reduced.

4.4.3 The current total value of the approved 2011/12 General Fund Capital Programme is £27,409,903. If all the potential cost reductions set out in Appendices A and C are adopted, that figure would reduce to £22,394,551. Despite the fact that there are a greater number of projects scheduled for construction in

2011/12 when compared to 2010/11, this level of spend is unlikely to be achieved. It is rare for actual spend to exceed £17M in any one year, due to the limitation of local resources.

4.5 The total net value of potential budget reductions to the overall General Fund Capital Programme is summarised in the table below:-

Capital Programme	2011/12 £	5 Year Programme £
Programme per report 16 February 2011	27,409,903	97,585,652
Budget Reductions Proposed		
○ Committed Projects	175,000	675,000
○ Maintenance Projects	116,508	0
○ Rolling Programmes	1,993,844	1,409,144
○ Uncommitted Projects	2,730,000	1,040,000
Total Budget Reductions	5,015,352	3,124,144
Revised Programme	**22,394,551**	**94,461,508**

5.0 Financial Implications

5.1 On 28 October 2009 the Council approved a Capital Programme of £34,418,329 for all funds in 2010/11 (Min Ref 142/09), this excluded the £15m leasing arrangement for the AHS New Build project as this was approved separately (Min Ref 94/08). The total capital programme budget for 2010/11 was therefore £49,418,329, of which the General Fund element was £31,319,184.

5.2 Further approved budget adjustments reduced the 2010/11 General Fund Capital Programme budget to £21,588,550. Adjustments proposed in this report will reduce the 2010/11 budget to £20,963,550. Further slippage is anticipated.

5.3 On 27 October 2010 the Council approved a 5 Year Capital Programme of £167,627,004 for all funds from 2010 to 2015 (Min Ref 152/10), of which the General and Reserve Fund element was £99,304,904. Approved Budget Strategy for 2010/11 recommends a five year spending target of £100 million on the General & Reserve Fund Capital Programme (Min Ref 107/09). If the Council approves the budget adjustments detailed in this report the budget on the General Fund Capital Programme for years 1 – 5 will be £94,461,508 and the programme for all funds will be £160,045,565.

5.4 Proposals in this report will, if approved, reduce the 2011/12 General Fund Capital Programme from £27.4m to £22.4m. This represents a

£5.0m contribution towards the balancing of the 2011/12 overall General Fund budget, which is close to the indicative target of £5.2m set by the Council on 10 February. The wider implications of this will be covered in a separate report to today's Council meeting by the Head of Finance.

6.0 Policy and Delegated Authorities

6.1 Section 8.0 of the Council's Scheme of Delegations state that there is no delegation of matters relating to the approval of the Capital Programme so a decision of the Council is required.

7.0 Conclusions

7.1 This exercise should lead to more economic delivery of the capital programme taking into account the resources available and the prevailing market conditions. The programming will also help local contractors and suppliers to plan their business and training requirements to meet the Council's planned objectives.

7.2 This report provides proposals to reduce the 2011/12 General Fund Capital Programme by £5.0m, roughly in line with the £5.2m reduction target the Council provisionally set itself on 10 February.

8.0 Recommendations

8.1 I recommend that the Council:

8.1.1 Approve the proposed amendments to the currently approved projects in Appendix A;

8.1.2 approve the allocation of budgets, slippage and transfers in Appendices B, C & D;

8.1.3 approve the updated 5 year capital programme in Appendix E.

Report No. CPS-04-11-F   14 March 2011

Enclosed: Appendix A   Capital Programme Potential Cost Reductions 2011/12
              Appendix B   Summary of Budget Adjustments for years 10/11, 11/12 & 12/13
              Appendix C   2010/11 Capital Programme with Adjustments
              Appendix D   2011/12 Capital Programme with Adjustments
              Appendix E   Updated 5 Year Capital Programme with Adjustments

5 Year Capital Programme - Potential Cost Reductions 2011/12

CPS-04-11 Appendix A

	Year 1	Year 2	Proposed 11/12	Year 3	Year 4	Year 5	Total
Project Description	**10/11**	**11/12**	**Net Adjustments**	**12/13**	**13/14**	**14/15**	**Yrs. 1-5**
Summary of Years 1-5							
Committed Projects	12,709,369	12,411,395	(175,000)	420,500	12,000	12,000	25,565,264
Maintenance Projects	204,592	527,508	(116,508)	210,000	285,000	60,000	1,287,100
Rolling Programmes	7,884,589	8,451,000	(1,993,844)	8,037,859	7,851,996	7,253,516	39,478,960
Projects (Uncommitted)	790,000	6,020,000	(2,730,000)	6,943,000	6,241,328	11,260,000	31,254,328
General Fund & Reserve	**21,588,550**	**27,409,903**	**(5,015,352)**	**15,611,359**	**14,390,324**	**18,585,516**	**97,585,652**
			(Not Included in Totals)				

5 Year Capital Programme - Potential Cost Reductions 2011/12

Code	Project Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5	Proposed Adjustment Value	External Funding	Narrative
Committed Projects										
GCD1576	Fibre Optic Cable	400,000	700,000	0	0	0	**1,100,000**	300,000	367,500.00	Anticipated slippage from 10/11
GCK3003	Ness Of Sound Farm	8,700	12,000	12,000	12,000	12,000	**56,700**			
GCK3004	Purchase Scottish Water Assets	1,354	0	0	0	0	**1,354**			
GCF1302	Payments System	2,425	0	0	0	0	**2,425**			
GCX4311	SSIS Upgrade	52,951	24,549	0	0	0	**77,500**			
GCX4329	ICT Planning Project	150,000	0	0	0	0	**150,000**			
GCY5121	Fetlar Burial Ground	*78,000*	*0*	*0*	*0*	*0*	**78,000**			
GCY5126	Muckle Roe Burial Ground	*364,500*	*228,000*	*8,500*	*0*	*0*	**601,000**			
GCY5133	Rova Head Reinstatement	2,031	0	0	0	0	**2,031**			
GCY5137	Gremista Landfill Phase 2	2,150,000	60,000	0	0	0	**2,210,000**			
GCY9016	Public Toilets Grant Funding	1,625	0	0	0	0	**1,625**			
GCY5501	Recladding Gremista Workshop	300,000	333,000	0	0	0	**633,000**			
GCY5504	TF Facility Management Software	28,332	0	0	0	0	**28,332**			
GCY5505	New Mid Yell Workshop	91,309	42,000	0	0	0	**133,309**			
GCY6121	B9081 Mid Yell (Hillend Section)	10,000	0	0	0	0	**10,000**			
GCY6122	Papa Stour Road	15,000	0	0	0	0	**15,000**			
GCY6126	Sletts Road Sea Wall	245,000	5,000	0	0	0	**250,000**			
GCY6127	Murraster Depot Replacement	279,748	0	0	0	0	**279,748**	100,000		Slippage from 10/11
GCY6132	Gremista Road Improvements	410,000	10,000	0	0	0	**420,000**	100,000		Slippage from 10/11
GCY6405	North Mainland Roads Office	74,500	0	0	0	0	**74,500**			
GCY7202	Tingwall Airport H&SE Works	378,617	0	0	0	0	**378,617**			
GCY7214	Fetlar Breakwater	400,000	2,243,609	100,000	0	0	**2,743,609**		300,000.00	
GCY7215	Skerries South Mouth	14,000	186,000	0	0	0	**200,000**		46,250.00	
RCM2208	Scalloway Dredging	225,000	2,773,185	0	0	0	**2,998,185**	(100,000)		Tender under budget
RCM2316	Walls Pier	113,000	3,217,946	100,000	0	0	**3,430,946**	(575,000)	112,000.00	Tender under budget
RCM2315	Water Main, Scalloway	287,824	0	0	0	0	**287,824**			
GCA0231	Care Homes Fire Upgrade	302,053	16,000	0	0	0	**318,053**			
GCA0233	Joint OT Resource Centre	415,000	2,115,000	200,000	0	0	**2,730,000**			
GCG0232	Leog Replacement	281,528	0	0	0	0	**281,528**			
GCE1171	Little Tikes	199,678	10,000	0	0	0	**209,678**			
GCE1240	Bells Brae Primary Alterations	2,356	0	0	0	0	**2,356**			
GCE1315	Mid Yell JHS (ongoing)	3,534,669	150,000	0	0	0	**3,684,669**			
GCE3402	Sandwick AHS Additional Support Needs	1,058	0	0	0	0	**1,058**			
XXE1017	Happyhansel Maintenance (Re-roof)	*185,000*	*0*	*0*	*0*	*tba*	**185,000**			
GCJ3001	Water Based Facilities (Marinas)	0	382	0	0	0	**382**			
GCJ3002	Knab Dyke	0	6,000	0	0	0	**6,000**			
GCL4402	Cinema and Music Venue (ongoing)	1,704,111	278,724	0	0	0	**1,982,835**			
		12,709,369	**12,411,395**	**420,500**	**12,000**	**12,000**	**25,565,264**			

Code	Project Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5	Issues for Consideration Proposed Adjustment Value	External Funding	Narrative
Maintenance Projects										
GCK3001	Lystina House - maintenance	15,000	0	0	0	0	**15,000**			
TBA	4 Market Street - maintenance	0	0	0	125,000	0	**125,000**			
TBA	6 Hillhead (Family History Group) - maintenance	0	20,000	0	0	0	**20,000**	(20,000)		Reprofile to 12/13
GCY5200	Public Toilets Essential Maintenance	60,000	60,000	60,000	60,000	60,000	**300,000**			For discussion
GCY6137	Weathersta - Depot Buildings - Maintenance	10,000	0	0	0	0	**10,000**			
TBA	Fish Market Roof, Scalloway	0	0	150,000	0	0	**150,000**			
TBA	Skerries Pier	0	0	0	100,000	0	**100,000**			
GCA0234	Taing House - maintenance	7,992	68,508	0	0	0	**76,500**	(56,508)		Spread sum based on over programme
GCA0235	Viewforth - maintenance	0	40,500	0	0	0	**40,500**			
GCA0240	Old Craigielea - maintenance	4,500	115,500	0	0	0	**120,000**			
GCG0235	Laburnum - maintenance	0	20,000	0	0	0	**20,000**			
GCH3103	Skerries/Foula School House Maintenance	0	100,000	0	0	0	**100,000**			Likely to be unavoidable
GCJ3020	Islesburgh - maintenance	25,100	0	0	0	0	**25,100**			
GCL4100	Old Library Centre - maintenance	22,000	63,000	0	0	0	**85,000**			
GCL6000	Train Shetland - maintenance	60,000	40,000	0	0	0	**100,000**	(40,000)		Could delay replacement lifts
		204,592	**527,508**	**210,000**	**285,000**	**60,000**	**1,287,100**			
Executive Rolling Projects										
GCK2000	Feasibility Studies	200,000	200,000	200,000	200,000	200,000	**1,000,000**	(150,000)		Reduced budget
GCK2002	Final A/Cs Contingency	35,471	100,000	100,000	100,000	100,000	**435,471**	(80,000)		Reduced budget
GCK3000	Copper Pipework Replacement	80,000	50,000	50,000	50,000	50,000	**280,000**			Removal exacerbates backlog
GCK3002	Disability Discrimination Act Works	100,000	100,000	100,000	100,000	100,000	**500,000**	(40,000)		DDA works to public toilets - audit implications - now linked to PT Maintenance
GCX4300	PC & LAN Replacement	278,000	203,000	257,000	202,000	202,000	**1,142,000**	(150,000)		150K reduction over 4 projects
GCX4312	Schools ICT Equipment	395,000	395,000	395,000	395,000	395,000	**1,975,000**			Ditto above GCX4300
GCX4319	LV/MV Photocopier Replacement	75,000	75,000	75,000	75,000	75,000	**375,000**			Ditto above GCX4300
GCX4323	Shetland Public Sector Network	251,000	238,000	250,000	256,000	256,000	**1,251,000**			Ditto above GCX4300
Infrastructure Rolling Projects										
GCY5124	Bixter Burial Ground	10,000	453,000	12,000	0	0	**475,000**	(438,000)		Likely slippage due to CPO - 15K 11/12, balance 11/12 slipped to future years
GCY5125	Voe Burial Ground	0	10,000	419,000	8,000	0	**437,000**			Likely slippage due to CPO in future years
GCY5127	Skerries Burial Ground	0	0	10,000	250,000	6,250	**266,250**			
GCY5129	Energy Recovery Plant	259,593	85,000	82,000	125,000	122,000	**673,593**			Anticipate **additional** funding will be required next year but no formal report received yet.
GCY5139	Wheelie Bins	102,922	44,500	37,000	37,000	37,000	**258,422**			Change in accounting procedure would remove from capital programme.
GCY6298	Advanced Design of Schemes	170,000	150,000	130,000	100,000	100,000	**650,000**	(40,000)		Proposed 70K reduction, but 30K to Haggersta
GCY6401	Scord Quarry Fixed Plant Replace	250,000	200,000	205,000	213,000	220,000	**1,088,000**			
GCY9200	Roads Rolling Minor Works	100,000	100,000	100,000	100,000	100,000	**500,000**	(50,000)		Reduction in budget
GCY9201	Roads Rolling Development-Related Road	60,000	100,000	200,000	200,000	200,000	**760,000**			

| Code | Project Description | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Total | Issues for Consideration | | |
		10/11	11/12	12/13	13/14	14/15	Yrs. 1-5	Proposed Adjustment Value	External Funding	Narrative
Infrastructure Rolling Projects cont....										
GCY9202	Roads Rolling Bridge Replacements	240,000	340,000	350,000	350,000	350,000	**1,630,000**	(30,000)		Reduction for discussion - to be resolved
GCY9203	Roads Rolling Footways	100,000	100,000	100,000	100,000	100,000	**500,000**	(25,000)		Possible reduction - to be resolved
GCY9204	Roads Rolling Streetlighting Replacement	200,000	200,000	200,000	200,000	200,000	**1,000,000**			
GCY9206	Roads Rolling Traffic Management	50,000	100,000	110,000	140,000	140,000	**540,000**	(50,000)		Reduction in budget
GCY9207	Roads Rolling Accident Investigation & Prevention	100,000	100,000	100,000	100,000	100,000	**500,000**			
GCY9208	Roads Rolling Air Service	20,000	20,000	20,000	20,000	20,000	**100,000**			
GCY9209	Roads Rolling Works/Purchases Bus Services	40,000	40,000	60,000	60,000	60,000	**260,000**			
GCY9210	Roads Rolling Road Reconstruction	150,000	500,000	500,000	300,000	300,000	**1,750,000**	(55,000)		Reduction for discussion - to be resolved
GCY9211	Roads Rolling Roads Drainage Improvements	80,000	80,000	80,000	80,000	80,000	**400,000**			
GCY9212	Roads Rolling Crash Barrier Replacement	150,000	150,000	150,000	150,000	150,000	**750,000**	(30,000)		Reduction in budget
GCY9213	Roads Rolling Speed Limits for Schools	150,000	0	0	0	0	**150,000**	75,000		Slippage from 10/11
GCY7254	Vehicle & Plant Replacement Programme	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	**6,000,000**	(550,000)		To be confirmed
GCY7601	Ferries Capital Rolling Programme	313,000	180,000	180,000	180,000	180,000	**1,033,000**	(100,000)		100K reduction over 2 projects
GCY7626	Urgent Repairs to Ferry Terminals	157,000	290,000	290,000	290,000	290,000	**1,317,000**			Ditto above
Services Rolling Programme										
GCA0100	SC RP Inspection Health & Safety	26,465	27,789	29,178	30,637	31,403	**145,472**			
GCA0101	SC RP Building Fabric	41,850	43,942	46,139	48,448	49,659	**230,038**			
GCA0102	SC RP Electrical Sys Upgrade	38,542	40,469	42,493	44,618	45,733	**211,855**			
GCA0103	SC RP Mechanical Sys Upgrade	16,492	17,317	18,183	19,092	19,569	**90,653**			
GCA0104	SC RP Plant Equip Replacements	2,160	2,268	2,381	2,500	2,563	**11,872**			
GCA0105	SC RP Safety Surfaces	22,055	23,158	24,316	25,532	26,170	**121,231**			
GCA0106	Additional Care Home Beds	110,000	0	0	0	0	**110,000**			
GCA0120	SC RP Special Studies	0	0	0	0	0	**0**			
GCA1000	SC RP Special Aids Stock Items	160,000	170,000	170,000	170,000	170,000	**840,000**			
GCA1001	SC RP Specialist Aids	240,000	240,000	240,000	240,000	240,000	**1,200,000**			
GCA1003	SC RP Minor Adaptions	32,000	40,000	40,000	40,000	40,000	**192,000**			
GCA1004	SC RP Major Adaptions	215,000	215,000	215,000	215,000	215,000	**1,075,000**			
GCA1005	SC RP Housing Renovations	25,831	26,000	26,000	26,000	26,000	**129,831**			
GCA1006	SC RP Professional Fees	11,000	15,000	15,000	15,000	15,000	**71,000**			
GCA1007	SC RP Specialist Aids Reburbishment	31,000	40,000	40,000	40,000	40,000	**191,000**			
GCA1008	SC RP Sensory Impairment	2,000	20,000	20,000	20,000	20,000	**82,000**			
XXE1001	Aith Maintenance	7,697	4,803	133,000	0	250,000	**395,500**	20,000		From XXE1007
XXE1002	AHS Maintenance	0	73,000	10,000	10,000	tba	**93,000**			
XXE1002	AHS Maintenance Old English Block	189,652	430,348	0	0	tba	**620,000**			Committed
XXE1003	Baltasound Maintenance	3,000	0	0	0	215,000	**218,000**	20,000		From XXE1007
XXE1004	Bells Brae Maintenace	330,800	24,900	0	0	tba	**355,700**	20,000		From XXE1007
XXE1005	Brae JHS Maintenace	15,000	19,000	0	165,000	tba	**199,000**	20,000		From XXE1007
XXE1006	Bressay Maintenace	9,000	0	0	0	0	**9,000**			
XXE1007	Burravoe Maintenance	100	100,000	0	0	tba	**100,100**	(100,000)		Redistributed
XXE1008	Cullivoe Maintenance	6,000	0	0	0	tba	**6,000**			
XXE1009	Cunningsburgh Maintenance	51,500	7,000	0	0	tba	**58,500**			
XXE1010	Dunrossness Maintenance	0	0	0	30,000	tba	**30,000**			
XXE1011	Fetlar Maintenance	100	0	0	0	tba	**100**			

		Year 1	Year 2	Year 3	Year 4	Year 5	Total	Issues for Consideration		
Code	Project Description	10/11	11/12	12/13	13/14	14/15	Yrs. 1-5	Proposed Adjustment Value	External Funding	Narrative
Services Rolling Programme cont...										
XXE1012	Foula Maintenance	15,500	0	0	0	tba	15,500			
XXE1014	Tingwall Maintenance	300	0	0	0	0	300			
XXE1016	Hamnavoe Maintenance	176,000	0	0	0	tba	176,000			
XXE1017	Happyhansel Maint (Fire Alarms etc)	0	0	0	120,000	tba	120,000			
XXE1019	Lunnasting Maintenance	0	0	50,000	0	tba	50,000			
XXE1021	Mossbank Maintenance	41,000	0	0	30,000	tba	71,000			
XXE1022	North Roe Maintenance	500	9,500	0	0	tba	10,000	(9,500)		Reprofile to 12/13
XXE1023	Ollaberry Maintenance	100	15,900	0	0	tba	16,000	(15,900)		Reprofile to 12/13
XXE1024	Olnafirth Maintenance	3,700	11,500	0	0	tba	15,200	(11,500)		Reprofile to 12/13
XXE1028	Sandwick Maintenance	75,000	85,100	90,000	140,000	tba	390,100	(65,100)		Reprofile plus contribution from XXE1007
XXE1029	Scalloway Maintenance	500	4,500	0	0	tba	5,000			
XXE1032	Sound Maintenance	2,500	149,700	100,000	0	tba	252,200	(99,700)		Reprofile to 12/13
XXE1033	Nesting Maintenance	2,500	0	0	0	0	2,500			
XXE1034	Whalsay JHS Maintenance	17,500	0	0	150,000	tba	167,500			
XXE1035	Urafirth Maintenance	100	0	50,000	0	tba	50,100			
XXE1036	Uyeasound Maintenance	100	0	0	0	0	100			
XXE1037	Whiteness Maintenance	0	0	0	50,000	tba	50,000			
XXE1060	Janet Courtney Maintenance	204,500	110,500	125,000	125,000	tba	565,000			Fire upgrade
XXE1061	Old Bruce Hostel Maintenance	0	0	75,000	0	tba	75,000			
GCH3100	Housing Staff Accommodation	1,600	10,969	10,969	10,969	10,969	45,476	(10,969)		No longer required
GCH3102	Housing Chalet Accommodation	1,600	12,175	12,175	12,175	12,175	50,300	(12,175)		Reducing scale of required budget
GCH3120	Housing Temporary Accom (Homelessness)	12,500	16,025	16,025	16,025	16,025	76,600			
GCJ3003	Refurbishment of Play Areas & Park Equip	175,000	175,000	175,000	175,000	175,000	875,000	(16,000)		Reduction in scale of projects
GCJ3006	Community Organisation Grants	249,859	466,637	300,000	300,000	300,000	1,616,496	(20,000)		Will delay community projects
		7,884,589	**8,451,000**	**8,037,859**	**7,851,996**	**7,253,516**	**39,478,960**			
Projects (Uncommitted)										
GCY6124	A970 Scord to School	20,000	0	0	0	0	**20,000**			
GCY6125	B9071 Bixter to Aith Phase 2	150,000	1,400,000	500,000	50,000	0	**2,100,000**	(400,000)		Estimated start date of June, overall reduction of 200K to budget but not 11/12. 400K slippage to 12/13
GCY6129	B9071 Parkhall to Sand Junction (Design only)	20,000	20,000	5,000	0	0	**45,000**	(20,000)		Budget moved to Effrith
	B9071 Bridge at Effrith (Design only)							20,000		See above
GCY6130	B9082/3 Gutcher to Cullivoe	50,000	10,000	190,000	200,000	0	**450,000**			
GCY6131	Gulberwick Road (Design only)	15,000	0	0	0	0	**15,000**	10,000		Additional budget required design Stunken Brae, Gulberwick
GCY6205	Laxaburn Bridge Replacement	0	10,000	235,000	5,000	0	**250,000**			
GCY6207	Strand Loch Bridge, Tingwall	5,000	435,000	10,000	0	0	**450,000**	(425,000)		Could slip to 12/13
GCY7213	Whalsay Link	100,000	500,000	500,000	500,000	500,000	**2,100,000**			For discussion
RCM2309	Peerie Dock, Symbister	0	0	150,000	0	0	**150,000**			
GCA0237	Eric Gray Replacement	55,000	625,000	2,750,000	2,076,328	100,000	**5,606,328**	(425,000)		Spend on fees only in 11/12
GCA0238	Viewforth Replacement	0	350,000	400,000	2,200,000	3,300,000	**6,250,000**	(350,000)		Exempt report to follow
GCA0239	Isleshavn Replacement	75,000	195,000	0	0	3,500,000	**3,770,000**	(195,000)		Risk of claims

		Year 1	Year 2	Year 3	Year 4	Year 5	Total	Issues for Consideration		
Code	Project Description	10/11	11/12	12/13	13/14	14/15	Yrs. 1-5	Proposed Adjustment Value	External Funding	Narrative
Projects (Uncommitted) cont....										
GCA0241	Extensions to ET and Taing	30,000	945,000	1,000,000	450,000	60,000	**2,485,000**	(445,000)		Reprofile to 12/13
TBA	Lerwick Extra Care Housing	0	0	0	400,000	2,500,000	**2,900,000**			
GCG0233	Laburnum - Refurbishment/Extension	0	100,000	540,000	10,000		**650,000**			
GCG0234	Childrens Service New Build (Laburnum Replacement)	0			200,000	1,300,000	**1,500,000**			
UCL5203	Shetland College Extension (NB SIC costs only)	270,000	1,430,000	663,000	150,000	0	**2,513,000**	(500,000)	2,509,000.00	1.809M ERDF/ 200K Shet College/ 500K Scottish Funding Council. NB Council Funding set before Scottish Funding Council Bid result - SIC 500K less
		790,000	**6,020,000**	**6,943,000**	**6,241,328**	**11,260,000**	**31,254,328**	**(5,015,352)**		

Budget Adjustments

10/11 Budgets - General & Reserve Fund

Project	Additional Budget Required £	Budget Slippage / Savings / Transfer £	Net Budget Amendments Totals £
Fibre Optic Cable GCD1576 (Slippage)	0	300,000	300,000
Murraster Depot Replacement GCY6127 (Slippage)	0	100,000	100,000
Gremista Road Improvements GCY6127 (Slippage)	0	100,000	100,000
Roads Rolling - Speed Limits for Schools GCY9213 (Slippage)	0	75,000	75,000
B9071 Bixter to Aith GCY6125 (Saving)	0	50,000	50,000
Totals	**0**	**625,000**	**625,000**

11/12 Budgets - General & Reserve Fund

Project	Budget Slippage from 10/11 £	Additional Budget Required £	Reduction in Budget £	Overall Total Budget Amendments £
Fibre Optic Cable GCD1576 (Slippage)	300,000	0	0	300,000
Murraster Depot Replacement GCY6127 (Slippage)	100,000	0	0	100,000
Gremista Road Improvements GCY6127 (Slippage)	100,000	0	0	100,000
Scalloway Dredging RCM2208 (Saving)	0	0	100,000	(100,000)
Walls Pier RCM2316 (Saving)	0	0	575,000	(575,000)
6 Hillhead Maintenance (Slippage to 12/13)	0	0	20,000	(20,000)
Taing House Maintenance GCA0234 (Slippage - future years)	0	0	56,508	(56,508)
Train Shetland Maintenance GCL6000 (Slippage - 12/13)	0	0	40,000	(40,000)
Feasibility Studies GCK2000 (Saving)	0	0	150,000	(150,000)
Contingency/Final A/Cs GCK2002 (Saving)	0	0	80,000	(80,000)
DDA Works GCK3002 (Saving)	0	0	40,000	(40,000)
PC & Lan Replacement GCX4300 (Saving)	0	0	33,425	(33,425)
Schools ICT Equipment GCX4312 (Saving)	0	0	65,038	(65,038)
LV/MV Photocopier Replacement GCX4319 (Saving)	0	0	12,349	(12,349)
Shetland Public Sector Network GCX4323 (Saving)	0	0	39,188	(39,188)
Bixter Burial Ground GCY5124 (Slippage)	0	0	438,000	(438,000)
Advanced Design of Schemes GCY6298 (Saving)	0	0	40,000	(40,000)
Roads Rolling - Minor Works GCY9200 (Saving)	0	0	50,000	(50,000)
Roads Rolling - Bridge Replacements GCY9202 (Saving)	0	0	30,000	(30,000)
Roads Rolling - Footways GCY9203 (Saving)	0	0	25,000	(25,000)
Roads Rolling - Traffic Management GCY9206 (Saving)	0	0	50,000	(50,000)
Roads Rolling - Road Reconstruction GCY9210 (Saving)	0	0	55,000	(55,000)
Roads Rolling - Crash Barrier Replace GCY9212 (Saving)	0	0	30,000	(30,000)
Roads Rolling - Speed Limits for Schools GCY9213 (Slippage)	75,000	0	0	75,000
Vehicle & Plant Replacement GCY7254 (Saving)	0	0	550,000	(550,000)
Ferries Rolling Programme GCY7601 (Saving)	0	0	38,298	(38,298)
Urgent Repairs Ferry Terminals GCY7626 (Saving)	0	0	61,702	(61,702)
Education Maintenance GCE1500 (Slippage/Reprofile)	0	0	221,700	(221,700)
Housing - Staff Accommodation GCH3100 (Saving)	0	0	10,969	(10,969)
Housing - Chalet Accommodation GCH3102 (Saving)	0	0	12,175	(12,175)
Refurbish Play Areas GCJ3003 (Saving)	0	0	16,000	(16,000)
Community Grants GCJ3006 (Saving)	0	0	20,000	(20,000)
Bixter to Aith Phase 2 GCY6125 (Slippage)	0	0	400,000	(400,000)
B9071 Parkhall to Sand GCY6129 (Transfer)	0	0	20,000	(20,000)
B9071 Bridge at Effirth GCY TBA (Transfer)	0	20,000	0	20,000
Gulberwick GCY6131 (Additional)	0	10,000	0	10,000
Strand Loch Bridge GCY6207 (Slippage)	0	0	425,000	(425,000)
Eric Gray Replacement GCA0237 (Slippage)	0	0	425,000	(425,000)
Viewforth Replacement GCA0238 (Saving)	0	0	350,000	(350,000)
Isleshavn Replacement GCA0239 (Slippage)	0	0	195,000	(195,000)
ET & Taing Extensions GCA0241 (Slippage)	0	0	445,000	(445,000)
Shetland College Extension UCL5203 (Saving)	0	0	500,000	(500,000)
Totals	**575,000**	**30,000**	**5,620,352**	**(5,015,352)**

Budget Adjustments

12/13 Budgets - General & Reserve Fund			
Project	Additional Budget Required £	Budget Slippage / Savings / Transfer £	Net Budget Amendments Totals £
B9071 Bixter to Aith GCY6125 (Saving)	0	150,000	150,000
Totals	**0**	**150,000**	**150,000**

General Fund

Service Area	Project Cost Centre	General Fund Projects	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Community Care	GCA0100	SC RP Inspection Health & Safety	26,465		26,465
Community Care	GCA0101	SC RP Building Fabric	41,850		41,850
Community Care	GCA0102	SC RP Electrical Sys Upgrade	38,542		38,542
Community Care	GCA0103	SC RP Mechanical Sys Upgrade	16,492		16,492
Community Care	GCA0104	SC RP Plant Equip Replacements	2,160		2,160
Community Care	GCA0105	SC RP Safety Surfaces	22,055		22,055
Community Care	GCA0106	Additional Care Home Beds	110,000		110,000
Community Care	GCA0120	SC RP Special Studies	0		0
Community Care	GCA0231	Care Homes Fire Upgrade	302,053		302,053
Community Care	GCA0233	Joint Occupational Therapy Centre	415,000		415,000
Community Care	GCA0234	Taing House Maintenance	7,992		7,992
Community Care	GCA0235	Viewforth Maintenance	0		0
Community Care	GCA0237	Eric Gray Replacement	55,000		55,000
Community Care	GCA0238	Viewforth Replacement	0		0
Community Care	GCA0239	Isleshavn Replacement	75,000		75,000
Community Care	GCA0240	Maintenance RP - Old Craigielea	4,500		4,500
Community Care	GCA0241	ET & Taing House Extensions	30,000		30,000
Community Care	GCA1000	SC RP Special Aids Stock Items	160,000		160,000
Community Care	GCA1001	SC RP Specialist Aids	240,000		240,000
Community Care	GCA1003	SC RP Minor Adaptions	32,000		32,000
Community Care	GCA1004	SC RP Major Adaptions	215,000		215,000
Community Care	GCA1005	SC RP Housing Renovations	25,831		25,831
Community Care	GCA1006	SC RP Professional Fees	11,000		11,000
Community Care	GCA1007	SC RP Specialist Aids Reburbishment	31,000		31,000
Community Care	GCA1008	SC RP Sensory Impairment	2,000		2,000
Childrens Service	GCG0232	Leog Replacement	281,528		281,528
Schools	GCE1171	Little Tikes	199,678		199,678
Schools	GCE1240	Bells Brae Primary Alterations	2,356		2,356
Schools	GCE1315	Mid Yell JHS	3,534,669		3,534,669
Schools	GCE1500	Education Capital Maintenance	1,337,649		1,337,649
Schools	GCE3402	Sandwick AHS Additional Support Needs	1,058		1,058
Sport & Leisure	GCJ3003	Refurbishment of Play Areas/Park Equipment	175,000		175,000
Sport & Leisure	GCJ3006	Community Organisation Grants	249,859		249,859
Sport & Leisure	GCJ3020	Islesburgh Maintenance	25,100		25,100
Culture	GCL4100	Maintenance RP - Old Library Centre	22,000		22,000
Culture	GCL4402	Cinema and Music Venue	1,704,111		1,704,111
Culture	GCL6000	Maintenance RP - Train Shetland	60,000		60,000
Culture	UCL5203	Shetland College Extension	270,000		270,000
Housing	GCH3100	Housing Staff Accommodation	1,600		1,600
Housing	GCH3102	Housing Chalet Accommodation	1,600		1,600
Housing	GCH3120	Housing Temporary Accom (Homelessness)	12,500		12,500
Finance	GCF1302	Purchase Payments System	2,425		2,425
CPS	GCK2000	Feasibility Studies	200,000		200,000
CPS	GCK2002	Contingency and Final Accounts	35,471		35,471
CPS	GCK3000	Copper Pipework Replacement	80,000		80,000
CPS	GCK3001	Lystina Stonework	15,000		15,000
CPS	GCK3002	Disability Discrimination Act Works	100,000		100,000
CPS	GCK3003	Ness of Sound Farm	8,700		8,700
CPS	GCK3004	Purchase Scottish Water Assets	1,354		1,354
ICT	GCX4300	PC & LAN replacement	278,000		278,000
ICT	GCX4311	SSIS Upgrade	52,951		52,951
ICT	GCX4312	Schools ICT Equipment	395,000		395,000
ICT	GCX4319	LV/MV Photocopiers	75,000		75,000
ICT	GCX4323	Shetland Public Sector Network	251,000		251,000
ICT	GCX4329	ICT Planning Project	150,000		150,000
Development	GCD1576	Fibre Optic Cable	400,000	(300,000)	100,000
Environment	GCY5121	Fetlar Burial Ground	78,000		78,000
Environment	GCY5124	Bixter Burial Ground	10,000		10,000
Environment	GCY5126	Muckle Roe Burial Ground	364,500		364,500
Environment	GCY5129	Energy Recovery Plant	259,593		259,593
Environment	GCY5133	Rova Head Reinstatement	2,031		2,031
Environment	GCY5137	Gremista Landfill Phase 2	2,150,000		2,150,000
Environment	GCY5139	Wheelie Bins	102,922		102,922
Environment	GCY5200	Public Toilets Essential Maintenance	60,000		60,000
Environment	GCY9016	Public Toilets Grant Funding	1,625		1,625
Building Services	GCY5501	Maintenance RP - Recladding Gremista Workshop	300,000		300,000
Building Services	GCY5504	FT Facility Management Software	28,332		28,332
Building Services	GCY5505	New Mid Yell Workshop	91,309		91,309
Roads	GCY6121	B9081 Mid Yell (Hillend Section)	10,000		10,000
Roads	GCY6122	Papa Stour Road	15,000		15,000
Roads	GCY6124	Scord to School	20,000		20,000
Roads	GCY6125	B9071 Bixter to Aith Phase 2	150,000	(50,000)	100,000

Service Area	Project Cost Centre	General Fund Projects cont…	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Roads	GCY6126	Sletts Road Sea Wall	245,000		245,000
Roads	GCY6127	Murraster Depot Replacement	279,748	(100,000)	179,748
Roads	GCY6129	B9071 Parkhall to Sand Junction	20,000		20,000
Roads	GCY6130	B9082/3 Gutcher to Cullivoe	50,000		50,000
Roads	GCY6131	Gulberwick Road	15,000		15,000
Roads	GCY6132	Gremista Road Improvements	410,000	(100,000)	310,000
Roads	GCY6137	Maintenance RP - Weathersta Depot Building	10,000		10,000
Roads	GCY6207	Strand Loch Bridge, Tingwall	5,000		5,000
Roads	GCY6298	Advanced Design of Schemes	170,000		170,000
Roads	GCY6401	Scord Quarry Fixed Plant Replacement	250,000		250,000
Roads	GCY6405	North Mainland Roads Office	74,500		74,500
Roads	GCY9200	Roads Rolling Minor Works	100,000		100,000
Roads	GCY9201	Roads Rolling Development Related Roads	60,000		60,000
Roads	GCY9202	Roads Rolling Bridge Replacements	240,000		240,000
Roads	GCY9203	Roads Rolling Footways	100,000		100,000
Roads	GCY9204	Roads Rolling Streetlighting Replacement	200,000		200,000
Roads	GCY9206	Roads Rolling Traffic Management	50,000		50,000
Roads	GCY9207	Roads Rolling Accident Investigation & Prevention	100,000		100,000
Roads	GCY9208	Roads Rolling Air Service	20,000		20,000
Roads	GCY9209	Roads Rolling Works/Purchases Bus Services	40,000		40,000
Roads	GCY9210	Roads Rolling Road Reconstruction	150,000		150,000
Roads	GCY9211	Roads Rolling Roads Drainage Improvements	80,000		80,000
Roads	GCY9212	Roads Rolling Crash Barrier Replacement	150,000		150,000
Roads	GCY9213	Roads Rolling - Speed Limits for Schools	150,000	(75,000)	75,000
Transport	GCY7202	Tingwall Airport (H&SE Works)	378,617		378,617
Transport	GCY7213	Whalsay Link	100,000		100,000
Transport	GCY7214	Fetlar Breakwater	400,000		400,000
Transport	GCY7215	Skerries South Mouth	14,000		14,000
Transport	GCY7254	Vehicle & Plant Replacement Programme	1,200,000		1,200,000
Transport	GCY7601	Ferries Capital Rolling Programme	313,000		313,000
Transport	GCY7626	Urgent Repairs to Ferry Terminals	157,000		157,000
		Sub Total	**20,962,726**	**(625,000)**	**20,337,726**

Service Area	Project Cost Centre	Ports & Harbours Projects	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Port Operations	RCM2208	Scalloway Dredging	225,000		225,000
Port Operations	RCM2315	Scalloway Water Main	287,824		287,824
Port Operations	RCM2316	Walls Pier	113,000		113,000
		Sub Total	**625,824**	**0**	**625,824**
		General Fund Total	**21,588,550**	**(625,000)**	**20,963,550**

Externally Funded Projects

Service Area	Project Cost Centre	Capital Budgets created through Revenue Savings / External Grant Funding	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Community Care	GCA0236	Montfield Care Home	930,208		930,208
		Externally Funded Total	**930,208**	**0**	**930,208**

Harbour Account

Service Area	Project Cost Centre	Funded directly from Harbour Account	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Ports & Harbours	PCM2101	Ports & Harbours Plant & Equipment	143,402		143,402
Ports & Harbours	PCM2104	Ports & Harbours Nav Aids	122,891		122,891
Ports & Harbours	PCM2138	Tystie Re-engine	200,000		200,000
Ports & Harbours	PCM2139	Dunter Re-engine	200,000		200,000
		Sub Total	**666,293**	**0**	**666,293**

Service Area	Project Cost Centre	Funded through debt charges from the Harbour Account	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Ports & Harbours	RCM2313	Sellaness Tugs	3,342,345		3,342,345
		Sub Total	**3,342,345**	**0**	**3,342,345**
		Harbour Account Total	**4,008,638**	**0**	**4,008,638**

Service Area	Project Cost Centre	Capital Expenditure not funded by the Capital Programme to be met by financial arrangement.	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Schools	GCE1304	AHS New Build	65,000		65,000
		AHS Financing Arrangement Total	**65,000**	**0**	**65,000**

Housing Revenue Account

Service Area	Project Cost Centre	Ring Fenced Housing Expenditure	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
HRA	HCH3303	Land/Property Acquisition	403,851		403,851
HRA	HCH3304	Brae New Housing	50,000		50,000
HRA	HCH3305	Hoofields New Housing	900,000		900,000
HRA	HCH3306	Virkie New Housing	1,000		1,000
HRA	HCH3404	Environmental Improvements	79,000		79,000
HRA	HCH3512	Community Care Projects	78,000		78,000
HRA	HCH3525	Feasibility Studies HRA	25,655		25,655
HRA	HCH3526	Opportunity Conversion	33,500		33,500
HRA	HCH3706	Heating Replacement Programme	58,000		58,000
HRA	HCH3708	External Re-Render Programme	132,500		132,500
HRA	HCH3710	Lerwick Crudens	700,500		700,500
HRA	HCH3711	Retentions/Final Account	15,500		15,500
HRA	HCH3712	Housing Quality Standard	350,000		350,000
HRA	HCH3714	Replacement MIS System	5,000		5,000
HRA	HCH3800	Cap Rec/Sale Council Houses	(889,886)		(889,886)
		HRA Total	**1,942,620**	**0**	**1,942,620**

Total Overall Capital Budget	28,535,016	(625,000)	27,910,016

General Fund

Service Area	Project Cost Centre	General Fund Projects	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Community Care	GCA0100	SC RP Inspection Health & Safety	27,789		27,789
Community Care	GCA0101	SC RP Building Fabric	43,942		43,942
Community Care	GCA0102	SC RP Electrical Sys Upgrade	40,469		40,469
Community Care	GCA0103	SC RP Mechanical Sys Upgrade	17,317		17,317
Community Care	GCA0104	SC RP Plant Equip Replacements	2,268		2,268
Community Care	GCA0105	SC RP Safety Surfaces	23,158		23,158
Community Care	GCA0231	Care Homes Fire Upgrade	16,000		16,000
Community Care	GCA0233	Joint Occupational Therapy Centre	2,115,000		2,115,000
Community Care	GCA0234	Taing House Maintenance	68,508	(56,508)	12,000
Community Care	GCA0235	Viewforth Maintenance	40,500		40,500
Community Care	GCA0237	Eric Gray Replacement	625,000	(425,000)	200,000
Community Care	GCA0238	Viewforth Replacement	350,000	(350,000)	0
Community Care	GCA0239	Isleshavn Replacement	195,000	(195,000)	0
Community Care	GCA0240	Maintenance RP - Old Craigielea	115,500		115,500
Community Care	GCA0241	ET & Taing House Extensions	945,000	(445,000)	500,000
Community Care	GCA1000	SC RP Special Aids Stock Items	170,000		170,000
Community Care	GCA1001	SC RP Specialist Aids	240,000		240,000
Community Care	GCA1003	SC RP Minor Adaptions	40,000		40,000
Community Care	GCA1004	SC RP Major Adaptions	215,000		215,000
Community Care	GCA1005	SC RP Housing Renovations	26,000		26,000
Community Care	GCA1006	SC RP Professional Fees	15,000		15,000
Community Care	GCA1007	SC RP Specialist Aids Reburbishment	40,000		40,000
Community Care	GCA1008	SC RP Sensory Impairment	20,000		20,000
Childrens Service	GCG0233	Laburnum - Refurbishment/Extension	100,000		100,000
Childrens Service	GCG0235	Maintenance RP - Laburnum	20,000		20,000
Schools	GCE1171	Little Tikes	10,000		10,000
Schools	GCE1315	Mid Yell JHS	150,000		150,000
Schools	GCE1500	Education Capital Maintenance	1,045,751	(221,700)	824,051
Sport & Leisure	GCJ3001	Water Based Facilities (Marinas)	382		382
Sport & Leisure	GCJ3002	Knab Dyke	6,000		6,000
Sport & Leisure	GCJ3003	Refurbishment of Play Areas/Park Equipment	175,000	(16,000)	159,000
Sport & Leisure	GCJ3006	Community Organisation Grants	466,637	(20,000)	446,637
Culture	GCL4100	Maintenance RP - Old Library Centre	63,000		63,000
Culture	GCL4402	Cinema and Music Venue	278,724		278,724
Culture	GCL6000	Maintenance RP - Train Shetland	40,000	(40,000)	0
Culture	UCL5203	Shetland College Extension	1,430,000	(500,000)	930,000
Housing	GCH3100	Housing Staff Accommodation	10,969	(10,969)	0
Housing	GCH3102	Housing Chalet Accommodation	12,175	(12,175)	0
Housing	GCH3103	Maintenance RP - Skerries/Foula School Houses	100,000		100,000
Housing	GCH3120	Housing Temporary Accom (Homelessness)	16,025		16,025
CPS	GCK2000	Feasibility Studies	200,000	(150,000)	50,000
CPS	GCK2002	Contingency and Final Accounts	100,000	(80,000)	20,000
CPS	GCK3000	Copper Pipework Replacement	50,000		50,000
CPS	GCK3002	Disability Discrimination Act Works	100,000	(40,000)	60,000
CPS	GCK3003	Ness of Sound Farm	12,000		12,000
CPS	GCK3***	6 Hillhead - Maintenance	20,000	(20,000)	0
ICT	GCX4300	PC & LAN replacement	203,000	(33,425)	169,575
ICT	GCX4311	SSIS Upgrade	24,549		24,549
ICT	GCX4312	Schools ICT Equipment	395,000	(65,038)	329,962
ICT	GCX4319	LV/MV Photocopiers	75,000	(12,349)	62,651
ICT	GCX4323	Shetland Public Sector Network	238,000	(39,188)	198,812
Development	GCD1576	Fibre Optic Cable	700,000	300,000	1,000,000
Environment	GCY5124	Bixter Burial Ground	453,000	(438,000)	15,000
Environment	GCY5125	Voe Burial Ground	10,000		10,000
Environment	GCY5126	Muckle Roe Burial Ground	228,000		228,000
Environment	GCY5129	Energy Recovery Plant	85,000		85,000
Environment	GCY5137	Gremista Landfill Phase 2	60,000		60,000
Environment	GCY5139	Wheelie Bins	44,500		44,500
Environment	GCY5200	Public Toilets Essential Maintenance	60,000		60,000
Building Services	GCY5501	Maintenance RP - Recladding Gremista Workshop	333,000		333,000
Building Services	GCY5505	New Mid Yell Workshop	42,000		42,000
Roads	GCY6125	B9071 Bixter to Aith Phase 2	1,400,000	(400,000)	1,000,000
Roads	GCY6126	Sletts Road Sea Wall	5,000		5,000
Roads	GCY6127	Murraster Depot Replacement	0	100,000	100,000
Roads	GCY6129	B9071 Parkhall to Sand Junction	20,000	(20,000)	0
Roads	TBA	B9071 Bridge at Effirth	0	20,000	20,000
Roads	GCY6130	B9082/3 Gutcher to Cullivoe	10,000		10,000
Roads	GCY6131	Gulberwick Road	0	10,000	10,000
Roads	GCY6132	Gremista Road Improvements	10,000	100,000	110,000
Roads	GCY6205	Laxaburn Bridge Replacement	10,000		10,000
Roads	GCY6207	Strand Loch Bridge, Tingwall	435,000	(425,000)	10,000
Roads	GCY6298	Advanced Design of Schemes	150,000	(40,000)	110,000
Roads	GCY6401	Scord Quarry Fixed Plant Replacement	200,000		200,000
Roads	GCY9200	Roads Rolling Minor Works	100,000	(50,000)	50,000
Roads	GCY9201	Roads Rolling Development Related Roads	100,000		100,000
Roads	GCY9202	Roads Rolling Bridge Replacements	340,000	(30,000)	310,000
Roads	GCY9203	Roads Rolling Footways	100,000	(25,000)	75,000
Roads	GCY9204	Roads Rolling Streetlighting Replacement	200,000		200,000
Roads	GCY9206	Roads Rolling Traffic Management	100,000	(50,000)	50,000

Service Area	Project Cost Centre	General Fund Projects cont…	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Roads	GCY9207	Roads Rolling Accident Investigation & Prevention	100,000		100,000
Roads	GCY9208	Roads Rolling Air Service	20,000		20,000
Roads	GCY9209	Roads Rolling Works/Purchases Bus Services	40,000		40,000
Roads	GCY9210	Roads Rolling Road Reconstruction	500,000	(55,000)	445,000
Roads	GCY9211	Roads Rolling Roads Drainage Improvements	80,000		80,000
Roads	GCY9212	Roads Rolling Crash Barrier Replacement	150,000	(30,000)	120,000
Roads	GCY9213	Roads Rolling - Speed Limits for Schools	0	75,000	75,000
Transport	GCY7213	Whalsay Link	500,000		500,000
Transport	GCY7214	Fetlar Breakwater	2,243,609		2,243,609
Transport	GCY7215	Skerries South Mouth	186,000		186,000
Transport	GCY7254	Vehicle & Plant Replacement Programme	1,200,000	(550,000)	650,000
Transport	GCY7601	Ferries Capital Rolling Programme	180,000	(38,298)	141,702
Transport	GCY7626	Urgent Repairs to Ferry Terminals	290,000	(61,702)	228,298
		Sub Total	**21,418,772**	**(4,340,352)**	**17,078,420**

Service Area	Project Cost Centre	Ports & Harbours Projects	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Port Operations	RCM2208	Scalloway Dredging	2,773,185	(100,000)	2,673,185
Port Operations	RCM2316	Walls Pier	3,217,946	(575,000)	2,642,946
		Sub Total	**5,991,131**	**(675,000)**	**5,316,131**
		General Fund Total	**27,409,903**	**(5,015,352)**	**22,394,551**

Harbour Account

Service Area	Project Cost Centre	Funded directly from Harbour Account	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Ports & Harbours	PCM2101	Ports & Harbours Plant & Equipment	70,000		70,000
Ports & Harbours	PCM2104	Ports & Harbours Nav Aids	70,000		70,000
Ports & Harbours	PCM****	Tug Jetty System	200,000		200,000
		Sub Total	**340,000**	**0**	**340,000**

Service Area	Project Cost Centre	Funded through debt charges from the Harbour Account	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Ports & Harbours	RCM2313	Sellaness Tugs	0		0
		Sub Total	**0**	**0**	**0**
		Harbour Account Total	**340,000**	**0**	**340,000**

Service Area	Project Cost Centre	Capital Expenditure not funded by the Capital Programme to be met by financial arrangement.	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
Schools	GCE1304	AHS New Build	2,000,000		2,000,000
		AHS Financing Arrangement Total	**2,000,000**	**0**	**2,000,000**

Housing Revenue Account

Service Area	Project Cost Centre	Ring Fenced Housing Expenditure	Existing Budget Allocation	CPS-04-11 Adjustments	Proposed Budget Allocation
HRA	HCH3303	Land/Property Acquisition	1,078,851		1,078,851
HRA	HCH3304	Brae New Housing	1,400,000		1,400,000
HRA	HCH3305	Hoofields New Housing	3,375,000		3,375,000
HRA	HCH3306	Virkie New Housing	449,000		449,000
HRA	HCH3404	Environmental Improvements	439,532		439,532
HRA	HCH3512	Community Care Projects	136,206		136,206
HRA	HCH3525	Feasibility Studies HRA	25,655		25,655
HRA	HCH3526	Opportunity Conversion	124,862		124,862
HRA	HCH3706	Heating Replacement Programme	256,206		256,206
HRA	HCH3708	External Re-Render Programme	500,000		500,000
HRA	HCH3710	Lerwick Crudens	730,000		730,000
HRA	HCHTBA	Landward Crudens (Walls, Voe Tresta, Whalsay)	788,250		788,250
HRA	HCH3711	Retentions/Final Account	40,000		40,000
HRA	HCH3712	Housing Quality Standard	610,000		610,000
HRA	HCH3714	Replacement MIS System	194,817		194,817
HRA	HCH3800	Cap Rec/Sale Council Houses	(889,886)		(889,886)
		HRA Total	**9,258,493**	**0**	**9,258,493**

		Total Overall Capital Budget	**39,008,396**	**(5,015,352)**	**33,993,044**

5 Year Capital Programme - Proposed Budgets 23-03-11   **CPS-04-11 Appendix E**

Code	Fund, Service Dept & Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	Summary of Years 1-5						
	General Fund & Reserve	**20,963,550**	**22,394,551**	**18,003,059**	**14,362,324**	**18,738,024**	**94,461,508**
	Other A/Cs (Ring Fenced)						
	Harbour A/C	4,008,638	340,000	140,000	140,000	140,000	4,768,638
	Montfield - NHS Funding	930,208	0	0	0	0	930,208
	AHS Financing Arrangement	65,000	2,000,000	5,572,606	15,572,606	15,000,000	38,210,212
	Housing (HRA)	1,942,620	9,258,493	5,700,462	3,197,712	1,575,712	21,674,999
	Sub Total	6,946,466	11,598,493	11,413,068	18,910,318	16,715,712	65,584,057
	Total Capital Programme (All Funds)	**27,910,016**	**33,993,044**	**29,416,127**	**33,272,642**	**35,453,736**	**160,045,565**

GENERAL FUND EXECUTIVE PROJECTS

Code	Fund, Service Dept & Description	Year 1 10/11	11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	Capital Programme Service Projects						
GCK2000	Feasibility Studies	200,000	50,000	200,000	200,000	200,000	**850,000**
GCK2002	Final A/Cs Contingency	35,471	20,000	100,000	100,000	100,000	**355,471**
	Asset & Property Projects						
GCK3000	Copper Pipework Replacement	80,000	50,000	50,000	50,000	50,000	**280,000**
GCK3001	Lystina House - maintenance	15,000	0	0	0	0	**15,000**
GCK3002	Disability Discrimination Act Works	100,000	60,000	100,000	100,000	100,000	**460,000**
GCK3003	Ness Of Sound Farm	8,700	12,000	12,000	12,000	12,000	**56,700**
GCK3004	Purchase Scottish Water Assets	1,354	0	0	0	0	**1,354**
TBA	4 Market Street - maintenance	0	0	0	125,000	0	**125,000**
TBA	6 Hillhead (Family History Group) - maintenance	0	0	20,000	0	0	**20,000**
	Finance Projects						
GCF1302	Payments System	2,425	0	0	0	0	**2,425**
	ICT Projects						
GCX4300	PC & LAN Replacement	278,000	169,575	257,000	202,000	202,000	**1,108,575**
GCX4311	SSIS Upgrade	52,951	24,549	0	0	0	**77,500**
GCX4312	Schools ICT Equipment	395,000	329,962	395,000	395,000	395,000	**1,909,962**

Code	Fund, Service Dept & Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	GENERAL FUND EXECUTIVE PROJECTS cont..						
	ICT Projects cont...						
GCX4319	LV/MV Photocopier Replacement	75,000	62,651	75,000	75,000	75,000	**362,651**
GCX4323	Shetland Public Sector Network	251,000	198,812	250,000	256,000	256,000	**1,211,812**
GCX4329	ICT Planning Project	150,000	0	0	0	0	**150,000**
	GENERAL FUND DEVELOPMENT PROJECTS						
	Development Projects						
GCD1576	Fibre Optic Cable	100,000	1,000,000	0	0	0	**1,100,000**
	GENERAL FUND SERVICES COMMITTEE PROJECTS						
	Social Work Projects - Community Care						
GCA0100	SC RP Inspection Health & Safety	26,465	27,789	29,178	30,637	31,403	**145,472**
GCA0101	SC RP Building Fabric	41,850	43,942	46,139	48,448	49,659	**230,038**
GCA0102	SC RP Electrical Sys Upgrade	38,542	40,469	42,493	44,618	45,733	**211,855**
GCA0103	SC RP Mechanical Sys Upgrade	16,492	17,317	18,183	19,092	19,569	**90,653**
GCA0104	SC RP Plant Equip Replacements	2,160	2,268	2,381	2,500	2,563	**11,872**
GCA0105	SC RP Safety Surfaces	22,055	23,158	24,316	25,532	26,170	**121,231**
GCA0106	Additional Care Home Beds	110,000	0	0	0	0	**110,000**
GCA0120	SC RP Special Studies	0	0	0	0	0	**0**
GCA0231	Care Homes Fire Upgrade	302,053	16,000	0	0	0	**318,053**
GCA0233	Joint OT Resource Centre	415,000	2,115,000	200,000	0	0	**2,730,000**
GCA0234	Taing House - maintenance	7,992	12,000	22,000	22,000	12,508	**76,500**
GCA0235	Viewforth - maintenance	0	40,500	0	0	0	**40,500**
GCA0237	Eric Gray Replacement	55,000	200,000	3,175,000	2,076,328	100,000	**5,606,328**
GCA0238	Viewforth Replacement	0	0	400,000	2,200,000	3,300,000	**5,900,000**
GCA0239	Isleshavn Replacement	75,000	0	195,000	0	3,500,000	**3,770,000**
GCA0240	Old Craigielea - maintenance	4,500	115,500	0	0	0	**120,000**
GCA0241	Extensions to ET and Taing	30,000	500,000	1,445,000	450,000	60,000	**2,485,000**
TBA	Lerwick Extra Care Housing	0	0	0	400,000	2,500,000	**2,900,000**
GCA1000	SC RP Special Aids Stock Items	160,000	170,000	170,000	170,000	170,000	**840,000**
GCA1001	SC RP Specialist Aids	240,000	240,000	240,000	240,000	240,000	**1,200,000**
GCA1003	SC RP Minor Adaptions	32,000	40,000	40,000	40,000	40,000	**192,000**
GCA1004	SC RP Major Adaptions	215,000	215,000	215,000	215,000	215,000	**1,075,000**
GCA1005	SC RP Housing Renovations	25,831	26,000	26,000	26,000	26,000	**129,831**
GCA1006	SC RP Professional Fees	11,000	15,000	15,000	15,000	15,000	**71,000**
GCA1007	SC RP Specialist Aids Reburbishment	31,000	40,000	40,000	40,000	40,000	**191,000**

Code	Fund, Service Dept & Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	GENERAL FUND SERVICES COMMITTEE PROJECTS cont..						
	Social Work Projects - Childrens Service						
GCA1008	SC RP Sensory Impairment	2,000	20,000	20,000	20,000	20,000	82,000
GCG0232	Leog Replacement	281,528	0	0	0	0	281,528
GCG0233	Laburnum - Refurbishment/Extension	0	100,000	540,000	10,000		650,000
GCG0234	Childrens Service New Build (Laburnum Replacement)	0			200,000	1,300,000	1,500,000
GCG0235	Laburnum - maintenance	0	20,000	0	0	0	20,000
	Education Projects						
GCE1171	Little Tikes	199,678	10,000	0	0	0	209,678
GCE1240	Bells Brae Primary Alterations	2,356	0	0	0	0	2,356
GCE1315	Mid Yell JHS (ongoing)	3,534,669	150,000	0	0	0	3,684,669
GCE3402	Sandwick AHS Additional Support Needs	1,058	0	0	0	0	1,058
	Education Maintenance Projects (Parent code GCE1500)						
XXE1001	Aith Maintenance	7,697	24,803	133,000	0	250,000	415,500
XXE1002	AHS Maintenance	0	73,000	10,000	10,000	tba	93,000
XXE1002	AHS Maintenance Old English Block	189,652	430,348	0	0	tba	620,000
XXE1003	Baltasound Maintenance	3,000	20,000	0	0	215,000	238,000
XXE1004	Bells Brae Maintenace	330,800	44,900	0	0	tba	375,700
XXE1005	Brae JHS Maintenace	15,000	39,000	0	165,000	tba	219,000
XXE1006	Bressay Maintenace	9,000	0	0	0	0	9,000
XXE1007	Burravoe Maintenance	100	0	0	0	tba	100
XXE1008	Cullivoe Maintenance	6,000	0	0	0	tba	6,000
XXE1009	Cunningsburgh Maintenance	51,500	7,000	0	0	tba	58,500
XXE1010	Dunrossness Maintenance	0	0	0	30,000	tba	30,000
XXE1011	Fetlar Maintenance	100	0	0	0	tba	100
XXE1012	Foula Maintenance	15,500	0	0	0	tba	15,500
XXE1014	Tingwall Maintenance	300	0	0	0	0	300
XXE1016	Hamnavoe Maintenance	176,000	0	0	0	tba	176,000
XXE1017	Happyhansel Maintenance (Re-roof)	185,000	0	0	0	tba	185,000
XXE1017	Happyhansel Maint (Fire Alarms etc)	0	0	0	120,000	tba	120,000
XXE1019	Lunnasting Maintenance	0	0	50,000	0	tba	50,000
XXE1021	Mossbank Maintenance	41,000	0	0	30,000	tba	71,000
XXE1022	North Roe Maintenance	500	0	9,500	0	tba	10,000
XXE1023	Ollaberry Maintenance	100	0	15,900	0	tba	16,000
XXE1024	Olnafirth Maintenance	3,700	0	11,500	0	tba	15,200

Code	Fund, Service Dept & Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	GENERAL FUND SERVICES COMMITTEE PROJECTS cont..						
	Education Maintenance Projects (Parent code GCE1500) cont..						
XXE1028	Sandwick Maintenance	75,000	20,000	85,100	90,000	140,000	**410,100**
XXE1029	Scalloway Maintenance	500	4,500	0	0	tba	**5,000**
XXE1032	Sound Maintenance	2,500	50,000	199,700	0	tba	**252,200**
XXE1033	Nesting Maintenance	2,500	0	0	0	0	**2,500**
XXE1034	Whalsay JHS Maintenance	17,500	0	0	150,000	tba	**167,500**
XXE1035	Urafirth Maintenance	100	0	50,000	0	tba	**50,100**
XXE1036	Uyeasound Maintenance	100	0	0	0	0	**100**
XXE1037	Whiteness Maintenance	0	0	0	50,000	tba	**50,000**
XXE1060	Janet Courtney Maintenance	204,500	110,500	125,000	125,000	tba	**565,000**
XXE1061	Old Bruce Hostel Maintenance	0	0	75,000	0	tba	**75,000**
	Housing Projects						
GCH3100	Housing Staff Accommodation	1,600	0	10,969	10,969	10,969	**34,507**
GCH3102	Housing Chalet Accommodation	1,600	0	12,175	12,175	12,175	**38,125**
GCH3103	Skerries/Foula School House Maintenance	0	100,000	0	0	0	**100,000**
GCH3120	Housing Temporary Accom (Homelessness)	12,500	16,025	16,025	16,025	16,025	**76,600**
	Community Development Projects						
GCJ3001	Water Based Facilities (Marinas)	0	382	0	0	0	**382**
GCJ3002	Knab Dyke	0	6,000	0	0	0	**6,000**
GCJ3003	Refurbishment of Play Areas & Park Equip	175,000	159,000	175,000	175,000	175,000	**859,000**
GCJ3006	Community Organisation Grants	249,859	446,637	300,000	300,000	300,000	**1,596,496**
GCJ3020	Islesburgh - maintenance	25,100	0	0	0	0	**25,100**
	Community Culture Projects						
GCL4100	Old Library Centre - maintenance	22,000	63,000	0	0	0	**85,000**
GCL4402	Cinema and Music Venue (ongoing)	1,704,111	278,724	0	0	0	**1,982,835**
GCL6000	Train Shetland - maintenance	60,000	0	40,000	0	0	**100,000**
UCL5203	Shetland College Extension (NB SIC costs only)	270,000	930,000	663,000	150,000	0	**2,013,000**
	GENERAL FUND INFRASTRUCTURE COMMITTEE PROJECTS						
	Environment Projects						
GCY5121	Fetlar Burial Ground	78,000	0	0	0	0	**78,000**
GCY5124	Bixter Burial Ground	10,000	15,000	450,000	0	0	**475,000**
GCY5125	Voe Burial Ground	0	10,000	419,000	8,000	0	**437,000**
GCY5126	Muckle Roe Burial Ground	364,500	228,000	8,500	0	0	**601,000**
GCY5127	Skerries Burial Ground	0	0	10,000	250,000	6,250	**266,250**
GCY5129	Energy Recovery Plant	259,593	85,000	82,000	125,000	122,000	**673,593**

Code	Fund, Service Dept & Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	GENERAL FUND INFRASTRUCTURE COMMITTEE PROJECTS cont..						
	Environment Projects cont ..						
GCY5133	Rova Head Reinstatement	2,031	0	0	0	0	**2,031**
GCY5137	Gremista Landfill Phase 2	2,150,000	60,000	0	0	0	**2,210,000**
GCY5139	Wheelie Bins	102,922	44,500	37,000	37,000	37,000	**258,422**
GCY5200	Public Toilets Essential Maintenance	60,000	60,000	60,000	60,000	60,000	**300,000**
GCY9016	Public Toilets Grant Funding	1,625	0	0	0	0	**1,625**
	Building Services Projects						
GCY5501	Recladding Gremista Workshop	300,000	333,000	0	0	0	**633,000**
GCY5504	TF Facility Management Software	28,332	0	0	0	0	**28,332**
GCY5505	New Mid Yell Workshop	91,309	42,000	0	0	0	**133,309**
	Roads Projects						
GCY6121	B9081 Mid Yell (Hillend Section)	10,000	0	0	0	0	**10,000**
GCY6122	Papa Stour Road	15,000	0	0	0	0	**15,000**
GCY6124	A970 Scord to School	20,000	0	0	0	0	**20,000**
GCY6125	B9071 Bixter to Aith Phase 2	100,000	1,000,000	750,000	50,000	0	**1,900,000**
GCY6126	Sletts Road Sea Wall	245,000	5,000	0	0	0	**250,000**
GCY6127	Murraster Depot Replacement	179,748	100,000	0	0	0	**279,748**
GCY6129	B9071 Parkhall to Sand Junction (Design only)	20,000	0	5,000	0	0	**25,000**
GCY TBA	B9071 Bridge at Effirth (Design only)	0	20,000	0	0	0	**20,000**
GCY6130	B9082/3 Gutcher to Cullivoe	50,000	10,000	190,000	200,000	0	**450,000**
GCY6131	Gulberwick Road (Design only)	15,000	10,000	0	0	0	**25,000**
GCY6132	Gremista Road Improvements	310,000	110,000	0	0	0	**420,000**
GCY6137	Weathersta - Depot Buildings - Maintenance	10,000	0	0	0	0	**10,000**
GCY6205	Laxaburn Bridge Replacement	0	10,000	235,000	5,000	0	**250,000**
GCY6207	Strand Loch Bridge, Tingwall	5,000	10,000	435,000	0	0	**450,000**
GCY6298	Advanced Design of Schemes	170,000	110,000	130,000	100,000	100,000	**610,000**
GCY6401	Scord Quarry Fixed Plant Replace	250,000	200,000	205,000	213,000	220,000	**1,088,000**
GCY6405	North Mainland Roads Office	74,500	0	0	0	0	**74,500**
GCY9200	Roads Rolling Minor Works	100,000	50,000	100,000	100,000	100,000	**450,000**
GCY9201	Roads Rolling Development-Related Road	60,000	100,000	200,000	200,000	200,000	**760,000**
GCY9202	Roads Rolling Bridge Replacements	240,000	310,000	350,000	350,000	350,000	**1,600,000**
GCY9203	Roads Rolling Footways	100,000	75,000	100,000	100,000	100,000	**475,000**
GCY9204	Roads Rolling Streetlighting Replacement	200,000	200,000	200,000	200,000	200,000	**1,000,000**
GCY9206	Roads Rolling Traffic Management	50,000	50,000	110,000	140,000	140,000	**490,000**
GCY9207	Roads Rolling Accident Investigation & Prevention	100,000	100,000	100,000	100,000	100,000	**500,000**

		Year 1	Year 2	Year 3	Year 4	Year 5	Total
Code	**Fund, Service Dept & Description**	**10/11**	**11/12**	**12/13**	**13/14**	**14/15**	**Yrs. 1-5**
	GENERAL FUND INFRASTRUCTURE COMMITTEE PROJECTS cont..						
	Roads Projects cont...						
GCY9208	Roads Rolling Air Service	20,000	20,000	20,000	20,000	20,000	**100,000**
GCY9209	Roads Rolling Works/Purchases Bus Services	40,000	40,000	60,000	60,000	60,000	**260,000**
GCY9210	Roads Rolling Road Reconstruction	150,000	445,000	500,000	300,000	300,000	**1,695,000**
GCY9211	Roads Rolling Roads Drainage Improvements	80,000	80,000	80,000	80,000	80,000	**400,000**
GCY9212	Roads Rolling Crash Barrier Replacement	150,000	120,000	150,000	150,000	150,000	**720,000**
GCY9213	Roads Rolling Speed Limits for Schools	75,000	75,000	0	0	0	**150,000**
	Transport/Ferries Projects						
GCY7202	Tingwall Airport H&SE Works	378,617	0	0	0	0	**378,617**
GCY7213	Whalsay Link	100,000	500,000	500,000	500,000	500,000	**2,100,000**
GCY7214	Fetlar Breakwater	400,000	2,243,609	100,000	0	0	**2,743,609**
GCY7215	Skerries South Mouth	14,000	186,000	0	0	0	**200,000**
GCY7254	Vehicle & Plant Replacement Programme	1,200,000	650,000	1,200,000	1,200,000	1,200,000	**5,450,000**
GCY7601	Ferries Capital Rolling Programme	313,000	141,702	180,000	180,000	180,000	**994,702**
GCY7626	Urgent Repairs to Ferry Terminals	157,000	228,298	290,000	290,000	290,000	**1,255,298**
	Sub Total	**20,337,726**	**17,078,420**	**17,603,059**	**14,262,324**	**18,738,024**	**88,019,553**
	RESERVE FUND PROJECTS						
TBA	Fish Market Roof, Scalloway	0	0	150,000	0	0	**150,000**
TBA	Skerries Pier	0	0	0	100,000	0	**100,000**
RCM2309	Peerie Dock, Symbister	0	0	150,000	0	0	**150,000**
RCM2208	Scalloway Dredging	225,000	2,673,185	0	0	0	**2,898,185**
RCM2316	Walls Pier	113,000	2,642,946	100,000	0	0	**2,855,946**
RCM2315	Water Main, Scalloway	287,824	0	0	0	0	**287,824**
	Sub Total	**625,824**	**5,316,131**	**400,000**	**100,000**	**0**	**6,441,955**
	Total General & Reserve Fund	**20,963,550**	**22,394,551**	**18,003,059**	**14,362,324**	**18,738,024**	**94,461,508**

Code	Fund, Service Dept & Description	Year 1 10/11	Year 2 11/12	Year 3 12/13	Year 4 13/14	Year 5 14/15	Total Yrs. 1-5
	OTHER ACCOUNTS (Ring Fenced Expenditure)						
	Harbour Account						
RCM2313	Tugs for Sellaness	3,342,345	0	0	0	0	**3,342,345**
PCM2101	Plant, Vehicles & Equipment	143,402	70,000	70,000	70,000	70,000	**423,402**
PCM2104	Navigational Aids - SV	122,891	70,000	70,000	70,000	70,000	**402,891**
PCM2138	Tystie Re-engine	200,000	0	0	0	0	**200,000**
PCM2139	Dunter Re-engine	200,000	0	0	0	0	**200,000**
TBA	Tug Jetty CP System	0	200,000	0	0	0	**200,000**
		4,008,638	**340,000**	**140,000**	**140,000**	**140,000**	**4,768,638**
	AHS Financing Arrangement						
GCE1304	AHS New Build	**65,000**	**2,000,000**	**5,572,606**	**15,572,606**	**15,000,000**	**38,210,212**
	NHS External Funding						
GCA0236	Montfield Conversion	**930,208**	**0**	**0**	**0**	**0**	**930,208**
	Housing Revenue Account						
HCH3303	Land & Property Acquisition	403,851	1,078,851	678,851	678,851	678,851	**3,519,255**
HCH3304	Brae New Housing	50,000	1,400,000	100,000	0	0	**1,550,000**
HCH3305	Hoofields New Housing	900,000	3,375,000	3,375,000	1,725,000	125,000	**9,500,000**
HCH3306	Virkie New Housing	1,000	449,000	0	0	0	**450,000**
HCH3404	Enviromental Improvements	79,000	439,532	259,266	259,266	259,266	**1,296,330**
HCH3512	Community Care Projects	78,000	136,206	107,103	107,103	107,103	**535,515**
HCH3525	Feasibility Studies	25,655	25,655	25,655	25,655	25,655	**128,275**
HCH3526	Opportunity Conversion	33,500	124,862	124,862	124,862	124,862	**532,948**
HCH3706	Heating Replacement Programme	58,000	256,206	157,103	157,103	157,103	**785,515**
HCH3708	External Re-render	132,500	500,000	387,758	387,758	387,758	**1,795,774**
HCH3710	Lerwick Crudens	700,500	730,000	50,000	0	0	**1,480,500**
HCH****	Landward Crudens (Walls, Voe, Tresta,Whalsay)	0	788,250	724,750	22,000	0	**1,535,000**
HCH3711	Retentions/Final Accounts	15,500	40,000	40,000	40,000	40,000	**175,500**
HCH3712	Housing Quality Standard	350,000	610,000	560,000	560,000	560,000	**2,640,000**
HCH3714	Replacement MIS system	5,000	194,817	0	0	0	**199,817**
HCH3800	Capital Rec-Sale Council Houses	(889,886)	(889,886)	(889,886)	(889,886)	(889,886)	**(4,449,430)**
		1,942,620	**9,258,493**	**5,700,462**	**3,197,712**	**1,575,712**	**21,674,999**
	Total	**6,946,466**	**11,598,493**	**11,413,068**	**18,910,318**	**16,715,712**	**65,584,057**

Shetland Islands Council

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REPORT

To: **Shetland Islands Council**   **23 March 2011**

From: **Head of Finance**

OVERALL FINANCIAL REVIEW

Report No: F-022-F

1.0   Introduction

1.1   The Council set the 2011/12 revenue budget on 10 February 2011, and has since been looking to reduce its 2011/12 Capital Programme (a report on that subject is also on the Council agenda today). It was noted on the 10 February that the Council's current financial policy framework was coming towards the end of its natural life (having been established back in 2005), and that the Council currently faces a major range of financial challenges, including myriad spending pressures and service and infrastructure demands, and the prospect of reduced financial settlements from the Scottish Government for at least the next few years. The Council also needs to reconsider its policy on the use and preservation of its Reserves, taking due account of the wider economic and development prospects and possible future income streams.

1.2   It was therefore agreed that a report should be presented to today's meeting which pulls together all the elements of the current position into a clear overall picture, which might then form the basis for the Council's deliberations on financial policy over the next few months. The end product of that process should be a renewed financial policy framework, which will in autumn 2011 form the foundation stone of the budget strategy for 2012/13 and beyond.

1.3   This report provides Members with the basis for consideration of financial policy over the period to September 2011.

2.0   Links to Corporate Priorities

2.1   This report links to the Council's corporate priorities, defined in its Corporate Plan, specifically in relation to prioritising and planning so we can sustain the services we want to provide and help develop our economy and, in particular, to keep budgets and use of Reserves within sustainable limits.

3.0 Risk Management

3.1 The Council's financial policy framework is one of the most important components of corporate planning, management and governance. A combination of circumstances such as spending pressures and cuts in Government support is making the current financial environment more challenging than ever before. It is also the case that the Council is under exceptional external scrutiny, notably from Audit Scotland, at the present time. The Council has recognised these difficulties and the Financial Resources Member/Officer Working Group (FRMOWG) has been working towards meeting the financial challenges.

4.0 Background

4.1 The Council's **General Fund** financial policy framework since 2005 has been made up of several elements:

4.1.1 General Fund discretionary Reserves (mainly the Reserve Fund, Capital Fund and Repairs and Renewals Fund) should be maintained at no less than £250 million (the Reserves Floor policy). Their value at the start of the current financial year was £276 Million.

4.1.2 Use of Reserves to support General Fund revenue spending was reduced by a minimum of £1 million per year (with a target level of £1 million in 2011/12 and £0 thereafter). This policy has been more than met over the period since 2005.

4.1.3 Use of Reserves to support the General Fund Capital Programme should be constrained to levels consistent with the Reserves Floor policy. Initially the target was £20 million per annum, subsequently modified to a Programme of no more than £100 million over five years. In practice, General Fund Capital Programme spending has been in the range of £15-18 million per annum, well within the policy limits each year.

4.1.4 Use of the Reserve Fund to support the Reserve Fund Programmes (mainly, but not entirely, economic development) is considered every year, and was set at £8 million for 2010/11.

4.2 The **Housing Revenue Account** financial policy framework has been to tightly control revenue and capital spending with a view to preserving the Housing Repairs and Renewals Fund (which stands at £10.6 million at the start of this financial year) while limiting house rent rises to inflation and/or the kind of levels seen in other Councils. More recently the Council has modified its policy position to make the building of new housing stock a priority, acknowledging that this will be at the expense of reserves and of increasing the burden of outstanding HRA debt (which has been in marked decline since 1995). The finalisation of this revised policy stance has been disrupted by Scottish Government moves to remove the Council's entitlement to Housing Support Grant, which is an important component for funding debt charges.

4.3 The **Harbour Account** financial policy framework has all been about protecting, so far as possible, the profitability of the Port of Sullom Voe, so as to maximise the annual contributions to the Reserve Fund. The long standing

level of contributions of around £8 million per annum came to an end in 2005/06, and the level has since declined to a target level of £4 million per annum, which has been undershot in recent years (the contribution in 2009/10 was £2.5 million). The investment in new tugs and the Ports for the Future project have been major initiatives aimed at reducing the Port's ongoing cost base with a view to improving future profitability.

5.0   **2011/12 Estimates**

5.1   The budget setting process for 2011/12 is effectively completed by the consideration of the Capital Programme report which is a separate item on today's agenda. The position at the end of that exercise may be summarised as follows.

5.2   **2011/12 General Fund Budget**

5.2.1 Table 1 below sets out the overall position on the 2011/12 General Fund budget.

TABLE 1

2011/12 General Fund Budget: Drawings from Reserves

	Capital Programme	Reserve Fund Programme	Revenue	TOTAL
	£ million	£ million	£ million	£ million
Original Budget Projections	27.4	8.3	21.9	57.6
Less General Capital Grant	(3.8)			(3.8)
Less Other Capital Grants/Receipts	(2.0)			(2.0)
Drawings from Reserves (before adjustments)	21.6	8.3	21.9	51.8
Adjustments				
Extra General Capital Grant	(2.1)			(2.1)
Extra Reserve Fund Spending		0.4		0.4
Revenue Budget Reductions			(9.4)	(9.4)
Capital Programme Adjustments (if approved)	(5.0)			(5.0)
Drawings from Reserves (revised)	14.5	8.7	12.5	35.7

5.2.2 Table 1 indicates that from an original position where it looked like £51.8 million would be drawn from Reserves the Council progressed to a final position in which the drawings from Reserves are budgeted at £35.7 million (if the Capital Programme is approved as presented elsewhere today). This very substantial improvement of £16.1 million is largely attributable to the work done by Councillors and Officers at the Financial Resources Member/Officer Working Group.

5.2.3 Table 2 sets out the effect, which the 2010/11 Forecast and 2011/12 Budget will have on the Council's General Fund Reserves.

TABLE 2

General Fund Discretionary Reserves

(values on Balance Sheet at cost)

Projection: Actual plus Revised Assumptions

As at 31 March	Capital Programme Expenditure	Special Items	Reserve Fund Programme Expenditure	General Fund Revenue Deficit	TOTAL RESERVES
	(3)			(1)	(2)
	£million	£million	£million	£million	£million
2005					**(318.7)**
Investment Returns					(16.9)
Harbour Surpluses (4)					(5.2)
Expenditure	14.6	20.1	7.4	4.0	46.1
2006		**(4 ferries)**			**(294.7)**
Investment Returns					(18.6)
Harbour Surpluses (4)					(2.0)
Expenditure	14.5	1.8	7.8	3.6	27.7
2007		**(Single Status)**			**(287.6)**
Investment Returns					(27.4)
Harbour Surpluses (4)					(4.5)
Expenditure	18.5	1.7	7.5	2.8	30.5
2008		**(Single Status)**			**(289.0)**
Investment Returns					(13.2)
Harbour Surpluses (4)					(3.2)
Expenditure	14.3	7.1	2.2	1.4	25.0
2009		**(Islesburgh,S S)**			**(280.4)**
Investment Returns					(22.5)
Harbour Surpluses (4)					(2.5)
Expenditure	6.5	5.0	12.9	6.0	30.4
2010					**(276.0)**
Investment Returns					(19.3)
Harbour Surpluses					(2.3)
Expenditure	13.0	0.0	8.0	2.0	23.0
2011					**(274.6)**
Investment Returns					(19.2)
Harbour Surpluses					(2.1)
Expenditure	14.5	0.0	8.7	12.5	35.7

5.2.4 Table 2 indicates that the Reserves should finish the current financial year with a balance of just under £275 million, and should end 2011/12 with a balance of just over £260 million. This means that the Council, despite all the challenges and difficulties facing it, will still be well above the Reserves Floor policy limit of £250 million at 31 March 2012.

5.2.5 The main financial challenge for the future of the General Fund is that the level of drawings on Reserves in 2011/12 is considerably higher than can be sustained for the longer term. The policy challenge for the Council over the next few months will be to consider what level of drawings on Reserves it will be prepared to approve in future, what target levels for Reserves the Council wishes to set for the future, and what account (if any) it wishes to take of future income streams (Total Gas Processing Plant, renewable energy) and of the circumstances of the Shetland Charitable Trust.

5.2.6 Other issues which the Council will need to take into account in due course include the financial settlements from the new Scottish Government which will be elected in May, the possible costs of settlement of a legal dispute over dredging in the northern end of Lerwick harbour, and the possible need to inject Reserves into the Pension Fund to meet the burdens of absorbing Shetland Towage staff into the scheme. There will also be a significant reclassification of some projects as revenue rather than capital, which will significantly shift the balance between the two. This perhaps points to the desirability of having a single policy target for Reserves, rather than a separate one for both capital and revenue.

5.2.7 Another issue which will come before the Council shortly is whether it wishes to apply some of its current Reserves margin above the Reserves Floor level of £250 million to fund a £3.5 million request for funding from Hjaltland Housing Association to help with its new build housing programme. And another early request for funding may come from the Shetland Telecom project which has aspirations to expand the fibre optic broadband network which has been recently initiated in the south mainland.

5.3 **2011/12 Housing Revenue Account Budget**

5.3.1 Table 3 below sets out the overall position on the 2011/12 Housing Revenue Account budget.

TABLE 3

2011/12 Housing Revenue Account Budget

	TOTAL
	£ million
Housing Revenue Account	

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Expenditure

Operating Costs	3.3
Debt Charges	3.2
Gross Expenditure	6.5

Income

Housing Support Grant	(1.0)
Rents	(5.7)
Contributions to/(from) Housing Repairs and Renewals Fund	0.2
Balance at 1 April 2012	0.0

Housing Repairs and Renewals Fund

Balance at 1 April 2011	(11.5)
Investment returns	(0.6)
Contribution to/(from) Housing Revenue Account	(0.2)
Balance at 1 April 2012	(12.3)

5.3.2 Table 3 indicates a healthy position on the Housing Revenue Account. Expenditure is more than met by Housing Support Grant and Rents, allowing £0.2 million to be contributed into the Housing Repairs and Renewals Fund, which should end 2011/12 up by 7% at £12.3 million. This provides a sound foundation to embark upon the Council's first significant programme of Council House building since the 1980s.

5.3.3 The main financial challenge facing the Housing Revenue Account is the risk that the Scottish Government will bring Housing Support Grant assistance to an end after 2011/12. This is still under negotiation with the Scottish Government but the outcome of that will need to be taken into account in a revised medium and long term financial plan for housing. Broadly speaking, the approach envisaged so far was to use the Housing Repairs and Renewals Fund to meet a significant proportion of operating costs, allowing rents to be used to meet the increased debt charges arising from higher outstanding debt as a result on the new build housing programme. The ability of that approach to meet the demands for funding will have to be reconsidered when the outcome on Housing Support Grant is known.

5.3.4 Perhaps the other key issue for consideration will be what scale of further new build the Council feels able to afford, not least in circumstances where interest rates are likely to increase, thereby increasing debt charges from their historically low current levels.

5.3.5 The Council should also consider, on an ongoing basis, whether it wishes to apply any part of its Reserve Fund in support of Housing Revenue Account new build programmes, with any such move having to be balanced against other uses of the Reserve Fund.

5.4 **2011/12 Harbour Account Budget**

5.4.1 Table 4 below sets out the overall position on the 2011/12 Harbour Account budget.

TABLE 4

2011/12 Harbour Account Budget

	TOTAL
	£ million
Expenditure	
Operating Costs	12.6
Financing Costs	1.5
Gross Expenditure	14.1
Income	(16.2)
Contributions to/(from) Reserve Fund	2.1
Balance at 1 April 2012	0.0

5.4.2 Table 4 indicates that on current estimates (which do not take into account prospective gains from the Ports for the Future project, which should come through in 2011/12 and will therefore improve the position) the Harbour Account will only be able to contribute £2.1 million to the Reserve Fund in 2011/12.

5.4.3 The main financial challenge for the Harbour Account is to seek to maximise contributions to the Reserve Fund, the reduction in which since 2005/06 has been a very large part of the Council's ensuing financial difficulties. This can be achieved by controlling costs (the objective of the Ports for the Future project) and maximising income. The scope for raising further income from charges on harbour users will have to be critically reviewed, but it may also be appropriate to open a new dialogue with the Sullom Voe Terminal about reflecting its interest in the success of the Port by way of a contribution to high fixed costs. Any such dialogue should be based upon a clear understanding of the Council's legal and other obligations and interests in this matter, which should be the subject of early review.

6.0 Policy and Delegated Authority

6.1 Consideration of the overall financial position of the Council, and of financial policy and strategy matters, are for consideration by the full Council.

7.0 Conclusions

7.1 The Council is in a sound financial position in 2011/12 as compared with its current financial policy framework.

7.2 The Council is, however, facing a range of financial circumstances, challenges and opportunities (covered in broad detail in this report) which warrant a complete reconsideration of its financial policies over the period to September

2011. This report provides a position statement which the Council may view as the starting point for that process.

8.0   Recommendations

8.1   I recommend that the Council should note the contents of this report, and that detailed consideration of financial strategy will commence early in financial year 2011/12 with a view to budget setting for 2012/13 and beyond.

Date: 16 March 2011   Report No: F-022-F
Ref: GJ/DS

Shetland
Islands Council

REPORT

To: **Shetland Islands Council**   **23 March 2011**

From: **Head of Finance**
Executive Services Department

Report No: F- 020-F

Community Councils – Financial Position

1.   Purpose

1.1   The purpose of this annual report is to inform Members of the position of the 2009/10 Community Council Annual Accounts, in accordance with the grant scheme, approved in March 1999, and approve the grant payments for 2011/12.

2.   Links to Corporate Priorities

2.1   This report links to the Council's corporate priorities, defined in its corporate plan, specifically in relation to sustainable matching of resources to community needs and priorities.

3.   Risk Assessment

3.1   There is no risk associated with this report.

4.   Background

4.1   In March 1999 a report entitled Proposed Community Council Grant Distribution, 1999/2000 & Beyond, was approved by Policy & Resources Committee (min ref 26/99). This report provided a framework of terms, conditions & accountability requirements for Community Councils.

4.2   Part of the accountability stated that Community Council Accounts should "clearly identify expenditure & income under each of the Specific Grant schemes for which funding has been advanced by the Shetland Islands Council." The accounts received for 2009/10 comply with the grant scheme.

4.3   A condition of the scheme is that balances of Shetland Island Council Grants (or income earned thereon) held by Community Councils as at 31 March 2010 will not be taken into account for the Grants distribution for 2010/11, but will be considered by the Shetland Islands Council when it sets its distribution for 2011/12.

4.4 An exception was made for Delting Community Council, who hold a reserve balance derived from oil industry which falls outwith the scope of the SIC scheme.

4.5 The grant scheme allows Community Councils to retain a 10% grant surplus at the end of any financial year. Any sum in excess of the 10% surplus is required to be removed from future years' grant provision unless this relates to outstanding commitments for the year of the accounts.

5. 2009/10 Community Council Accounts

5.1 Table 1 in the Appendix to this report details the 2009/10 Income and Expenditure for each Community Council at 31 March 2010.

5.2 Table 2 in the Appendix shows the 2009/10 SIC excess grant surplus calculation. Both Lerwick and Bressay Community Councils show an excess surplus but have confirmed that this relates to their outstanding commitments for 2009/10.

6. Proposal

6.1 In line with the approved grant scheme, it is proposed to pay each Community Council grant funding for 2011/12 as follows:

COMMUNITY COUNCIL	2011/12 Approved Grant
Aithsting & Sandsting	14,682
Bressay	8,374
Burra & Trondra	8,655
Delting	16,252
Dunrossness	14,522
Fetlar	5,265
Gulberwick,Quarff & Cunningsburgh	14,260
Lerwick	29,977
Nesting & Lunnasting	10,267
Northmavine	18,181
Sandness & Walls	13,767
Sandwick	11,562
Scalloway	10,454
Skerries	4,973
Tingwall,Whiteness & Weisdale	11,951
Unst	12,118
Whalsay	11,080
Yell	12,272
Total	**228,614**

7. Financial Implications

7.1   There are two Community Councils with an unspent surplus balance greater than 10% on their 2009/10 accounts. They have both confirmed that this is wholly in relation to outstanding commitments for 2009/10.

8. Policy and Delegated Authority

8.1   The ultimate decision on approving the revenue grants lies with the Council.

9. Conclusions

9.1   All Community Council accounts have been received and approved in accordance with the grant scheme.

9.2   Although two Community Councils have an unspent surplus balance greater than 10% on their 2009/10 accounts, they have confirmed that this relates to outstanding commitments for 2009/10.

10. Recommendation

10.1   It is recommended that Council approve the Community Council grants for 2011/12 as set out in paragraph 6.1.

Date: 16 March 2011
Our Ref: JJ/HKT   Report No: F-020-F

Table 1

2009/10 Income & Expenditure

COMMUNITY COUNCIL	2009/10 Opening Balance (incl interest) £	2009/10 Total Income £	2009/10 Total Spend £	2009/10 Closing Balance £	2009/10 CC Outstanding Commitments £
Aithsting & Sandsting	1,233.36	21,603.00	21,969.25	867.11	
Bressay	8,062.00	12,185.00	8,922.00	11,325.00	10,500
Burra & Trondra	1,050.53	12,142.00	12,132.07	1,060.46	
Delting	38,685.00	24,414.00	26,340.00	36,759.00	8,791
Dunrossness	11,873.00	20,114.00	23,656.56	8,330.44	
Fetlar	6,389.00	11,520.00	6,897.00	11,012.00	
Gulberwick,Quarff & Cunningsburgh	1,508.00	20,763.00	21,400.00	871.00	
Lerwick	21,860.00	43,066.00	38,230.00	26,696.00	15,000
Nesting & Lunnasting	1,282.14	13,765.00	13,011.30	2,035.84	300
Northmavine	2,248.00	27,786.00	27,672.00	2,362.00	
Sandness & Walls	4,217.60	18,447.11	22,217.73	446.98	
Sandwick	1,869.00	16,038.00	15,707.00	2,200.00	1,400
Scalloway	1,240.95	14,130.00	15,164.42	206.53	
Tingwall,Whiteness & Weisdale	12,728.00	16,883.00	23,518.00	6,093.00	4,891
Unst	5,441.00	17,061.00	16,266.00	6,236.00	378
Whalsay	2,408.00	16,508.00	18,700.00	216.00	
Yell	12,662.00	17,415.00	18,222.00	11,855.00	11,199
Skerries	523.27	6,210.00	6,179.60	553.67	
Totals	**135,280.85**	**330,050.11**	**336,204.93**	**129,126.03**	**52,459**

Table 2

2009/10 SIC Excess Grant Surplus Calculation

COMMUNITY COUNCIL	2009/10 SIC Grant £	2009/10 CC Spend £	2009/10 Variance £	2009/10 10% Allowable Grant Surplus £	2009/10 In Excess of 10% Grant Surplus £
Aithsting & Sandsting	21,603	21,969.25	-366.25	2,160.30	**n/a**
Bressay	12,185	8,922.00	3,263.00	1,218.50	**2,044.50**
Burra & Trondra	12,142	12,132.07	9.93	1,214.20	**n/a**
Delting	24,414	26,340.00	-1,926.00	2,441.40	**n/a**
Dunrossness	20,114	21,083.00	-969.00	2,011.40	**n/a**
Fetlar	6,649	6,897.00	-248.00	664.90	**n/a**
Gulberwick,Quarff & Cunningsburgh	20,763	21,400.00	-637.00	2,076.30	**n/a**
Lerwick	42,941	38,230.00	4,711.00	4,294.10	**416.90**
Nesting & Lunnasting	13,765	13,011.30	753.70	1,376.50	**n/a**
Northmavine	27,786	27,667.00	119.00	2,778.60	**n/a**
Sandness & Walls	18,426	22,217.73	-3,791.73	1,842.60	**n/a**
Sandwick	16,038	15,707.00	331.00	1,603.80	**n/a**
Scalloway	14,130	15,164.42	-1,034.42	1,413.00	**n/a**
Tingwall,Whiteness & Weisdale	16,883	23,518.00	-6,635.00	1,688.30	**n/a**
Unst	17,061	16,266.00	795.00	1,706.10	**n/a**
Whalsay	16,508	18,700.00	-2,192.00	1,650.80	**n/a**
Yell	17,415	18,222.00	-807.00	1,741.50	**n/a**
Skerries	6,135	6,179.60	-44.60	613.50	**n/a**
Totals	**324,958**	**333,626.37**	**-8,668.37**	**32,495.80**	**2,461.40**

Shetland
Islands Council

REPORT

To: **Shetland Islands Council**   **23 March 2011**

From: **Head of Finance**

Irrecoverable Debt 2010/2011
Report No: F-018-F

1. Introduction

1.1. The Council annual accounts contain a bad debt provision in recognition of the likelihood that not all outstanding debt would be collectable.

1.2. The purpose of this report is to seek approval from the Council to write off the amounts detailed in this report.

1.3. As in previous years, to allow this report to be discussed in public, the appendices have not been reproduced with this report.

2. Link to Council Corporate Priorities

1.
2.
   2.

2.1. There is no link to a specific corporate priority but this is a required function that contributes to the Council aim of being organised, efficiently run and sustainable.

3. Risk

3.

3.1. In terms of risk, the primary risk involved in writing off irrecoverable debt is that something may get written off which could have been recovered, resulting in a loss to the Council. This risk is managed by having an exhaustive set of recovery procedures which are diligently and consistently followed by staff.

4. Background

4.

4.1. At this point in each financial year a review is undertaken of the debt outstanding in respect of Rent accounts, Sundry Debts, Non-Domestic Rates and Council Tax. This review has identified debts which are now deemed to be uncollectable and which, therefore, should be written off.

4.2. Essentially those debts identified for write off in this report are those where all efforts to recover the debt have been exhausted and the prospects of recovering funds are negligible. Whilst the amounts proposed for write-off are significant in monetary terms these need to be viewed in the context of the gross charges levied and the Council's positive performance on collection of Council charges levied. It is emphasised that although these debts will be written off for accounting purposes the files remain open and every effort will be made to collect debts if circumstances change.

4.3. The Council collects domestic water and sewerage charges on behalf of Scottish Water. A service level agreement exits between the Council and Scottish Water, which gives the Council authority to write off Scottish Water debt as part of the annual write off review. Consequently, this report includes a recommendation for an amount to be written off against Scottish Water.

5. Housing Revenue Account

5.

5.1. A review of all former tenant arrears balances has been carried out. There are 14 cases to the value of £28,705.82 that require to be written off. Appendix 1 details these balances.

5.2. In addition to this there is a Sundry Debt balance totalling £1,107.21 relating to irrecoverable debts for tenant repairs to Council housing, details of which are contained in Appendix 2.

5.3. Housing Revenue Account Summary:

	No of Cases	Total £
Former Tenants	14	28,705.82
Other Balances (Formers)	1	1,107.21
Totals	15	29,813.03

6. General Fund

6.

6.1. A review of outstanding sundry debt balances has been carried out. There are 5 cases with balances amounting to £91,773.17 that requires to be written off, details of which are contained in Appendix 2.

6.2. A review of outstanding rates balances has also been carried out. There are 4 balances amounting to £11,350.28 that require to be written off, details of which are contained in Appendix 3.

6.3. Similarly, a review of all outstanding Council Tax balances has been carried out. There are 8 balances amounting to £11,994.72 that require to be written off, details of which are contained in Appendix 4. A charge of

£8,923.07 should be carried against the General Fund and £3,071.65 against Scottish Water.

6.4. The overall position, as detailed above, is summarised in the following table:

General Fund Summary

Type of Debt	No of Cases	General Fund	Scottish Water	Total £
Sundry Debt	5	91,773.17		91,773.17
Rates	4	11,350.28		11,350.28
Council Tax	8	8,923.07	3,071.65	11,994.72
Totals	**17**	**112,046.52**	**3,071.65**	**115,118.17**

7. Harbour Accounts

7.

7.1. A review of all outstanding Harbour Accounts sundry debts has been carried out. There are 2 balances amounting to £6,571.59 that require to be written off, details are contained in Appendix 2.

8. Provisions

8.

8.1. Housing Revenue Accounts

There is currently a provision of £175,164 to cover potentially irrecoverable debts relating to the Housing Revenue Account. The write off of £29,813.03 will leave £145,350.97

8.2. General Fund

There is currently a provision of £511,159 to cover potentially irrecoverable debts relating to the General Fund. The write off of £112,046.52 will leave £399,112.48 remaining. A provision figure will be calculated as part of the closure of accounts for 2010/11.

9. Policy – Delegated Authority

9.

9.1. Section 4.5 of the Council's approved Financial Regulations state: "No financial sums or other assets in excess of £1,000 shall be written out of the main accounts or subsidiary records of the Council except by the Head of Finance who shall report all such sums written off to the Council. Sums or other assets of less than £1,000 may be written out of the main accounts or subsidiary records of the Council with the express authority of the Head of Finance." Accordingly, a decision of the Council is required.

10. Recommendations

10.

10.1. I recommend that the Council: -

(1) Approve the write off of £29,813.03 against the current provision for bad debts in relation to housing debt detailed in 5.3, against the Housing Revenue Account provision.

(2) Approve the write off of £112,046.52 of Sundry Debts, Non-Domestic Rates and Council Tax balances against the General Fund Provision.

(3) Approve the write off of £3,071.65 against Scottish Water.

(4) Approve the write off of £6,571.59 against the Harbour Accounts.

Date: 14 March 2011   Report No: F-018-F
Our Ref: AH/DS/WO/2011

Shetland
Islands Council

REPORT

To: Shetland Islands Council   23 March 2011

From: Head of Finance

Annual Investment Strategy for 2011/12
Report No: F-021-F

1. Introduction

1.1 This report proposes an Annual Investment Strategy for 2011/12 for the Council's investments as required by the Scottish Ministers' consent issued under The Local Government Investments (Scotland) Regulations 2010.

1.2 As per the Scottish Ministers' consent issued under the regulations the Annual Investment Strategy should form part of a wider single strategy covering capital investment, treasury management and prudential information. Currently the areas of treasury management and prudential information are reported annually in a Treasury Management Strategy Statement but this will now be included in the Annual Investment Strategy, annexed to this report.

1.3 This report will also update the members on the progress of the Council's investment strategy for external investments, as per the approved investment strategy (SIC 30 June 2010 minute reference 111/10). As at the 4th March 2011 the Council's externally invested reserves had a market value of £222 million.

1.4 The Council will also be asked to adopt the new fully revised edition of the CIPFA Code of Practice for Treasury Management in the Public Services 2009. The Council adopted the previous code in July 2002 (min ref 120/02).

2. Links to Corporate Priorities

2.1 This report links to the Council's corporate priorities, defined in its Corporate Plan, specifically in relation to assisting the Council in ensuring the financial resources are managed so that the Council can sustain and develop the economy.

3. Risk Assessment

3.1 An investment strategy includes different types of permitted investments that are exposed to various types of treasury risk. The main risks associated with treasury are credit or security risk (of default), liquidity risk that is more associated with longer-term investments and market risk that is the effect of market prices on investment value. The annual investment strategy (Appendix A) looks at these risks in more detail and the controls in place for limiting those risks.

4. Background

4.1 The investment legislation the Council invested under previously was the Trustee Investments Act 1961. This legislation restricted the Council's external investments to certain specific UK bonds, various cash products and equities that met certain restrictive criteria.

4.2 The Local Government in Scotland Act 2003 vested in Scottish Ministers the power to make new investment regulations for local authority funds. The Scottish Government have now used the 2003 Act to pass new investment regulations, and the Local Government Investments (Scotland) Regulations 2010 made under section 40 of the Local Government in Scotland Act 2003 came into force on 1st April 2010. These Regulations require that a local authority may only invest money with the consent of Scottish Ministers, and a general consent was issued by the Scottish Ministers dated 1 April 2010 which set out the conditions for permitted investments.

4.3 There are various requirements attached to the Scottish Ministers' consent, with the production of an Annual Investment Strategy duly approved by the Council each year, before the start of the coming financial year, being central to the consent.

4.4 The new legislation allows the Council to invest its reserves in a more focused strategic way specific to Shetland's requirements, which will also improve the long term potential investment return, as the old prescriptive legislation curtailed many investment options and opportunities.

4.5 As the new legislation came into force on the 1st April 2010 the Council had until the 30th June 2010 to approve an investment strategy for the remainder of 2010/11. The funds under management before any proposed changes were invested as follows:

Funds under management as at 4th June 2010

Manager	Fund	% of Reserves	Value of Fund using 4th June figures
Baillie Gifford – Capital Fund	Bond	17%	£39 million
Insight	Bond	18%	£40 million
GMO	Equity	34%	£76 million
Baillie Gifford	Equity	31%	£69 million

4.6 As per the Scottish Ministers consent the Council approved a new Investment Strategy on the 30th June 2010 for the remainder of 2010/11. The changes approved to the investment strategy were:

- The Capital Fund with Baillie Gifford will be terminated.
- The Council's Reserves will be invested between two equity managers, Baillie Gifford and GMO, and one bond manager Insight.
- The asset allocation will be split 75% / 25% between equities and bonds.
- Within equities the UK / Overseas split shall be 50:50.
- Delegated authority is granted to the Head of Finance or his nominee, to take action on behalf of the Council to discuss and approve the internal investments and benchmarks required with Insight and Baillie Gifford in consultation with Hymans Robertson, within the approved investment strategy.

4.7 All of the changes proposed are achievable by either moving funds within a fund manager or between existing fund managers. This helps keep costs of the reorganisation down. Using the 4th June 2010 figures the new investment strategy for 2010/11 looked like this:

Manager	Fund	% of Reserves	Value of Fund using 4th June figures
Insight	Bond	25%	£56 million
GMO	Equities	34%	£76 million
Baillie Gifford	Equities	41%	£92 million

4.8 There were no changes to the categorisation of the Council's reserves or the values held in those funds. The Capital Fund, Reserve Fund, Marine Fund, Repairs and Renewals Fund and Insurance Fund did not change. The only impact was on the investment of each reserve fund, with a slight general increase to equity investments in line with the investment strategy.

5. **Update on Progress of Investment Strategy for 2010/11**

5.1 The first part of the reorganisation occurred within the Baillie Gifford Miscellaneous Equity Fund. This fund was invested 73% in UK equities, 23% in overseas equities and 2% in cash.

5.2 The first decision was to remove cash from the mandate, as it is not efficient to pay fund manager fees to manage cash. The next step required the equity investments within the fund to be reorganised into an investment position of 61% overseas equities and 39% UK equities. This UK / overseas equity split, along with the Council's other equity fund manager GMO, would achieve the Council's decision to have an overall 50:50 split between UK and overseas equities.

5.3 There were no investment changes planned to GMO's equity fund, as stated in the 2010/11 Investment Strategy Report, as they had only managed the fund at that time for three years.

5.4 The reorganisation of Baillie Gifford's Miscellaneous Equity mandate, along with the investment legislation change, gave an opportunity to look at the overall investment of the fund. From discussions with Baillie Gifford it was proposed that UK equities would continue to be invested in the UK Alpha product.

5.5 For the overseas equities it was decided after discussions with Baillie Gifford that one investment in a global fund would be the best option. The Global Alpha Equity Fund was proposed. It is a reasonably aggressive fund that holds around 90 stocks throughout the world on a bottom up investment basis. This gives a high conviction concentrated portfolio targeting +2% to +3% out performance of the MSCI All Countries World Index.

5.6 As the Baillie Gifford fund is now targeting higher returns there are higher fees, which Baillie Gifford has phased over a three-year period. Any fee increase has to be considered against the increase in expected returns from the investment. Over the past five years the new investment would have produced a 3% per annum greater return as against the Miscellaneous Fund returns. This would have equated to an additional £2.4 million net return per annum.

5.7 The Baillie Gifford Miscellaneous Fund was reorganised in 2010 into the UK Alpha Fund and the Global Alpha Fund.

5.8 Baillie Gifford also manages the Capital Bond Fund. This fund is due to be closed, and as per the investment strategy the remaining value will be transferred to Insight Investment Management. This is currently under progress and will be completed by the end of March 2011.

5.9 Insight's Bond mandate will also be reorganised by the end of March 2011. The Insight mandate will be invested 40% in UK Government Gilts, 40% in Corporate Bonds and 20% in a bond fund benchmarked against a 3-month cash index. The overall fund is invested between three fixed income areas, concentrating on bonds but with a 20% allocation to a cash benchmark to cover possible interest rate situations. The overall mandate has a 2% out performance target of the indexes they are invested against, so encouraging active management.

5.10 Insight's fees increase with this new active mandate but when taken into context against the out performance of the new investment over the past three years, this equates to a net 1% increase in return per annum, around £550,000 increased return per annum.

5.11 Hymans Robertson the Council's investment advisors were consulted on all of the investment decisions. They liked the Baillie Gifford Funds although they were concerned about the recent good performance but agreed that the investment suited the Council's long-term investment horizon. The investment mix of bonds agreed upon for Insight's mandate was also the preferred option suggested by Hymans Robertson for the Council's bonds.

6. Investment Strategy for 2011/12

6.1 By the end of March 2011 the Council investments will be reorganised as per the 2010/11 investment strategy. This reorganisation has involved large investment transfers with investment strategies set in place for the long term. The new legislation has allowed the Council to develop and carry out these changes, which aim at higher long-term investment returns.

6.2 Two of the Council's three fund managers have seen their mandates reorganised. The Council now has two equity fund managers, Baillie Gifford who is an active stock picking fund manager and GMO who uses an enhanced computer driven quant process. Two very different fund managers that fit well together in an investment strategy. Insight has a bond mandate, which not only gives diversification from equities but within the mandate covers different bond markets and fixed income scenarios.

6.3   Due to the changes carried out to the Council's reserves I do not propose at this time to alter the investment structure during 2011/12. The Council invests into specific assets for the long-term and there is no benefit from continual structural change.

6.4   With the current level of Council Reserves at 4th March 2011 the investment strategy for 2011/12 is split between the fund managers like so:

Manager	Fund	% of Reserves	Value of Fund using 4th March figures
Insight	Bond	25%	£55 million
GMO	Equities	38%	£84 million
Baillie Gifford	Equities	37%	£83 million

7.   Annual Investment Strategy Statement for 2011/12

7.1   In previous years a Treasury Management Strategy Statement was prepared and set before the Council prior to the financial year it represented. As per the Scottish Ministers' consent issued under the regulations this report will be incorporated into the Annual Investment Strategy, at Appendix A.

7.2   The Annual Investment Strategy Statement is designed to give an integrated Local Authority strategy within which both its borrowing and investments are considered. As such the Scottish Ministers recommended that there be a single Strategy covering capital, treasury management, the setting of prudential indicators and the requirements of the investment regulations and Consent.   The Investment Strategy Statement at Appendix A therefore covers the following:

- Investment Strategy for 2011/12
- Permitted investments
- Risk Management
- Treasury Management Strategy
- Treasury Management Prudential Indicators
- Capital Borrowing Strategy
- Delegation and Reporting

8. CIPFA Code of Practice for Treasury Management in the Public Services

8.1   The Council formally adopted the CIPFA Code of Practice for Treasury Management in the Public Services on 10 July 2002 (minute reference 120/02). The objective of the code is to provide guidance on the best practice for treasury management. The Scottish Ministers Consent states that through the Investment Strategy Local Authorities should advise whether they have adopted the CIPFA Treasury Management Code in full, or if not provide an explanation.

8.2   The CIPFA Code of Practice for Treasury Management in the Public Services was revised in 2009 in light of the default by Icelandic banks in 2008. As the code was fully revised it would be appropriate to approve the adoption of the revised CIPFA Code of Practice for Treasury Management 2009.

8.3   The revised CIPFA Code requires that four specific clauses be adopted by all service organisations. These clauses cover:

  - Two documents to be created; a treasury management policy statement and a treasury management practices document
  - Reporting requirements
  - Delegation of responsibility
  - Organisation's responsibilities

In line with the CIPFA Code these four clauses are set out in Appendix C and require to be adopted in order for the Council to fully adopt the new version of the CIPFA Code.

8.4   The adoption of a Treasury Management Policy Statement is also a requirement of the CIPFA Code of Practice for Treasury Management in the Public Services. The Treasury Management Policy Statement covers the whole range of treasury management issues, including the fundamental principles for making and managing investments. The consent of the Scottish Ministers also requires local authorities to have regard to this code in managing their investments.

8.5   The proposed Treasury Management Policy Statement for 2011/12 is attached as Appendix B. This policy statement uses a form of words as recommended by CIPFA in its Code of Practice for Treasury Management in the Public services and is subject to annual review.

9. Financial Implications

9.1 The annual investment strategy employed by the Council will impact on the long-term projected investment returns of the Council's reserves, and have consequences for the daily operating cash capabilities of the Council.

9.2 As the Council reserves are used for both capital projects and ongoing revenue purposes, the returns from the external investments will have a direct impact on the Council's future operations.

10. Policy and Delegated Authority

10.1 As required by the consent issued by the Scottish Ministers by virtue of Section 40 of the Local Government in Scotland Act 2003, only the Council can approve the annual investment strategy.

10.2 This report complies with CIPFA's Code of Practice for Treasury Management in the Public Services, which the Council formally adopted on 10 July 2002 (minute reference 120/02).

10.3 Day to day responsibility for Fund Management is delegated to the Head of Finance of Executive Services Department and/or his nominees (SIC 25 July 1996 minute reference 97/96).

10.4 The Head of Finance currently has delegated authority for Cash and Debt Management, which was approved following consideration of a report by the Shetland Islands Council on 10 July 2002 (minute reference 120/02).

11. Conclusions

11.1 The Local Government Investments (Scotland) Regulations 2010 came into force on 1st April 2010. These regulations allow the Council to adopt a new investment strategy, to improve the investment efficiency of the reserves.

11.2 The Council approved a new long-term investment strategy for its reserves in June 2010, which involved a large reorganisation of its reserves that will be completed by the end of March 2011.

11.3 The Council invests into specific assets with an investment strategy for the long-term, so there is no benefit from continual structural change. There is therefore no proposed change to the investment strategy set in 2010/11, for the financial year 2011/12.

11.4   This report includes at Appendix A the Annual Investment Strategy Statement for the Shetland Islands Council to be followed for the financial year 2011/12. This Strategy Statement incorporates the previous Treasury Management Strategy Statement as per the consent issued by the Scottish Ministers.

11.5   The Annual Investment Strategy Statement meets the requirements of best practice as per CIPFA's Code of Practice for Treasury Management in the Public Services.

11.6   The proposed Treasury Management Policy Statement for 2011/12 is set out in detail at Appendix B and is subject to annual review. This policy statement uses a form of words as recommended by CIPFA in its Code of Practice for Treasury Management in the Public services.

11.7   The CIPFA Code of Practice for Treasury Management in Local Services was fully revised in 2009. Due to this full revision the Council will be asked to adopt the 2009 Code along with the four required clauses as set out in Appendix C.

12.   Recommendations

12.1   I recommend that the Council approve The Annual Investment Strategy set out in Appendix A, for the financial year 2011/12.

12.2   I recommend that the Council adopt the Treasury Management Policy Statement set out in Appendix B, for the financial year 2011/12.

12.3   I recommend that the Council adopt the Revised CIPFA Code of Practice for Treasury Management in the Public Services 2009, which includes the four clauses as set out in Appendix C.

Ref: CAB/DS   Report No: F-021-F
Date: 15 March 2011

Appendix A

Shetland Islands Council

Annual Investment Strategy Statement

2011/12

1. Introduction

1.1 This Annual Investment Strategy 2011/12 is central to the consent issued by the Scottish Ministers under The Local Government Investments (Scotland) Regulations 2010. The consent states, "Local Authorities are required to prepare an Annual Investment Strategy before the start of the financial year and an Annual Investment Report after the financial year end. The requirement for local authorities to produce an annual strategy and annual report is also reflected in the CIPFA Code of Practice for Treasury Management in the Public Services 2009."

1.2 The Scottish Minister's consent also states that a local authority can produce a single strategy covering capital, treasury management, the setting of prudential indicators and the requirements of the regulations and consent. This Annual Investment Strategy will therefore cover all aspects of Treasury's investment activities.

2. Investment Strategy for 2011/12

2.1 The proposed Investment Strategy for 2011/12 is split into long-term investments (equities and bonds) with external fund managers and short-term investments in cash products managed by the Council's Treasury section.

2.2 The market value of the Council's long-term investments at the 4th March 2011 was £222 million. After the Local Government Investments (Scotland) Regulations 2010, the Council undertook a large reorganisation of these investments in 2010/11. The outcome of this reorganisation will form the new investment strategy for 2011/12. Council's reserves for 2011/12 will be initially invested as follows:

Manager	Fund	% of Reserves
Insight	Bonds	25%
GMO	Equities	38%
Baillie Gifford	Equities	37%

2.3 Insight's mandate is invested into two different unitized bond products. The Broad Market Bonds Plus Fund is a fund split between UK Government Gilts and corporate bonds and has 80% of the mandate, and the Bonds Plus Fund is set against a cash return and has 20% of the mandate.

2.4 GMO's mandate is invested into two unitised equity products, with 60% in a UK Equity Fund and 40% in a World Ex-UK Equity Fund.

2.5 Baillie Gifford is invested into two unitised equity products, with 39% in a UK Equity Fund and 61% in a Global ex UK Equity Fund.

2.6 Short–term investments are held in cash, either with the Council's bank or on short-term deposits. These are managed by the Council's Treasury function on a daily basis to ensure the efficient operation of Council activities.

2.7 All long-term investments are held for the purpose of achieving an investment return. To this end all investments are managed in a way that minimizes the risk to the capital sum and optimises the return on the investment consistent with those risks. This involves setting benchmarks for each fund and for each unitised product within the funds. These benchmarks (market indexes) are used to evaluate the performance of each investment against their investment market, with large deviations both above and below these markets questioned similarly.

2.8 All of the long-term investments are active mandates where the fund manager has a target above the benchmark return. The target is a level of out performance above the benchmark that is seen as achievable with a low level of measured risk on a given mandate. The Manager will actively seek to produce investment returns in order to achieve the stated target. Performance at or above target is desirable but any returns above the benchmark will add value to the fund above the market return.

3. **Permitted Investments**

3.1 Every mandate the Council awards to a fund manger is finalised by both the Council and the fund manager entering into an Investment Management Agreement. This agreement covers all aspects of the investment and it states the permitted investments and the asset class levels allowed for that mandate. Any breach of these set levels must be reported immediately by the fund manager and rectified as soon as practical.

3.2 The Council has also set general investment asset class levels for 2011/12. These are:

- The overall asset allocation at the start of 2011/12 will be set at 75% / 25% between equities and bonds.
- Within equities the UK / Overseas split at the start of 2011/12 will be set at 50:50.

3.3 Any transfer of funds from a fund manager back to the Council's own bank account, to maintain a working capital balance for the day to day operation of the Council's operations, shall be redeemed from the reserves in the initial 75% / 25% equity bond split.

3.4 No rebasing of the equity bond split shall take place during 2011/12 unless with the approval of the Council.

4. Risk Management

4.1 The authority's investments and financial activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the authority

- Liquidity risk – the possibility that the authority might not have funds available to meet its commitments to make payments

- Market risk – the possibility that financial loss might arise for the authority as a result of changes in such measures as interest rates and stock market movements

4.2 The authority's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the Treasury Service, under policies approved by the Council, in the Investment Strategy Statement.

Credit Risk

4.3 Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the authority's customers. Deposits are not made with banks or financial institutions unless they meet one of the following categories:

- A Bank or Building Society with at least a –AA long term Fitch IBCA rating
- Bank of Scotland – Council's own bank
- Any bank which is a wholly owned subsidiary of the above
- Any Local Authority

The –AA long term rating is defined by Fitch IBCA (International Bank Credit Association) as a "low expectation of investment risk ….. adverse changes in business, economic or financial conditions may increase risk, albeit not very significantly".

4.4   An approved lending list of the financial institutions that meet the above criteria will be maintained and displayed in Treasury.

In addition the following guidelines will apply:

- No more than £3 million to be lent to any single organisation from one account, apart from the Council's own bank.

- No more than £6 million to be lent to any one organisation in total from all accounts, apart from the Council's own bank.

4.5   At the 4th March 2011 the Council had deposits and short- term loans with the Council's own bank, amounting to £17 million. The Council's exposure to credit risk on these current deposits is very low based on the last five financial years experience, where no default or loss has occurred.

Liquidity Risk

4.6   The authority has external investments with fund managers amounting to £222 million at the 4th March 2011. The authority has ready access to these funds, so there is no significant risk that it will be unable to meet its daily operating commitments.

Market Risk

4.7   The authority is exposed to significant risk in terms of its exposure to cash interest rates, the bond market and the equity markets. Movements in interest rates, bond values and share prices have a complex impact on the authority's investments. To limit the effect of these movements the investment portfolio is diversified to reduce exposure to any one market. The investment portfolio at the 4th March 2011 is diversified between the following markets:

UK Equities
Overseas Equities
UK Government Bonds
Overseas Bonds
Corporate Bonds
Cash

Overseas equities comprise investments in North America, Europe, Japan, Pacific (ex Japan) and Emerging Markets. The largest investment is in UK Equities and any movement of the UK market will have the greatest impact on any gains or losses.

Foreign Exchange Risk

4.8 The authority has overseas equities and bonds that are denominated in foreign currencies. The exposure to risk of loss in adverse movements in exchange rates are greatly reduced through the use of currency hedging strategies to specifically negate any currency movement impact.

5. Treasury Management Strategy

5.1 The Treasury Management Strategy details the activities and guidelines to be followed by the Treasury Section for all areas of cash management in the forthcoming financial year (2011/12). Its production and submission to the Shetland Islands Council is a requirement of the CIPFA Code of Practice for Treasury Management in the Public services.

5.2 Cash Management for the Shetland Islands Council is carried out within the Treasury Section of Finance, and consists of the daily management of nine bank accounts and any associated short-term lendings. On the 4th March 2011 the Treasury Section had £17 million invested between the various bank accounts with the Bank of Scotland, the Council's bank, and on short-term loans.

5.3 Debt Management is also carried out within the Treasury Section, and currently there is no external borrowing. There is an agreed overdraft facility with the bank of £800,000 that can be used to cover the accounts managed by Treasury, for any short-term situations if required. The Council is debt free on all internal accounts except the Housing Revenue Account and the Harbour Account. The Housing and Harbour Debt are currently financed from internal reserves, and do not require external borrowing.

5.4 The Local Government in Scotland Act 2003 requires the Council to set Prudential Indicators for the next three years to ensure that the Council's capital investment plans are affordable, prudent and sustainable. The Act also requires the Council, in conjunction with this, to set out its treasury strategy for borrowing and investment. The suggested strategy for 2011/12 covers the following:

- Treasury Management Prudential Indicators
- Capital Borrowing Strategy
- Delegation and Reporting

6. Treasury Management Prudential Indicators for 2011/12 –2013/14

6.1 The following prudential indicators are relevant for the purposes of setting an integrated treasury management strategy.

6.2 <u>CIPFA Code of Practice for Treasury Management</u>

Shetland Islands Council adopted the CIPFA Code of Practice for Treasury Management in the Public Services in July 2002 (minute ref: 120/02). A fully revised second edition Prudential Code for Capital Finance in Local Authorities was published in 2009.

6.3 <u>Upper limit on fixed interest rate exposure</u>

	2011/12 £000	2012/13 £000	2013/14 £000
Upper limit - fixed interest rate exposure	-43,000	-49,300	-49,600

The indicator for Shetland Islands Council is negative because of the substantial cash investments the Council holds relating to the Capital Fund, Reserve Fund, Repairs & Renewals Fund and other Miscellaneous Funds.

6.4 <u>Upper limit on variable interest rate exposure</u>

	2011/12 £000	2012/13 £000	2013/14 £000
Upper limit - variable interest rate exposure	-29,000	-32,300	-32,600

The indicator for Shetland Islands Council is negative because of the substantial cash investments the Council holds relating to the Capital Fund, Reserve Fund, Repairs & Renewals Fund and other Miscellaneous Funds.

6.5 <u>Amount of fixed rate borrowing, maturing in each period</u>

The Council has no fixed rate borrowing.

6.6 <u>Upper limits on sums invested for longer than 364 days</u>

At the 31st March 2010 the Council had around £233 million invested with external fund managers. It is not possible to predict when each of these will mature as it will be dependent on conditions in the stock market.

The purpose of this indicator is to contain the local authority's exposure to the possibility of loss arising as a result of having to seek early repayment or redemption of principal sums invested to cover current commitments. It is not anticipated that early repayment or redemption of principal sums invested will be required.

7. Capital Borrowing Strategy

7.1 As per the Prudential Code there will be no capital borrowings required during 2011/12.

8. Delegation and Reporting

8.1 The Council recognises that, in order to best manage the risks involved in Cash and Debt Management and to permit the making of the immediate daily decisions required by the money markets, it is inappropriate and impractical to pursue a system of Council (or Committee) involvement in the decision making process. The Council, therefore, through its adoption of the CIPFA Code of Practice for Treasury Management in the Public Services 2009 delegates the execution and administration of treasury management decisions to the Head of Finance and his nominees.

8.2 The Head of Finance will report annually an investment strategy statement in advance of the relevant year, a mid-year review and an annual report after its close.

Shetland Islands Council

Treasury Management Policy Statement

2011/12

As part of the adoption of the CIPFA Code of Treasury Management in the Public Services the Council is required to produce a Treasury Management Policy Statement, stating the policies and objectives of its treasury management activities. This policy statement uses a form of words as recommended by CIPFA in its Code of Practice for Treasury Management in the Public services and is subject to annual review.

1. The Shetland Islands Council defines its treasury activities as:
   "The management of the authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks".

2. The Shetland Islands Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.

3. The Shetland Islands Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.

Appendix C

Shetland Islands Council

Adoption of the Revised CIPFA Code of Practice for Treasury Management in the Public Services 2009

Introduction

The CIPFA Code of Practice for Treasury Management in the Public Services was last updated in 2001 and has been revised in 2009 in the light of the default by Icelandic Banks in 2008. The revised Code requires that the following four clauses have to be formally approved by the Council in order to adopt the new version of the CIPFA Code of Practice for Treasury Management in Public Services.

Clauses to be Formally Adopted

CIPFA recommends that all public service organisations adopt, as part of their standing orders, financial regulations, or other formal policy documents appropriate to their circumstances, the following four clauses.

1. This organisation will create and maintain, as the cornerstones for effective treasury management:

   - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
   - suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities

   The content of the policy statement and TMPs will follow the recommendations contained in Sections 6 and 7 of the Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the Code's key principles.

2. This organisation (Council) will receive reports on its treasury management policies, practices and activities, including, as a minimum, an annual strategy and plan in advance of the year, a mid-year review and an annual report after its close, in the form prescribed in its TMPs.

3. This organisation delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices, and for the execution and administration of treasury management

decisions to the Head of Finance, who will act in accordance with the organisation's policy statement and TMPs and, if he/she is a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

4. This organisation nominates the Council to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

Shetland
Islands Council

REPORT

To: **Shetland Islands Council** **23 March 2011**

From: **Head of Finance**
Executive Services Department

Report No: F-019-F

SIC Revenue Management Accounts
General Fund (inc Support/Recharged), Harbour Account, Housing Revenue Account and Reserve Fund
For the Period 1 April 2010 to 31 January 2011

1. Introduction

1.1 The purpose of this report is to advise Members of the financial position on the Council's General Fund (including Support and Recharged ledgers), Harbour Account, Housing Revenue Account and Reserve Fund revenue management accounts (RMA) for the first 10 months of 2010/11.

2. Links to Corporate Priorities

2.1 This report links to the Council's corporate priorities, defined in its Corporate Plan, specifically in relation to reviewing financial performance relative to the Council's financial policies.

3. Risk Management

3.1 This is an information report so there are no risks associated with the recommendation. However, the main risk for the revenue management accounts is that the Council may not achieve the budget savings required to balance the budget. This may require additional use of reserves in this financial year over and above that already approved by the Council across all programmes (i.e. revenue/capital/reserve fund).

4. Background

4.1 The revenue management accounts are presented to the Corporate Management Team on a monthly basis to monitor the Council's overall financial position.

4.2 The financial data in this report includes employee costs, operating costs (property, supplies and services, administration, transport and

agency payments), transfer payments (grants) and income (fees and charges, grants and rents).

4.3 The appendices show financial data under the following headings:

- **Annual Budget** – this is essentially the budget for a service activity, which was approved by the Council as part of the Council Tax setting process for 2010/11. Budget Responsible Officers (BROs) have delegated authority, in most cases, to spend up to this budget, in order to deliver the policy decisions of the Council. BROs are therefore responsible for: the amount of service; the way in which the services are delivered; where the services are provided; and the quality of service provided.
- **Year to Date (YTD) Budget** - the amount which we expect to spend or receive up to a given point (end of January) in the year. This report therefore covers the first 10 months of this financial year. YTDs for many budgets are simply split evenly across the year, i.e 10/12ths of the staffing budget, which would be expected to be spent at this point in the year. There are however some activities which are less easy to predict (for example, grant aid does not follow any particular pattern as it depends when the applications arise).
- **Year to Date Actual** - the total income or expenditure up to a given point (end of January).
- **Year To Date Variance** – this is the difference between the YTD budget and YTD actual.   Figures in brackets are overspends.

5. **Financial position on the General Fund (inc Support & Recharged)**

5.1 The General Fund spend is £6.159m less than the YTD budget excluding the savings/vacancy factor requirement of £9.943m to meet the approved revenue draw on Reserves of £2m for 2010/11.

5.2 Work is ongoing to identify the savings required to balance the 2010/11 budget. To date £4.607m has been earmarked as real savings out of the underspends, this leaves a further £5.336m to find.

5.3 Appendix 1 (a) shows the Council's financial position by service area, and appendix 1(b) shows the position by type of expenditure and income. Appendices 2 (a, b & c) show each department's expenditure by cost centre.

5.4 Executive Services shows an under spend of £2.992m against the YTD budget, if you exclude corporate savings, this leaves an underspend of £0.722m.   The main service areas where there are underspend variances are under Finance, Organisational Development and the Capital Programme Svs.   Under Finance there is second homes council tax income earmarked for housing projects of £0.253m, the variance under Organisational Development is due to general underspending on ICT services.   The Capital Programme Svs underspend is mainly due to reduced operating costs on property services.

5.5 Education and Social Care Services shows an under spend against the YTD budget of £3.399m, the department has achieved the service target savings of £1.372m and has identified a further £1.9m of the corporate savings target. The main underspends are on maintenance £0.250m and training and travel £0.215m. Full details of variances were included in the RMA report to the Services Committee.

5.6 Infrastructure Services shows an over spend against the YTD budget of £0.181m. However two significant adverse outturn variances have been identified amounting to £0.558m, due to ferry service fuel costs £0.193m and increased bus contract costs £0.365m. Full details of variances were included in the RMA report to the Infrastructure Committee.

5.7 Economic Development Unit shows an overspend against the YTD budget of £0.051m due to the Business Gateway scheme. Full details of variances were included in the RMA report to the Development Committee.

5.8 Budget Responsible Officers across the Council are aware of the need to make savings and have been endeavouring to constrain spending whilst minimising effects on services.

6. Financial position on the Harbour Account

6.1 Appendix 3 shows the financial position for the Harbour Account by service area and by type of expenditure. Appendix 4 shows the same data by cost centre.

6.2 The Harbour Account shows an overspend against the YTD budget of £1.282m. This is due to savings from the Ports of the Future project not materialising this year as originally anticipated. Full details of variances were included in the RMA report to the Harbour Board.

7. Financial position on the Housing Revenue Account

7.1 Appendix 5 shows the financial position for the Housing Revenue Account by service area and by type of expenditure. Appendix 6 shows the same data by cost centre.

7.2 The Housing Revenue Account shows an under spend against the YTD budget of £0.042m.

8. Financial position on the Reserve Fund

8.1 Appendix 7 shows the financial position for the Reserve Fund by service area and by type of expenditure. Appendix 8 shows the same data by cost centre.

8.2 The Reserve Fund shows an under spend against the YTD budget of £0.999m. This is mainly due to the difficulty in profiling budgets to match spending on economic development activity as a number of projects are currently awaiting decisions on external funding.

9. Full-Time Equivalents

9.1 Appendix 9 measures the number of full-time equivalents (FTEs) budgeted for and the actual spend to date. This is derived using the island allowance payment made to all staff. At the end of the December there were 100 fte staff vacancies. Most of these are under the Education and Social Care department (56%).

10. Financial Implications

10.1 The following table shows the period 10 position by each of the funds.

Fund	Underspend/(overspend) £m
General Fund (inc support/recharged)	6.159
Harbour Account (excluding Jetties/Spur Booms)	(1.282)
Housing Revenue Account	0.042
Reserve Fund	0.999
TOTAL	5.918

10.2 There is a requirement to find savings of £9.943m to balance the General Fund. To date £4.607m has been classed as real savings for 2010/11 this leaves a further £5.336m to be identified.

10.3 The figures throughout this report have been adjusted for major profiling errors to give a more accurate financial position.

10.4 Work is ongoing by all budget responsible officers to continue to reduce the budget deficit on the General Fund. Each month BROs are being asked to identify if the underspends are savings.

11. Policy and Delegated Authority

11.1 This report is being presented to the Council for information in terms of its remit for financial policy and monitoring.

12. Recommendation

12.1 I recommend that the Council note this report.

Report No: F-019-F   Date: 9 March 2011

SIC MANAGEMENT INFORMATION 2010/11 - PERIOD 10					1 April to 31 January 2011	

Revenue Expenditure by Service (General Fund, Recharged Services & Support S	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance Including Required Savings (Overspend)/Underspend	Savings To be Achieved	Year to Date Variance Excluding Required Savings (Overspend)/Underspend
	£	£	£	£	£	£
Executive Services (sub total)	**5,930,033**	**3,536,493**	**9,115,410**	**(5,578,917)**	**(8,571,069)**	**2,992,152**
Executive Management	1,827,333	739,245	868,552	(129,307)	(87,000)	(42,307)
Capital Programme Service	1,438,672	1,000,912	1,839,161	(838,249)	(1,000,000)	161,751
Council Members	636,330	528,037	504,431	23,606		23,606
Organisational Development	3,424,164	2,812,709	2,695,946	116,763	(100,000)	216,763
Finance	2,578,767	2,199,307	2,031,018	168,289	(160,000)	328,289
Legal & Administration	1,473,581	1,210,097	1,176,301	33,796		33,796
Corporate Savings	(5,448,814)	(4,953,814)	0	(4,953,814)	(7,224,069)	2,270,255
Education & Social Care (sub total)	**76,844,955**	**65,969,688**	**63,942,234**	**2,027,454**	**(1,372,055)**	**3,399,509**
Executive Director (inc Museums)	1,516,620	1,455,476	1,462,552	(7,076)		(7,076)
Resources	1,272,499	1,061,730	952,470	109,260		109,260
Community Care	23,366,045	21,462,827	20,903,658	559,169	(1,165,194)	1,724,363
Children's Services	6,287,720	5,148,671	4,994,149	154,522	(126,000)	280,522
Criminal Justice Unit	22,967	18,513	12,752	5,761		5,761
Housing	2,312,788	1,837,935	1,773,901	64,034		64,034
Schools	39,301,304	32,620,429	31,705,308	915,121	(80,861)	995,982
Train Shetland (inc Adult Learning)	605,876	544,985	452,364	92,621		92,621
Community Work	366,127	307,480	284,065	23,415		23,415
Sports & Leisure	1,793,009	1,511,642	1,401,015	110,627		110,627
Infrastructure Services (sub total)	**31,296,308**	**25,087,663**	**25,268,900**	**(181,237)**	**0**	**(181,237)**
Directorate	798,917	660,370	633,359	27,011		27,011
Environment & Building Services	6,419,077	5,529,777	5,353,565	176,212		176,212
Roads	6,970,271	5,577,248	5,519,944	57,304		57,304
Transport	15,174,781	11,966,658	12,620,573	(653,915)		(653,915)
Planning	1,933,262	1,353,610	1,141,459	212,151		212,151
Economic Development Unit (sub total)	**879,393**	**791,840**	**843,192**	**(51,352)**	**0**	**(51,352)**
Economic Development Unit	879,393	791,840	843,192	(51,352)		(51,352)
TOTAL	**114,950,689**	**95,385,684**	**99,169,736**	**(3,784,052)**	**(9,943,124)**	**6,159,072**

Revenue Expenditure by Subjective   **Shetland Islands Council**

(General Fund, Recharged Services & Su|

	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance Including Required Savings (Overspend)/Underspend	Savings To be Achieved	Year to Date Variance Excluding Required Savings (Overspend)/Underspend
	£	£	£	£	£	£
Employee Costs (sub total)	**85,226,105**	**69,565,750**	**74,022,520**	**(4,456,770)**	**(9,943,124)**	**5,486,354**
Basic Pay	65,328,812	54,417,021	54,063,061	353,960	0	353,960
Overtime	1,966,013	1,588,710	1,721,748	(133,038)	0	(133,038)
Other Employee Costs	17,931,280	13,560,019	18,237,711	(4,677,692)	(9,943,124)	5,265,432
Operating Costs (sub total)	**41,167,897**	**32,815,626**	**32,047,538**	**768,088**	**0**	**768,088**
Training, Travel & Subsistence	3,743,545	2,998,921	2,651,636	347,285	0	347,285
Property Costs	13,982,827	11,625,057	11,371,988	253,069	0	253,069
Other Operating Costs	23,441,525	18,191,648	18,023,915	167,733	0	167,733
Transfer Payments (sub total)	**10,347,423**	**7,794,744**	**7,439,531**	**355,213**	**0**	**355,213**
Income (sub total)	**(21,790,736)**	**(14,790,436)**	**(14,339,853)**	**(450,583)**	**0**	**(450,583)**
TOTAL	**114,950,689**	**95,385,684**	**99,169,736**	**(3,784,052)**	**(9,943,124)**	**6,159,072**

EDUCATION & SOCIAL CARE Mgt A/c's 2010/11 - DETAIL - PERIOD 10   1 April to 31 January 2011

Description	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance Including Required Savings (Overspend)/Underspend	Savings To be Achieved	Year to Date Variance Excluding Required Savings (Overspend)/Underspend
	£	£	£	£	£	£
Directorate & Svs	**1,516,620**	**1,455,476**	**1,462,552**	**(7,076)**	**0**	**(7,076)**
SRJ0000 Exec Dir Educ & Social Care	245,624	203,181	188,134	15,047		15,047
GRJ1002 Data Sharing Project	78,916	67,393	74,605	(7,212)		(7,212)
GRL4210 Museums & Archives Prop Costs	50,397	43,219	58,129	(14,910)		(14,910)
GRL4217 New Museum & Arts Centre	1,141,683	1,141,683	1,141,684	(1)		(1)
Resources	**1,272,499**	**1,061,730**	**952,470**	**109,260**	**0**	**109,260**
SRJ2000 Resources Manager	147,821	131,568	85,392	46,176		46,176
SRJ2100 Information	139,606	120,343	112,281	8,062		8,062
SRJ2200 Staff Management	330,130	274,452	271,152	3,300		3,300
SRJ2201 Recruitment Expenses	183,597	142,808	125,427	17,381		17,381
SRJ2300 Administration	401,545	334,526	301,478	33,048		33,048
SRJ2500 Grant Administration	69,800	58,033	56,740	1,293		1,293
Community Work	**366,127**	**307,480**	**284,065**	**23,415**	**0**	**23,415**
GRJ3301 Area Community Work	292,790	248,379	247,172	1,207		1,207
GRJ3302 Community Work Initiatives	(1,470)	(1,470)	(1,471)	1		1
GRJ3303 Community Transport	14,851	10,045	3,003	7,042		7,042
GRJ3307 SLSDG (Vision)	0	0	(9,699)	9,699		9,699
SRJ3300 Comm Learning & Dev Mgt	59,956	50,526	45,059	5,467		5,467
Sports & Leisure Assistance & Support	**1,793,009**	**1,511,642**	**1,401,013**	**110,627**	**0**	**110,627**
GRJ3100 Islesburgh Cafeteria	21,581	12,241	28,779	(16,538)		(16,538)
GRJ3101 Islesburgh	692,511	576,996	604,072	(27,076)		(27,076)
GRJ3102 Bridge-End Outdoor Centre	5,000	5,000	5,000	0		0
GRJ3103 Unst Youth Centre	5,000	5,000	3,464	1,536		1,536
GRJ3104 Fetlar Camp Site	5,640	4,304	3,463	841		841
GRJ3105 2 St Sunniva Street	12,157	9,402	6,687	2,715		2,715
GRJ3106 Knab Golf Course	0	0	0	0		0
GRJ3107 Parks General	271,688	233,306	225,072	8,234		8,234
GRJ3108 Play Areas General	104,712	71,002	62,556	8,446		8,446
GRJ3109 Multicourts General	7,002	4,835	882	3,953		3,953
GRJ3119 Duke of Edinburgh	2,815	1,907	2,881	(974)		(974)
GRJ3120 Sports Development	53,973	44,107	41,156	2,951		2,951
GRJ3122 Outdoor Educ and Activities	72,985	63,615	59,889	3,726		3,726
GRJ3125 Active Schools	85,448	127,204	98,127	29,077		29,077
GRJ3126 Active Futures	18,921	14,840	9,854	4,986		4,986
GRJ3127 Dance Mats	0	(4,000)	(5,519)	1,519		1,519
GRJ3128 Tall Ships Races	0	0	0	0		0
GRJ3129 Cash back for Communities	(136)	(1,706)	(5,997)	4,291		4,291
GRJ3130 Comm use of Sandwick Came Hall	12,880	11,396	10,148	1,248		1,248
GRJ3131 Comm Use of Scalwy Games Hall	12,720	12,007	15,828	(3,821)		(3,821)
GRJ3201 Grants to Vol Orgs General	55,085	46,630	45,550	1,080		1,080
GRJ3202 Development Grant Aid Scheme	81,060	66,870	55,004	11,866		11,866
GRJ3203 Support Grant Aid Scheme	111,509	65,669	54,460	11,209		11,209
GRJ3204 Pitches Other	29,131	21,848	25,742	(3,894)		(3,894)
GRJ3205 Maintain Community Facilities	10,000	8,333	3,024	5,309		5,309
SRJ3000 Sports & Leisure Svs Mgt	121,327	110,836	50,893	59,943		59,943
Train Shetland (inc Adult Learning)	**605,876**	**544,985**	**452,364**	**92,621**	**0**	**92,621**
GRL4121 Evening Classes	98,004	84,292	66,875	17,417		17,417
GRL4123 Adult Learning	158,761	131,741	125,806	5,935		5,935
GRL4125 Adult Literacy Strategic Plan	183,481	172,295	124,288	48,007		48,007
GRL4126 Literacies Projects	0	0	211	(211)		(211)
GRL6002 Vocational Service	234,096	195,264	195,210	54		54
GRL6003 Vocational Training	(130,148)	(108,892)	(102,820)	(6,072)		(6,072)
GRL6006 Short Courses	(41,545)	(18,476)	(41,943)	23,467		23,467
GRL6007 Business Gateway Contract	(500)	(208)	(3,696)	3,488		3,488
GRL6008 Construction Skills Contract	175	2,983	2,641	342		342
SRL6006 Short Course Management	103,552	85,986	85,794	192		192
Schools Service	**39,301,304**	**32,620,429**	**31,705,308**	**915,121**	**(80,861)**	**995,982**
GRE0006 Director, Central Support	1,329,119	1,203,571	598,638	604,933		604,933
GRE0102 Bursaries	190,000	101,295	95,827	5,468		5,468
GRE0103 Clothing Grants	20,900	17,417	19,655	(2,238)		(2,238)
GRE0104 School Boards Administration	32,046	26,704	14,236	12,468	(55,861)	68,329
GRE0107 School Milk	8,530	9,063	4,782	4,281		4,281
GRE0108 Educ Maint Allowance (EMA)	(10,000)	(15,000)	(2,902)	(12,098)		(12,098)
GRE1101 Schools, Aith Nursery	40,290	33,566	32,098	1,468		1,468
GRE1103 Schools, Baltasound NS	46,282	23,971	21,851	2,120		2,120
GRE1104 Schools, Bells Brae NS	133,447	111,280	114,055	(2,775)		(2,775)
GRE1105 Schools, Brae Nursery	78,580	65,717	65,242	475		475
GRE1106 Schools, Bressay Nursery	30,402	26,889	23,315	3,574		3,574
GRE1109 Schools, Cunningsb'h NS	48,625	40,338	47,870	(7,532)		(7,532)
GRE1110 Schools, Dunrossness NS	78,686	65,435	65,409	26		26
GRE1111 Schools, Fair Isle Nursery	5,246	4,993	4,621	372		372
GRE1112 Schools, Fetlar Nursery	7,692	6,270	6,367	(97)		(97)
GRE1113 Schools, Foula Nursery	12,160	10,157	10,259	(102)		(102)
GRE1117 Schools, Happyhansel NS	47,370	40,345	39,270	1,075		1,075
GRE1119 Lunnasting Nursery	30,156	25,131	24,946	185		185
GRE1120 Schools, Mid Yell Nursery	71,948	57,666	58,590	(924)		(924)
GRE1121 Schools, Mossbank NS	139,101	115,287	119,791	(4,504)		(4,504)
GRE1128 Schools, Sandwick NS	89,656	75,978	75,662	316		316
GRE1129 Schools, Scalloway NS	80,526	67,067	67,919	(852)		(852)

GRE1130	Schools, Skeld Nursery	38,786	32,235	30,736	1,499		1,499
GRE1131	Schools, Skerries Nursery	12,388	10,363	10,782	(419)		(419)
GRE1132	Schools, Sound Nursery	107,335	91,021	88,699	2,322		2,322
GRE1134	Schools, Whalsay NS	77,808	65,185	65,285	(100)		(100)
GRE1135	Schools, Urafirth Nursery	37,515	31,381	31,220	161		161
GRE1137	Schools,Whiteness Nursery	66,125	55,681	55,894	(213)		(213)
GRE1150	Schools,Nursery - General	67,725	55,470	49,696	5,774		5,774
GRE1151	School Services, Nursery Suppl	10,377	6,949	4,223	2,726		2,726
GRE1160	Div Man, Commissioned Places	253,320	188,464	184,531	3,933		3,933
GRE1201	Schools, Aith Primary	269,290	225,542	220,901	4,641		4,641
GRE1203	Schools, Baltasound PS	187,644	171,699	174,220	(2,521)		(2,521)
GRE1204	Schools, Bells Brae PS	1,319,330	1,094,592	1,075,209	19,383		19,383
GRE1205	Schools, Brae Primary	421,573	349,575	356,146	(6,571)		(6,571)
GRE1206	Schools, Bressay Primary	126,281	100,108	93,903	6,205		6,205
GRE1207	Schools, Burravoe Primary	97,519	80,678	72,265	8,413		8,413
GRE1208	Schools, Cullivoe Primary	137,612	112,225	104,433	7,792		7,792
GRE1209	Schools, Cunningsb'h PS	298,604	245,139	221,918	23,221		23,221
GRE1210	Schools, Dunrossness PS	554,126	460,903	472,786	(11,883)		(11,883)
GRE1211	Schools, Fair Isle Primary	118,874	95,999	96,748	(749)		(749)
GRE1212	Schools, Fetlar Primary	35,446	31,317	28,812	2,505		2,505
GRE1213	Schools, Foula Primary	97,855	79,014	80,760	(1,746)		(1,746)
GRE1214	Schools, Tingwall Primary	237,718	199,827	201,337	(1,510)		(1,510)
GRE1216	Schools, Hamnavoe PS	216,928	180,503	176,525	3,978		3,978
GRE1217	Schools, Happyhansel PS	242,265	203,463	200,788	2,675		2,675
GRE1219	Schools, Lunnasting PS	146,635	122,968	126,529	(3,561)		(3,561)
GRE1220	Schools, Mid Yell Primary	223,177	186,219	187,095	(876)		(876)
GRE1221	Schools, Mossbank PS	329,859	269,394	262,656	6,738		6,738
GRE1222	Schools, North Roe PS	83,906	68,758	68,879	(121)		(121)
GRE1223	Schools, Ollaberry Primary	104,101	86,805	91,445	(4,640)		(4,640)
GRE1224	Schools, Olnafirth Primary	138,908	114,604	110,103	4,501		4,501
GRE1225	Schools, Papa Stour PS	4,435	2,524	4,285	(1,761)		(1,761)
GRE1227	Schools, Sandness Primary	83,549	68,310	61,758	6,552		6,552
GRE1228	Schools, Sandwick Primary	292,364	243,106	251,622	(8,516)		(8,516)
GRE1229	Schools, Scalloway PS	338,148	284,457	267,141	17,316		17,316
GRE1230	Schools, Skeld Primary	155,655	127,001	120,357	6,644		6,644
GRE1231	Schools, Skerries Primary	90,324	76,266	77,500	(1,234)		(1,234)
GRE1232	Schools, Sound Primary	1,156,068	956,371	941,685	14,686		14,686
GRE1233	Schools, Nesting PS	148,347	122,509	123,583	(1,074)		(1,074)
GRE1234	Schools, Whalsay PS	463,739	393,653	397,897	(4,244)		(4,244)
GRE1235	Schools, Urafirth Primary	101,185	86,041	99,034	(12,993)		(12,993)
GRE1236	Schools, Uyeasound PS	97,790	80,946	81,700	(754)		(754)
GRE1237	Schools, Whiteness PS	356,125	298,522	303,035	(4,513)		(4,513)
GRE1251	School Services, Primary Suppl	168,755	135,130	129,669	5,461		5,461
GRE1301	Schools, Aith Secondary	766,600	634,336	633,978	358		358
GRE1302	Schools, Anderson HS	4,611,531	3,851,865	3,824,442	27,423		27,423
GRE1303	Schools, Baltasound SS	600,396	493,539	510,327	(16,788)		(16,788)
GRE1305	Schools, Brae Secondary	1,947,617	1,619,131	1,613,012	6,119		6,119
GRE1320	Schools, Mid Yell SS	660,716	548,330	576,134	(27,804)		(27,804)
GRE1328	Schools, Sandwick SS	1,300,729	1,077,776	1,077,459	317		317
GRE1329	Schools, Scalloway SS	1,149,858	953,835	980,197	(26,362)		(26,362)
GRE1331	Schools, Skerries SS	82,985	68,371	70,199	(1,828)		(1,828)
GRE1334	Schools, Whalsay SS	747,096	610,464	598,901	11,564		11,564
GRE1340	Work Experience	32,640	27,151	25,407	1,744		1,744
GRE1351	School Service, Sec Supply	74,027	64,612	56,145	8,467		8,467
GRE1360	School Service, Halls of Resid	595,197	494,651	492,420	2,231		2,231
GRE1401	Visiting Music Specialists	144,907	113,640	107,186	6,454		6,454
GRE1402	Visiting Art Specialists	218,329	180,067	179,227	840		840
GRE1403	Visiting PE Specialists	740,315	681,152	691,657	(10,505)		(10,505)
GRE1404	Knitting Instructors	100,639	96,756	96,214	542		542
GRE1405	Other Visiting Staff	83,473	69,694	70,497	(803)		(803)
GRE1407	Probationer Teachers	7,840	6,865	4,508	2,357		2,357
GRE1410	Science Technicians	208,824	173,629	172,207	1,422		1,422
GRE1412	Staff Development	74,482	66,238	77,783	(11,545)		(11,545)
GRE1417	Field Studies	41,578	34,586	34,435	151		151
GRE1418	Music Instructors	564,254	467,681	466,252	1,429		1,429
GRE1419	SVQ'S	45,000	36,075	35,110	965		965
GRE1422	Skills for Work	30,095	27,333	11,181	16,152		16,152
GRE1436	Youth Music Initiative	36,709	4,123	(16,151)	20,274		20,274
GRE1441	Enterprise & Education	2,450	109,532	99,316	10,216		10,216
GRE1444	International Education	113,881	92,318	90,026	2,292		2,292
GRE1457	Support for Teachers	3,629	1,920	38,173	(36,253)		(36,253)
GRE1460	Ness Out of School Club	32,205	26,888	28,302	(1,414)		(1,414)
GRE1500	Improvement Plans	14,500	11,333	8,065	3,268		3,268
GRE1501	MIS Support	84,301	73,751	66,147	7,604		7,604
GRE1506	In - Service	9,000	9,000	7,479	1,521		1,521
GRE1508	P.G.D.E	0	(305)	(1,497)	1,192		1,192
GRE1510	Science & Technology Fair	(5,441)	(5,441)	(5,323)	(118)		(118)
GRE1513	NPAF Curriculum for Excellence	81,600	47,419	34,804	12,615		12,615
GRE1518	Olnafirth Art	8,405	8,022	8,405	(383)		(383)
GRE1520	Cultural Co-ordinator	65,877	51,992	46,941	5,051		5,051
GRE1522	Blueprint Consultation	133,572	116,891	128,911	(12,020)		(12,020)
GRE1523	Dialect Co-Ordinator	5,000	4,388	10,749	(6,361)		(6,361)
GRE1524	Supporting moderation	0	0	306	(306)		(306)
GRE1601	Playschemes	6,020	5,853	1,699	4,154		4,154
GRE1602	Youth Workers	476,094	386,445	365,942	20,503		20,503
GRE1604	Islesburgh Youth Club	(2,360)	(1,960)	(1,735)	(225)		(225)
GRE1605	Youth Development	24,037	19,904	15,863	4,041		4,041
GRE1606	Bridges Project	192,772	160,359	157,397	2,962	(25,000)	27,962
GRE1607	Wider Roles	0	(286)	1,944	(2,230)		(2,230)
GRE1608	Sadat-Youth Work	0	(3,999)	(12,000)	8,001		8,001
GRE1609	Youth Bank Development Fund	0	0	(2,583)	2,583		2,583
GRE3450	Special Education - General	626,369	388,902	337,646	51,257		51,257
GRE3451	Special Supply Cover	58,811	48,897	44,310	4,587		4,587
GRE3462	Additional Support Base	286,103	234,494	231,623	2,871		2,871
GRE3463	Club XL	140	140	138	2		2

Code	Description					
GRE3470	Support for Learning	2,355,376	1,942,442	1,913,215	29,227		29,227
GRE3471	AHS ASN	893,213	738,015	736,537	1,478		1,478
GRE3473	Bells Brae ASN	913,933	762,316	758,871	3,445		3,445
GRE3500	Link Courses	2,000	1,500	892	608		608
GRE4410	Library	1,054,225	885,297	891,112	(5,815)		(5,815)
SRE0001	Head of Schools	89,562	74,301	78,390	(4,089)		(4,089)
SRE1600	Youth Service Manager	13,945	13,822	13,827	(5)		(5)
SRE6900	Quality Assurance	604,284	499,234	498,109	1,125		1,125
SRE6901	Administration Educ	110,620	91,990	124,066	(32,076)		(32,076)
SRE6902	Catering Support	284,263	220,005	185,753	34,252		34,252
SRE6903	Cleaning Support	41,607	33,877	28,157	5,720		5,720
SRE9301	DSMO - Aith Cluster	32,717	27,188	26,394	794		794
SRE9303	DSMO - North Isles Cluster	32,358	26,746	26,699	47		47
SRE9305	DSMO - Brae Cluster	35,903	29,844	29,349	495		495
SRE9328	DSMO - Sandwick Cluster	36,769	30,577	30,725	(148)		(148)
SRE9329	DSMO - Scalloway Cluster	36,473	30,317	29,545	772		772
SRE9332	DSMO-Sound	35,439	29,456	29,354	102		102
SRE9334	DSMO - Whalsay Cluster	38,198	31,761	32,692	(931)		(931)
VRE4001	Aith School Catering	93,460	76,121	75,309	812		812
VRE4002	AHS Catering	366,401	298,437	291,389	7,048		7,048
VRE4003	Baltasound School Catering	56,735	46,686	44,731	1,955		1,955
VRE4004	Bells Brae School Catering	161,099	134,071	129,495	4,576		4,576
VRE4005	Brae School Catering	196,201	163,281	163,786	(505)		(505)
VRE4006	Bressay School Catering	19,499	16,210	15,825	385		385
VRE4007	Burravoe School Catering	15,230	12,660	12,286	374		374
VRE4008	Cullivoe School Catering	9,380	7,793	6,425	1,368		1,368
VRE4009	Cunningsburgh School Catering	45,655	37,967	43,215	(5,248)		(5,248)
VRE4010	Dunrossness School Catering	83,059	69,093	63,514	5,579		5,579
VRE4011	Fair Isle School Catering	12,838	10,667	9,653	1,014		1,014
VRE4012	Fetlar School Catering	3,366	2,778	7,116	(4,338)		(4,338)
VRE4013	Foula School Catering	0	0	30	(30)		(30)
VRE4014	Tingwall School Catering	45,792	38,097	35,802	2,295		2,295
VRE4016	Hamnavoe School Catering	38,956	32,398	31,926	472		472
VRE4017	Happyhansel School Catering	41,504	34,526	33,466	1,060		1,060
VRE4019	Lunnasting School Catering	19,702	16,380	16,255	125		125
VRE4020	Mid Yell School Catering	83,260	69,296	63,020	6,276		6,276
VRE4021	Mossbank School Catering	44,198	36,771	38,669	(1,898)		(1,898)
VRE4022	North Roe School Catering	12,250	10,175	6,905	3,270		3,270
VRE4023	Ollaberry School Catering	19,289	16,039	15,780	259		259
VRE4024	Olnafirth School Catering	26,851	22,338	18,845	3,493		3,493
VRE4027	Sandness School Catering	8,099	6,723	5,648	1,075		1,075
VRE4028	Sandwick School Catering	156,227	130,019	127,044	2,975		2,975
VRE4029	Scalloway School Catering	123,339	102,629	98,060	4,569		4,569
VRE4030	Skeld School Catering	18,137	15,078	13,985	1,093		1,093
VRE4031	Skerries School Catering	15,477	12,864	10,637	2,227		2,227
VRE4032	Sound School Catering	153,824	128,028	119,642	8,386		8,386
VRE4033	Nesting School Catering	20,499	17,047	15,123	1,924		1,924
VRE4034	Whalsay School Catering	104,007	86,545	82,744	3,801		3,801
VRE4035	Urafirth School Catering	15,693	13,033	10,915	2,118		2,118
VRE4036	Uyeasound School Catering	3,052	2,543	1,172	1,371		1,371
VRE4037	Whiteness School Catering	57,612	47,930	45,507	2,423		2,423
VRE5001	Aith Sch Cleaning	46,223	37,386	31,078	6,308		6,308
VRE5002	AHS Cleaning	240,087	197,617	190,557	7,060		7,060
VRE5003	Baltasound School Cleaning	39,958	32,844	29,526	3,318		3,318
VRE5004	Bells Brae School Cleaning	63,618	52,896	50,985	1,911		1,911
VRE5005	Brae School Cleaning	108,017	89,807	89,521	286		286
VRE5006	Bressay School Cleaning	16,245	13,498	12,375	1,123		1,123
VRE5007	Burravoe School Cleaning	5,971	4,952	4,799	153		153
VRE5008	Cullivoe School Cleaning	6,079	5,042	4,711	331		331
VRE5009	Cunningsburgh School Cleaning	21,405	17,785	18,040	(255)		(255)
VRE5010	Dunrossness School Cleaning	28,269	23,488	25,279	(1,791)		(1,791)
VRE5011	Fair Isle Cleaning	5,832	4,835	4,498	337		337
VRE5012	Fetlar School Cleaning	1,741	1,429	1,899	(470)		(470)
VRE5013	Foula School Cleaning	5,524	4,603	3,086	1,517		1,517
VRE5014	Tingwall School Cleaning	12,338	10,246	10,059	187		187
VRE5016	Hamnavoe School Cleaning	32,126	26,712	24,276	2,436		2,436
VRE5017	Happyhansel School Cleaning	33,216	27,680	27,283	397		397
VRE5019	Lunnasting School Cleaning	11,309	9,396	8,109	1,287		1,287
VRE5020	Mid Yell School Cleaning	29,094	24,178	23,467	711		711
VRE5021	Mossbank School Cleaning	25,291	21,004	20,042	962		962
VRE5022	North Roe School Cleaning	10,121	8,406	7,611	795		795
VRE5023	Ollaberry School Cleaning	13,641	11,333	10,728	605		605
VRE5024	Olnafirth Cleaning	11,068	9,192	9,716	(524)		(524)
VRE5027	Sandness School Cleaning	7,756	6,437	6,079	358		358
VRE5028	Sandwick School Cleaning	86,116	70,546	67,863	2,683		2,683
VRE5029	Scalloway School Cleaning	81,428	67,157	64,601	2,556		2,556
VRE5030	Skeld School Cleaning	12,195	10,134	10,016	118		118
VRE5031	Skerries School Cleaning	6,497	5,390	5,809	(419)		(419)
VRE5032	Sound School Cleaning	38,087	31,651	32,682	(1,031)		(1,031)
VRE5033	Nesting School Cleaning	9,068	7,520	6,729	791		791
VRE5034	Whalsay School Cleaning	47,317	39,327	37,699	1,628		1,628
VRE5035	Urafirth School Cleaning	7,794	6,467	6,610	(143)		(143)
VRE5036	Uyeasound School Cleaning	8,336	6,920	6,190	730		730
VRE5037	Whiteness School Cleaning	20,750	17,235	16,150	1,085		1,085
VRE6001	Office Cleaning	313,418	256,817	260,997	(4,180)		(4,180)
VRE6002	Public Conveniences	104,715	85,174	87,571	(2,397)		(2,397)
Community Care		**23,366,045**	**21,462,827**	**20,903,658**	**559,169**	**(1,165,194)**	**1,724,363**
GRA0010	Direct Payments	335,000	279,167	257,102	22,065		22,065
GRA0014	Community Care Income	(5,212,820)	(2,289,924)	(2,508,641)	218,717		218,717
GRA0016	W & J Daycare Grant	183,733	183,733	183,733	0		0
GRA0017	Independant Sector Placements	662,912	485,679	450,154	35,525	(1,165,194)	1,200,719
GRA0019	Commissioned Services	379,500	326,039	327,122	(1,083)		(1,083)
GRA0020	Drugs & Alcohol Services	409,425	409,425	372,604	36,821		36,821
GRA0022	Public Partners Hip Forum	0	0	7	(7)		(7)

Code	Description						
GRA0500	Carers Information Strategy	(18,000)	0	0	0		0
GRA0601	BLG Fabric	5,000	5,000	0	5,000		5,000
GRA4100	Community Care Social Work	530,184	438,996	403,005	35,991		35,991
GRA4110	Health Service Social Worker	40,625	33,582	35,004	(1,422)		(1,422)
GRA4120	Mental Health Officers	91,393	73,478	63,124	10,354		10,354
GRA4130	Dementia Care Manager	51,320	43,127	42,037	1,090		1,090
GRA4160	Adult Support & Protection	4,913	61,208	55,218	5,990		5,990
GRA4161	Substance Misuse	0	(6,979)	9,671	(16,650)		(16,650)
GRA4200	Preventative Services	2,625	2,188	3,112	(924)		(924)
GRA4500	Top Up Substance Misuse	54,500	41,167	58,877	(17,710)		(17,710)
GRA4600	Crossroads Packages	110,364	99,681	79,335	20,346		20,346
GRA5100	Eric Gray Resource Centre	1,016,936	833,242	855,520	(22,278)		(22,278)
GRA5200	ILP - Project Manager	516,092	384,835	369,608	15,227		15,227
GRA5210	ILP - Central	1,531,606	1,270,903	1,237,737	33,166		33,166
GRA5215	ILP - Rudda Park	2,303	2,122	954	1,168		1,168
GRA5216	ILP-Transition Flat	1,538	931	110	821		821
GRA5218	ILP-Arheim	2,228	2,226	79	2,147		2,147
GRA5220	Stocketgaet	223,490	305,832	292,728	13,104		13,104
GRA5240	Local Area Co-Ordinator	5,639	4,699	3,238	1,461		1,461
GRA5250	Annsbrae/Mental Health Comm	571,639	437,424	422,140	15,284		15,284
GRA5251	Off-Island Placements	385,723	366,266	366,180	86		86
GRA5400	Occupational Therapy	522,676	460,072	451,228	8,844		8,844
GRA5401	Telecare	21,581	(2,847)	(37,030)	34,183		34,183
GRA5600	Banksbroo	373,222	414,357	404,448	9,909		9,909
GRA5620	Newcraigielea	766,178	614,634	607,363	7,271		7,271
GRA5621	Sea View	415,950	341,434	326,066	15,368		15,368
GRA5622	Intensive Sup Services	411,743	342,875	337,900	4,975		4,975
GRA5623	Outreach Project	120,000	0	0	0		0
GRA6100	Taing House	1,912,122	1,574,719	1,578,615	(3,896)		(3,896)
GRA6110	Viewforth	2,019,588	1,676,045	1,706,766	(30,721)		(30,721)
GRA6120	Edward Thomason House	2,778,246	2,302,592	2,284,122	18,470		18,470
GRA6130	Handypersons	0	0	2,131	(2,131)		(2,131)
GRA6141	Care @ Home-Central	242,212	199,239	229,287	(30,048)		(30,048)
GRA6143	Kantersted Kitchen	165,562	137,273	137,685	(412)		(412)
GRA6170	Montfield	1,068,336	797,025	771,319	25,706		25,706
GRA6300	Freefield	96,536	46,154	47,725	(1,571)		(1,571)
GRA6420	Interments	800	667	0	667		667
GRA6900	White/Grey Goods	5,000	4,167	0	4,167		4,167
GRA8050	Care@ Home Mgt & Admin	118,939	98,759	96,435	2,324		2,324
GRA8100	North Haven	1,726,961	1,434,974	1,434,863	111		111
GRA8110	Overtonlea	1,948,010	1,620,206	1,598,328	21,878		21,878
GRA8120	Wastview	1,506,815	1,254,608	1,257,720	(3,112)		(3,112)
GRA8130	Fernlea	1,009,288	835,471	842,865	(7,394)		(7,394)
GRA8140	Isleshavn	1,085,629	901,644	906,272	(4,628)		(4,628)
GRA8150	Nordalea	981,927	908,095	918,721	(10,626)		(10,626)
GRA8154	Brucehall	218,874	90,621	90,621	(0)		(0)
SRA0000	Head of Community Care	341,025	283,009	258,648	24,361		24,361
SRA1000	Community Care Service Managrs	118,036	97,934	106,853	(8,919)		(8,919)
SRA4000	Service Manager Social Work	95,054	79,371	74,690	4,681		4,681
SRA4101	Training Community Care	95,283	78,919	95,868	(16,949)		(16,949)
SRA4102	Training Vocational	51,071	42,348	33,972	8,376		8,376
SRA4103	Training Child Protection	19,712	16,250	6,565	9,685		9,685
SRA4104	Training Child Residential	31,406	25,834	14,707	11,127		11,127
SRA4105	Training Adoption	5,000	4,167	236	3,931		3,931
SRA4107	Training SVQ	398,735	314,914	339,422	(24,508)		(24,508)
SRA4108	Social Work Degree	58,528	49,441	14,158	35,283		35,283
SRA4109	Training Food Hygiene	16,145	13,267	15,492	(2,225)		(2,225)
SRA4111	Training Manual handling	55,526	46,886	41,556	5,330		5,330
SRA4112	Training	124,335	103,282	97,750	5,532		5,532
SRA4113	Trng Adult Sup Protection	11,945	10,622	4,727	5,895		5,895
SRA5000	Adult Services Manager	54,314	44,957	30,179	14,778		14,778
SRA6000	Older People Manager	117,074	97,259	100,223	(2,964)		(2,964)
SRA6001	Traineeship Scheme	305,664	255,303	246,080	9,223		9,223
SRA8000	Service Manager Rural Care	63,021	52,233	49,326	2,907		2,907
Children's Services		**6,287,720**	**5,148,671**	**4,994,149**	**154,522**	**(126,000)**	**280,522**
GRG1002	Quarff Additional Supp Needs	8,867	5,615	1,934	3,681		3,681
GRG1004	Blydehaven Nursery	75,858	60,529	49,764	10,765		10,765
GRG2001	Short Break Service	1,297,397	1,079,127	1,042,645	36,482		36,482
GRG2002	Residential Child Care	1,047,767	803,475	743,951	59,524		59,524
GRG2005	Child Off Island Accom	586,885	489,071	655,770	(166,699)		(166,699)
GRG2006	Adoption	96,179	77,055	86,888	(9,833)		(9,833)
GRG2007	Professional Foster Care	42,452	35,377	35,735	(358)		(358)
GRG2008	Section 29	12,960	10,800	9,835	965		965
GRG2009	Fostering	470,201	387,673	371,535	16,138		16,138
GRG2010	Shared Care	10,927	9,106	9,167	(61)		(61)
GRG2012	Voluntary Organisations	0	0	703	(703)		(703)
GRG2014	Children's Serv Improv Officer	104,124	86,676	86,589	87		87
GRG2015	Looked After Child-Savings	0	0	49	(49)		(49)
GRG2016	Unaccompanied Child	0	0	270	(270)		(270)
GRG3001	Family Support	600,323	499,086	431,610	67,476	(87,000)	154,476
GRG4001	Psychological Services	303,741	252,364	210,481	41,883		41,883
GRG4002	Sensory Impairment	254,204	211,485	206,764	4,721	(19,000)	23,721
GRG5001	Child Rights Services	42,419	31,652	41,772	(10,120)	(20,000)	9,880
GRG5002	Old School Centre Firth	0	0	224	(224)		(224)
GRG5007	Getting itRight for EveryChild	91,958	76,455	48,764	27,691		27,691
GRG6002	Child Care Strategy	206,795	172,087	134,708	37,379		37,379
GRG6004	Family Centre Services	441,149	361,712	320,520	41,192		41,192
GRG6005	Changing Childrens Services	50,202	46,636	60,577	(13,941)		(13,941)
GRG6006	Preventative Services	43,284	36,026	37,035	(1,009)		(1,009)
GRG6008	Out of School Care	147,294	121,667	103,299	18,368		18,368
GRG7001	Youth Crime	30,999	27,461	23,777	3,684		3,684
SRG0000	Head of Children's Svs	147,135	122,413	127,389	(4,976)		(4,976)
SRG2000	Children's Res Svs Manager	61,461	51,079	50,873	206		206
SRG3000	Child Protection Co-ordinator	52,930	44,014	47,969	(3,955)		(3,955)

Code	Description						
SRG6000	Family Support Manager	60,209	50,030	53,551	(3,521)		(3,521)
Criminal Justice		**22,967**	**18,513**	**12,752**	**5,761**	**0**	**5,761**
GRI0001	Offender Services	22,967	18,513	12,752	5,761		5,761
Housing		**2,312,788**	**1,837,935**	**1,773,901**	**64,034**	**0**	**64,034**
GRH0050	Grass Cutting Service	53,060	53,060	48,754	4,306		4,306
GRH1078	Chalet/Sites	(27,079)	(22,566)	(20,572)	(1,994)		(1,994)
GRH1082	Staff Housing	(21,875)	(18,324)	(1,151)	(17,173)		(17,173)
GRH1084	Education Houses Hsg	(48,479)	(39,726)	(30,101)	(9,625)		(9,625)
GRH1086	NASSO	17,375	14,479	158	14,321		14,321
GRH1100	Stocketgaet/Gremmasgaet	0	(23,433)	(21,993)	(1,440)		(1,440)
GRH1170	Homeless Persons	25,912	58,963	(6,485)	65,448		65,448
GRH1175	12 A/B North Road	(7,457)	(6,215)	(8,024)	1,809		1,809
GRH1270	Sheltered Housing	537,699	463,098	518,420	(55,322)		(55,322)
GRH1271	Banksbro	0	(5,083)	(4,466)	(617)		(617)
GRH2074	Economic Rents	(20,785)	(17,296)	(16,911)	(385)		(385)
GRH2092	Scottish Homes-Prop Management	0	0	0	0		0
GRH2094	Supporting People	42,580	35,483	22,137	13,346		13,346
GRH2097	Furnished Tenancies	0	0	0	0		0
GRH2098	Outreach Service	362,641	301,605	326,007	(24,402)		(24,402)
GRH4274	Rent Rebates	(35,130)	(117,274)	(118,342)	1,068		1,068
GRH4275	Rent Allowances	(35,130)	(55,956)	(57,024)	1,068		1,068
SRH0000	Head of Housing	84,708	70,437	71,806	(1,369)		(1,369)
SRH1000	Operational Services	444,799	369,626	317,893	51,733		51,733
SRH2000	Business Support Services	402,512	331,033	335,848	(4,815)		(4,815)
SRH3200	Asset Management	405,958	336,770	325,000	11,770		11,770
SRH3300	Housing DLO Management	131,479	109,254	92,946	16,308		16,308
TOTAL EDUCATION AND SOCIAL CARE		**76,844,955**	**65,969,688**	**63,942,232**	**2,027,454**	**(1,372,055)**	**3,399,509**

INFRASTRUCTURE SERVICES 2010/11 - COST CENTRE DETAIL - PERIOD 10	1 April to 31 January 2011

Description		Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance Including Required Savings (Overspend)/Underspend
		£	£	£	£
Directorate		**798,917**	**660,370**	**633,359**	**27,011**
SRY0000	Infrastructure Directorate	216,111	181,901	180,403	1,498
SRY0001	Infrastructure-Recruitment Exp	45,500	34,690	30,120	4,570
SRY0400	Infrastructure Administration	537,306	443,779	422,836	20,943
Environment & Building Services		**6,419,077**	**5,529,777**	**5,353,565**	**176,212**
GRY5101	Landfill Disposal Site	129,011	218,606	219,929	(1,323)
GRY5102	Waste to Energy Plant	817,824	939,778	875,724	64,054
GRY5103	Anti-Litter	6,112	5,093	6,894	(1,801)
GRY5104	Material Recycling Facility	0	0	8,598	(8,598)
GRY5113	Burial Ground Operations	434,976	362,472	326,839	35,633
GRY5129	Waste Prevention	68,419	76,975	98,716	(21,741)
GRY5131	Kerb Scheme	112,366	70,543	53,274	17,269
GRY5133	Glass Re-use	62,636	54,618	40,942	13,676
GRY5137	Zero Waste Fund Redermination	50,000	50,000	0	50,000
GRY5140	Environmental Management	12,335	12,335	8,123	4,213
GRY5150	Energy Management	17,074	14,231	6,561	7,670
GRY5201	Public Toilets	176,469	150,400	156,073	(5,673)
GRY5211	Street Cleansing General	378,515	308,000	297,321	10,679
GRY5221	Refuse Collection General	871,042	689,873	719,823	(29,950)
GRY5223	Refuse Collection Outer Isle	40,897	35,045	22,381	12,664
GRY5224	Skip Contract	(42,933)	(23,150)	(20,468)	(2,682)
GRY5225	Com Council Skip Contract	110,381	95,848	99,738	(3,890)
GRY5229	Grounds Maintenance	201,062	186,807	171,859	14,948
GRY5301	Metrology	41,077	27,381	32,210	(4,829)
GRY5401	Environmental Protection	(11,348)	(9,843)	(17,793)	7,950
GRY5403	Housing	172	144	(216)	360
GRY5404	Pest Control	8,848	6,802	(9,122)	15,924
GRY5407	Animal Health	965	804	1,743	(939)
GRY5408	Food Hygiene	(15,276)	(12,730)	(7,604)	(5,126)
GRY5414	Hsng Multiple Occ Project	0	0	171	(171)
GRY5415	Private Sector Housing Grants	610,063	352,079	352,079	0
GRY5423	Landlord Registration	(344)	(286)	(2,280)	1,994
GRY5424	A.S.B/N.S.W	214,019	189,756	181,581	8,175
GRY5425	Shellfish Monitoring	0	(10,665)	(3,676)	(6,989)
GRY5427	Private Water Supplies Grants	0	0	(2,267)	2,267
GRY5429	Wir Community, Wir Choice Leader	0	0	18,358	(18,358)
SRY5000	Head of Environment	98,505	81,387	82,718	(1,331)
SRY5100	Environment & Energy Service	204,975	160,504	162,806	(2,302)
SRY5200	Cleansing Services	149,916	124,359	124,375	(16)
SRY5300	Trading Standard Service	196,675	158,110	154,529	3,581
SRY5400	Environmental Health	449,658	373,000	357,306	15,694
SRY5402	Licensing Standards Officer	16,073	13,287	14,143	(856)
SRY5500	Building Service Manager	69,775	57,984	57,426	558
SRY5501	Tech/Man Supp-Building Service	301,156	247,703	240,710	6,993
SRY5502	Social Care-Testing & Fees	80,360	74,494	95,939	(21,445)
SRY5503	Education-Testing & Fees	280,399	239,681	239,185	496
SRY5504	Offices-Testing & Fees	95,187	66,625	56,200	10,425

Code	Description				
SRY5505	Asbestos Management	53,309	44,043	51,702	(7,659)
SRY5506	Safety Surfacing	35,355	21,215	5,257	15,958
SRY5507	Rural Care Homes Testing&Fees	93,372	76,469	75,759	710
Roads		**6,970,271**	**5,577,248**	**5,519,944**	**57,304**
GRY6501	Grass Cutting/Weed Control	63,599	63,599	63,974	(375)
GRY6511	Drainage Maintenance	346,535	307,974	311,551	(3,577)
GRY6521	Traffic Signs	71,910	66,852	58,276	8,576
GRY6531	Road Markings & Cats Eyes	227,701	187,584	187,700	(116)
GRY6541	Roads Sweeping	60,749	50,624	48,250	2,374
GRY6551	St Lighting-Maintenance&Energy	325,649	245,038	230,752	14,286
GRY6552	Christmas Lighting/Trees	13,850	13,250	4,358	8,892
GRY6555	Routine Maintenance General	0	0	682	(682)
GRY6601	Localised Reconstruction	399,523	381,374	374,839	6,535
GRY6605	Patching	420,017	419,592	429,376	(9,784)
GRY6611	Resurfacing	966,584	627,300	626,465	835
GRY6615	Footpath Maintenance	75,021	55,186	53,523	1,663
GRY6625	Surface Treatments	650,500	650,417	650,500	(83)
GRY6635	Drainage Improvements	61,501	22,273	21,951	322
GRY6645	Verge Maintenance	123,971	83,804	53,445	30,359
GRY6655	Crash Barriers & Railings	43,373	29,803	3,292	26,511
GRY6665	Minor Improvements	42,028	28,393	12,089	16,304
GRY6675	Streetlighting (Renewals)	42,796	35,663	28,310	7,353
GRY6681	Sea Defences	19,164	13,105	987	12,118
GRY6685	Structures (Ret Walls)	18,762	18,762	2,380	16,382
GRY6691	Structures(Bridges & Culverts)	54,479	54,479	17,846	36,633
GRY6692	Cattlegrids	98,430	68,103	16,118	51,985
GRY6695	Structural Maintenance General	14,803	14,803	12,525	2,278
GRY6701	Road Authority Functions	6,877	6,064	12,319	(6,255)
GRY6711	Surveys & Inspections	48,964	44,821	77,187	(32,366)
GRY6721	Winter Service	1,292,513	853,427	1,002,955	(149,528)
GRY6731	NRSWA Functions	563	459	(3,792)	4,251
GRY6741	Road Safety	2,040	1,700	4,899	(3,199)
GRY6761	Roads Asset Management	56,800	56,633	35,507	21,126
SRY6000	Head of Roads	175,677	144,952	141,652	3,301
SRY6100	Roads Network	469,691	390,650	402,737	(12,087)
SRY6200	Roads Design	281,366	231,493	229,502	1,991
SRY6300	Maintenance	406,265	337,638	343,541	(5,903)
SRY6400	Laboratory	88,570	71,433	64,251	7,182
Transport		**15,174,781**	**11,966,658**	**12,620,573**	**(653,915)**
GRY7201	Air Services General	730,273	562,384	624,054	(61,670)
GRY7202	Air Services Fair Isle	15,000	15,000	0	15,000
GRY7203	Air Services Foula	12,602	12,602	12,985	(383)
GRY7205	Air Service Skerries	10,094	10,094	9,989	105
GRY7206	Airstrips	0	0	186	(186)
GRY7207	Tingwall Airstrip	172,923	136,618	152,004	(15,386)
GRY7208	Scatsta Airstrip	(31,964)	(2,932)	(6,999)	4,067
GRY7209	Baltasound Airstrip	23,089	21,016	29,310	(8,294)
GRY7221	Taxi Licensing	(6,528)	(5,924)	(2,346)	(3,578)
GRY7231	Bus Services General	7,565	6,306	12,215	(5,909)
GRY7232	Bus Services Whalsay	2,249	(7,859)	219	(8,078)
GRY7233	Lerwick Bus Station	49,548	44,540	61,524	(16,984)
GRY7234	Bus Shelters	2,070	2,620	4,706	(2,086)
GRY7235	Belmont - Saxa Vord	45,123	33,842	37,126	(3,284)
GRY7236	Lerwick Town Bus	46,819	35,114	36,827	(1,713)
GRY7237	Lerwick Hillswick	146,065	109,549	107,847	1,702
GRY7238	Lerwick - Laxo	54,876	41,157	62,610	(21,453)

GRY7239	Lerwick - Mossbank	139,500	104,625	115,677	(11,052)
GRY7241	Lk - Scalloway - Burra	65,608	49,206	67,833	(18,627)
GRY7242	Lerwick - Sumburgh	118,158	76,758	85,150	(8,392)
GRY7244	Westside Mainline	74,986	80,150	112,560	(32,410)
GRY7245	Ulsta-Gutcher-Cullivoe	84,857	63,035	67,381	(4,346)
GRY7246	Ulsta - M Yell - W Sandwick	30,121	19,554	19,554	1
GRY7247	Westside Feeders	91,845	69,090	50,574	18,516
GRY7248	Concessionary Fares	1,500	1,125	693	432
GRY7249	NPP Rural Transport Solutions	0	0	7,669	(7,669)
GRY7251	Other Tport Vehicle R & M	1,617	1,348	1,348	1
GRY7252	School Transport	1,591,442	1,251,678	1,218,647	33,031
GRY7253	Sp Needs School Transport	257,351	199,599	290,508	(90,909)
GRY7254	Social Work Transport	128,064	94,628	108,036	(13,408)
GRY7255	Rural Transport	248,740	186,555	214,644	(28,089)
GRY7256	Fuel Account - Administration	0	0	50	(50)
GRY7257	Fleet Mgmt-Plant & Vehicle Hir	0	0	1,800	(1,800)
GRY7258	Education/SRTTransport	29,993	24,994	13,894	11,100
GRY7502	STP Admin Costs	28,335	91,364	91,247	117
GRY7601	Bressay Service	474,516	394,403	415,543	(21,140)
GRY7602	Fair Isle Service	144,020	119,765	115,462	4,303
GRY7603	Fetlar Service	254,139	208,931	222,220	(13,289)
GRY7605	Papa Stour Service	188,957	157,157	136,153	21,004
GRY7606	Skerries Service	472,155	388,693	440,191	(51,498)
GRY7607	Unst Service	705,832	580,737	571,051	9,687
GRY7608	Whalsay service	1,181,644	962,277	982,941	(20,664)
GRY7609	Yell Service	1,148,463	937,419	897,534	39,885
GRY7610	Community Runs	33,500	26,056	22,316	3,741
GRY7701	Foula Ferry Contract	506,381	419,311	411,577	7,734
VRY7295	Fleet Management Unit	3,172	85,011	136,387	(51,376)
VRY7296	FMU Fuel	(28,376)	(21,167)	(7,411)	(13,756)
VRY7297	FMU-Vehicle Hire	9,302	(2,629)	(1,192)	(1,437)
VRY7620	Lerwick Terminal	13,654	11,060	8,005	3,055
VRY7621	Bressay Terminal	16,481	11,106	14,391	(3,285)
VRY7622	Grutness Terminal	7,098	4,085	1,880	2,205
VRY7623	Fair Isle Terminal	8,693	4,652	3,072	1,580
VRY7624	Hamarsness Terminal	21,143	14,520	17,104	(2,584)
VRY7627	West Burrafirth Terminal	8,858	6,551	4,540	2,011
VRY7628	Papa Stour Terminal	8,743	6,139	6,307	(168)
VRY7629	Skerries Terminal	7,228	4,549	2,825	1,724
VRY7630	Gutcher Terminal	16,213	11,256	9,949	1,307
VRY7631	Belmont Terminal	21,705	15,941	5,519	10,422
VRY7632	Laxo Terminal	11,366	8,797	94,680	(85,883)
VRY7633	Symbister Terminal	18,034	11,154	13,503	(2,349)
VRY7634	Vidlin Terminal	11,210	8,485	5,226	3,259
VRY7635	Toft Terminal	48,479	44,103	148,977	(104,874)
VRY7636	Ulsta Terminal	54,273	29,592	16,775	12,817
VRY7661	MV Bigga	401,806	335,211	341,162	(5,951)
VRY7662	MV Snolda	120,075	88,112	91,957	(3,845)
VRY7663	MV Fivla	242,255	188,644	148,404	40,240
VRY7665	MV Geira	262,300	111,581	94,716	16,865
VRY7666	MV Good Shepherd	85,250	44,005	47,282	(3,277)
VRY7668	MV Hendra	318,467	142,297	127,875	14,422
VRY7670	MV Leirna	262,343	208,503	214,669	(6,166)
VRY7672	MV Thora	126,802	98,295	89,192	9,103
VRY7673	Linga	603,918	324,362	436,662	(112,300)
VRY7675	Filla	392,001	325,736	440,006	(114,270)
VRY7676	MV Daggri	678,623	554,313	499,238	55,075
VRY7677	MV Dagalien	593,834	495,980	502,901	(6,921)

VRY7690	Sellaness Store	37,686	28,037	14,920	13,117
VRY7695	Ferries Engineering Service	375,317	309,912	287,160	22,752
SRY7000	Head of Transport	89,759	74,783	68,980	5,803
SRY7200	Transport Planning & Support	143,844	119,107	134,918	(15,811)
SRY7210	Air Bus & Fleet	61,924	51,604	60,561	(8,957)
SRY7600	Ferry Operations Manager	766,133	646,595	674,321	(27,726)
SRY7610	Ferry Service-Cadets	73,640	43,791	40,606	3,185
Planning		**1,933,262**	**1,353,610**	**1,141,459**	**212,151**
GRY8002	Marine Devt Planning Permissio	(34,267)	(34,267)	(39,482)	5,215
GRY8003	Local Review Body	0	0	10,000	(10,000)
GRY8101	Building Control	(237,450)	(236,208)	(302,165)	65,957
GRY8201	Planning Control	(186,150)	(161,311)	(164,060)	2,749
GRY8301	Planning Policy	0	0	(712)	712
GRY8304	Access Paths Improvements	47,877	41,689	21,192	20,497
GRY8305	Town Centre Regeneration	344,970	47,074	33,313	13,761
GRY8404	KIMO International	(32,975)	0	0	0
GRY8409	Map Extract Service	(120)	(100)	(998)	898
GRY8410	FFL Scotland	(6,975)	(5,813)	1,634	(7,447)
GRY8411	Ranger Service	43,751	43,751	43,751	0
SRY8000	Head of Planning	156,035	129,612	80,657	48,955
SRY8100	Building Standards	299,389	242,408	226,436	15,972
SRY8200	Development Management	457,599	383,054	384,604	(1,550)
SRY8300	Development Plans	403,580	335,843	296,239	39,604
SRY8400	Heritage	401,560	335,667	323,590	12,077
SRY8401	GIS Technical Design & mapping	128,144	109,134	108,530	604
SRY8500	Marine Development	148,294	123,077	118,928	4,149
TOTAL INFRASTRUCTURE		**31,296,308**	**25,087,663**	**25,268,900**	**(181,237)**

EXECUTIVE SERVICES 2010/11 - COST CENTRE DETAIL - PERIOD 10	1 April to 31 January 2011

Description		Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance Including Required Savings (Overspend)/Underspend	Savings To be Achieved	Year to Date Variance Excluding Required Savings (Overspend)/Underspend
		£	£	£	£	£	£
Executive Management		**1,827,333**	**739,245**	**868,552**	**(129,307)**	**(87,000)**	**(42,307)**
GRX0002	Corp Improvement&Spend to So	1,000,000	0	0	0		0
GRX0097	Corporate Management	262,850	262,850	267,050	(4,200)		(4,200)
GRX0300	Community Safety Officers	35,100	29,187	25,141	4,046		4,046
GRX0301	CSP Awards Programme	29,000	24,167	15,507	8,660		8,660
GRX0302	Domestic Abuse Funding	16,446	6,498	3,420	3,078		3,078
SRX0000	Chief Executive Management	354,559	302,312	438,303	(135,991)	(87,000)	(48,991)
SRX0150	Chief Executive's Office	100,175	89,943	93,132	(3,189)		(3,189)
SRX0202	Messenger Service	29,203	24,288	26,000	(1,712)		(1,712)
Council Members		**636,330**	**528,037**	**504,431**	**23,606**	**0**	**23,606**
GRX0161	Executive Office, Civic Ents	41,494	34,578	31,019	3,559		3,559
SRX0160	Council Members	594,836	493,459	473,412	20,047		20,047
Organisational Development		**3,424,164**	**2,812,709**	**2,695,946**	**116,763**	**(100,000)**	**216,763**
GRX4015	Tamil Nadu Skills Exchange	12,138	12,138	674	11,464		11,464
GRX4016	Tamil Nadu Economic Developmr	10,000	8,333	9,565	(1,232)		(1,232)
GRX4018	Fairer Scotland Fund	419,000	419,000	358,473	60,527		60,527
GRX4019	Tamil Nadu School Exchange	10,000	9,120	7,704	1,416		1,416
GRX4110	Moving-On Project	35,861	29,850	20,872	8,978		8,978
GRX4111	Childcare Voucher Scheme MGT	10,000	8,333	5,011	3,322		3,322
SRX4000	Organisational Development	213,879	172,562	226,155	(53,593)	(100,000)	46,407
SRX4001	Corporate Communications	10,000	1,334	469	865		865
SRX4002	Community Planning Support	10,000	8,334	601	7,733		7,733
SRX4100	Personnel PPP/A&S/S&T	476,410	399,596	408,593	(8,997)		(8,997)
SRX4101	Job Evaluation	206,982	172,603	183,854	(11,251)		(11,251)
SRX4102	Staff Welfare	90,932	75,707	73,283	2,424		2,424
SRX4103	Corporate Training	132,045	75,182	76,556	(1,374)		(1,374)
SRX4300	ICT Service Manager	238,687	201,086	169,709	31,377		31,377
SRX4301	Communications & Telephony	304,300	248,790	240,163	8,627		8,627
SRX4302	ICT Operations	203,882	169,610	152,162	17,448		17,448
SRX4303	ICT Analysts	321,986	267,696	245,165	22,531		22,531
SRX4304	ICT Area Technicians	310,882	256,358	249,072	7,286		7,286
SRX4306	ICT Maintenance	181,124	89,135	78,947	10,188		10,188
SRX4307	ICT Technicians	226,056	187,942	188,918	(976)		(976)
Finance		**(2,870,047)**	**(2,754,507)**	**2,031,018**	**(4,785,525)**	**(7,384,069)**	**2,598,544**
GRF1002	GF Saving Required	(5,448,814)	(4,953,814)	0	(4,953,814)	(7,224,069)	2,270,255
GRF1005	Sellaness Site	(9,700)	0	0	0		0
GRF1020	Contingency Reserve	0	0	1,300	(1,300)		(1,300)
GRF1021	Integra Project	0	0	10,096	(10,096)		(10,096)
GRF1101	Aithsting & Sandsting Comm Cn	15,062	14,977	14,977	0		0
GRF1102	Bressay Community Council	8,525	8,440	8,440	0		0
GRF1103	Burra & Trondra Community Cnc	8,505	8,420	8,420	0		0
GRF1104	Delting Community Council	17,033	16,948	16,948	0		0
GRF1105	Dunrossness Community Council	14,817	14,732	13,932	800		800
GRF1106	Fetlar Community Council	4,661	4,576	4,576	0		0
GRF1107	Gulberwick, Quarff & Cunningst	14,567	14,482	14,482	0		0
GRF1108	Lerwick Community Council	29,742	29,642	29,642	0		0
GRF1109	Nesting & Lunnasting Comm Cnc	9,634	9,549	9,549	0		0
GRF1110	Northmavine Community Council	19,331	19,246	19,246	0		0
GRF1111	Sandness & Walls Comm Council	13,800	13,682	13,215	467		467
GRF1112	Sandwick Community Council	11,285	11,200	11,200	0		0
GRF1113	Scalloway Community Council	9,973	9,888	9,888	0		0
GRF1114	Tingwall, Whiteness & Weisdale	11,803	11,718	11,718	0		0
GRF1115	Unst Community Council	11,930	11,845	11,845	0		0
GRF1116	Whalsay Community Council	11,506	11,421	11,421	0		0
GRF1117	Yell Community Council	12,150	12,065	12,065	0		0
GRF1118	Skerries Community Council	4,290	4,205	4,205	0		0

GRF1150	Shetland Council of Social Ser	16,586	16,586	16,586	0		0
GRF2203	DWP Initiatives	0	1,110	(19,435)	20,545		20,545
GRF2401	Debt Advice Add Gov Funds	78,000	76,667	71,095	5,572		5,572
GRF2911	Council Tax Income	21,500	20,334	(243,505)	263,839		263,839
GRF2912	Council Tax Collection	0	0	485	(485)		(485)
GRF2922	Non-Domestic Rates Collection	12,750	12,125	6,222	5,903		5,903
SRF0100	Finance Office Services	135,387	112,461	102,792	9,669		9,669
SRF1000	Head of Finance	(45,909)	(64,298)	100,095	(164,393)	(160,000)	(4,393)
SRF1030	Training	5,305	2,653	777	1,876		1,876
SRF2000	Service Manager - Revenues	76,483	63,457	52,627	10,830		10,830
SRF2200	Rents/Benefits	239,536	197,122	188,450	8,672		8,672
SRF2300	Income & Recovery	273,406	230,143	229,234	909		909
SRF2900	Local Taxation	126,088	104,089	102,086	2,003		2,003
SRF3100	Management Accountancy	389,425	322,784	340,426	(17,642)		(17,642)
SRF3400	Financial Accountancy	124,239	104,011	107,512	(3,501)		(3,501)
SRF3405	Fin-Technical Clerical	25,216	20,973	20,505	468		468
SRF3500	Expenditure Manager	69,254	56,979	59,904	(2,925)		(2,925)
SRF3501	Pensions	77,039	64,200	58,047	6,153		6,153
SRF3502	Payroll	328,043	286,308	266,749	19,559		19,559
SRF3600	Payments	127,169	106,306	104,185	2,121		2,121
SRF3800	Treasury	76,709	66,310	63,774	2,536		2,536
SRF4000	Internal Audit Division	203,627	171,951	165,243	6,708		6,708
Legal & Administration		**1,473,581**	**1,210,097**	**1,176,301**	**33,796**	**0**	**33,796**
GRB2311	Community Council Elections	3,000	2,333	4,035	(1,702)		(1,702)
GRB2314	UK Parliamentary Elections	25,000	25,000	35,080	(10,080)		(10,080)
GRB2400	Registrar	50,915	42,392	35,136	7,256		7,256
GRB2501	Childrens Panel	19,150	14,329	7,665	6,664		6,664
GRB2502	Safeguarders	5,100	4,216	7,211	(2,995)		(2,995)
GRB2503	CP - Inter Island Seminar	0	0	207	(207)		(207)
GRB5010	Emergency Planning	108,829	91,990	95,502	(3,512)		(3,512)
GRB5011	Emergency Planning Operational	7,050	5,655	3,963	1,693		1,693
GRB5012	Emergency Planning Seminar	1,875	3,875	3,062	813		813
GRB5013	Emergency Heli Landing Site	15,783	14,819	11,563	3,256		3,256
SRB1000	Head of Legal and Admin	98,182	81,333	77,785	3,548		3,548
SRB1100	Legal & Admin-Support Service	221,864	180,809	165,913	14,896		14,896
SRB2000	Admin Service Manager	53,718	44,659	45,175	(516)		(516)
SRB2200	Admin Serv-Committee Services	136,857	113,325	101,842	11,483		11,483
SRB3000	Legal-Service Manager	66,764	54,195	52,166	2,029		2,029
SRB3200	Legal Services	353,498	295,478	282,704	12,774		12,774
GRB3902	Licensing Board	(53,700)	(54,075)	(55,875)	1,800		1,800
GRB3905	Prop Enq Certs	(1,000)	(833)	(760)	(73)		(73)
SRB4000	Serv Manager-Insurance & Risk	59,689	49,604	47,434	2,170		2,170
SRB4100	Risk Management	65,540	46,110	23,293	22,817		22,817
SRB4101	Risk Man - General	0	0	27,442	(27,442)		(27,442)
SRB4102	Risk Man - Motor Training	0	0	12,761	(12,761)		(12,761)
SRB4200	Safety	139,756	116,983	119,353	(2,370)		(2,370)
SRB4400	Insurance	95,711	77,900	73,645	4,255		4,255
Capital Programme Service		**1,438,672**	**1,000,912**	**1,839,161**	**(838,249)**	**(1,000,000)**	**161,751**
GRK3202	Aith Industrial Building	(2,307)	(1,800)	(1,847)	47		47
GRK3203	Bigton Industrial Buildings	(1,404)	(1,121)	(1,122)	1		1
GRK3204	Bressay Industrial Buildings	(50)	(50)	(50)	0		0
GRK3205	Fetlar Former Generating shed	(135)	(104)	(104)	(0)		(0)
GRK3206	Lerwick Industrial Buildings	0	0	0	0		0
GRK3207	Sandwick Industrial Buildings	(2,453)	(1,872)	(1,871)	(1)		(1)
GRK3208	King Harald Street Area	(2,410)	(1,948)	(1,948)	(0)		(0)
GRK3209	Scalloway Industrial Building	(37,724)	(28,616)	(29,459)	843		843
GRK3210	Skeld Industrial Buildings	137	(1,213)	0	(1,213)		(1,213)
GRK3212	Sellaness Industrial Site	(17,194)	(16,126)	(15,173)	(953)		(953)
GRK3213	Staneyhill Industrial Site	(1,152)	(1,152)	(158)	(995)		(995)
GRK3214	Wethersta Industrial Site	(2,648)	(2,755)	(2,485)	(270)		(270)
GRK3215	Burra Industrial Sites	(165)	(124)	(124)	(0)		(0)
GRK3216	Cunningsburgh Industrial Sites	(1,400)	(1,050)	(688)	(363)		(363)
GRK3217	Gremista Sh Industrial Sites	(2,470)	(1,853)	(1,853)	(1)		(1)
GRK3218	Other Properties Maintained	40,254	24,029	16,739	7,290		7,290
GRK3219	Other Properties Lease Only	0	0	0	0		0
GRK3220	Ness of Sound	(6,408)	(4,806)	(4,431)	(375)		(375)
GRK3221	Estates Management	15,750	13,125	13,133	(8)		(8)
GRK3222	Voxter Farm	(1,000)	(1,000)	(1,000)	0		0

Code	Name					
GRK3223	Busta Estate	(49,498)	(50,278)	(54,444)	4,166		4,166
GRK3224	Burra & Trondra Estate	(42,114)	(42,464)	(44,164)	1,700		1,700
GRK3225	The Fish Box	(2,405)	(1,872)	(1,872)	(0)		(0)
GRK3227	Old South Nesting School	0	0	0	0		0
GRK3228	Mill Lane Store	7,728	6,163	5,950	213		213
GRK3229	62-64 Comm St-Yth Info Centr	0	0	5,375	(5,375)		(5,375)
SRK0000	Head of Capital Programming	74,627	62,189	59,049	3,140		3,140
SRK1000	Capital Projects Unit	812,082	654,047	606,531	47,516		47,516
SRK2000	Central Procurement	(861,510)	(885,275)	100,453	(985,728)	(1,000,000)	14,272
SRK3000	Assets Service Manager	131,821	102,831	77,846	24,985		24,985
SRK3001	Land Surveyor	61,639	50,738	41,451	9,287		9,287
SRK3101	Offices, Town Hall	98,669	68,556	64,094	4,462		4,462
SRK3102	Offices, Lystina House	7,877	4,230	1,216	3,015		3,015
SRK3103	Offices, Hillhead Enq Office	15,607	13,055	11,878	1,177		1,177
SRK3104	Offices, 4 Market Street	43,979	36,238	43,059	(6,821)		(6,821)
SRK3105	Offices, County Buildings	7,119	6,521	5,958	563		563
SRK3106	Offices, Anderson Place	3,604	2,828	1,506	1,322		1,322
SRK3107	Offices, 2&4 Bank Lane	17,275	13,736	11,233	2,503		2,503
SRK3108	Offices, Quendale House	30,229	28,151	17,459	10,692		10,692
SRK3109	Offices, Fort Road	32,630	29,645	19,701	9,944		9,944
SRK3110	Offices, Hayfield House	110,213	91,123	101,552	(10,429)		(10,429)
SRK3111	Offices, 91/93 St Olaf Street	32,861	23,697	18,418	5,279		5,279
SRK3112	Offices, 92 St Olaf Street	29,847	24,325	20,984	3,341		3,341
SRK3113	Offices, Grantfield	58,740	50,652	48,439	2,213		2,213
SRK3114	Offices, Garthspool IT Centre	61,384	51,142	53,157	(2,015)		(2,015)
SRK3115	Offices, Gremista	12,097	9,604	7,315	2,289		2,289
SRK3116	Offices, Oil Offices	173,965	132,928	121,837	11,091		11,091
SRK3117	Offices, 4 Havragord Brae	1,793	1,513	1,113	400		400
SRK3118	Offices, 64 St Olaf Street	13,044	10,378	9,278	1,100		1,100
SRK3119	Offices, Hill Lane	11,090	10,772	23,007	(12,235)		(12,235)
SRK3120	Offices, Charlotte House	65,913	81,902	81,263	639		639
SRK3121	Offices, Montfield	51,525	43,453	37,869	5,584		5,584
SRK3122	Offices, Old Infant School KHS	25,818	25,651	19,075	6,576		6,576
SRK3123	Offices, Train Shetland	42,841	40,377	41,135	(758)		(758)
SRK3124	Offices, Gremista Design	42,830	39,408	33,450	5,958		5,958
SRK3125	Offices, North Ness	149,175	123,671	128,740	(5,069)		(5,069)
SRK3126	Offices, 20 Commercial Road	21,134	19,160	20,966	(1,806)		(1,806)
SRK3127	Offices,Old Library Conversion	40,180	33,900	35,335	(1,435)		(1,435)
SRK3128	Offices, Lovers Loan	3,100	2,222	1,348	874		874
SRK3129	Offices, Bio Solar Hus	94,172	96,213	94,715	1,498		1,498
SRK3130	Old Lower Gym King Harald St	25,525	15,313	0	15,313		15,313
SRK3131	Former Archive Building KHS	4,845	2,905	327	2,579		2,579
TOTAL EXECUTIVE		**5,930,033**	**3,536,493**	**9,115,410**	**(5,578,917)**	**(8,571,069)**	**2,992,152**
Head of Economic Development Unit		**386,198**	**403,563**	**333,847**	**69,716**	**0**	**69,716**
SRD0000	EDU Mgt & Administration	323,559	357,803	298,602	59,201		59,201
SRD0001	EDU Recruitment Expenses	8,500	7,084	0	7,084		7,084
SRD0002	Head of Economic Development	54,139	38,676	35,245	3,431		3,431
Business Development		**379,972**	**295,382**	**407,402**	**(112,020)**	**0**	**(112,020)**
SRD1000	Head of Business Development	125,166	109,733	110,250	(517)		(517)
SRD1010	Business Technical Support	254,806	185,649	226,802	(41,153)		(41,153)
GRD1811	Business Gateway	0	0	70,350	(70,350)		(70,350)
Marketing		**113,223**	**92,895**	**101,943**	**(9,048)**	**0**	**(9,048)**
SRD5000	Marketing	113,223	92,895	101,943	(9,048)		(9,048)
TOTAL DEVELOPMENT		**879,393**	**791,840**	**843,192**	**(51,352)**	**0**	**(51,352)**

SIC MANAGEMENT INFORMATION 2010/11 - PERIOD 10			1 April to 31 January 2011

Revenue Expenditure by Service	Annual	Year to Date	Year to Date	Year to Date
(Harbour Account,Support Services & Recharged Servi	Budget	Budget	Actual	Variance
				(Overspend)/Underspend
	£	£	£	£
Ports & Harbours (total)	**(1,201,177)**	**(5,050,298)**	**(3,767,458)**	**(1,282,840)**
Ports Management	1,006,416	796,978	742,768	54,210
Sullom Voe	(4,497,448)	(4,211,214)	(3,990,043)	(221,171)
Scalloway	26,311	(32,141)	(174,556)	142,415
Other Piers	167,451	119,707	60,395	59,312
Port Engineering Services	616,218	504,666	466,881	37,785
Ports for the Future (inc capital sale of Tugs)	(2,271,240)	(2,271,240)	(726,381)	(1,544,859)
Transfer of Funds	3,897,769	0	0	0
Jetties & Spur Booms (BP Funded)	(146,654)	42,946	(146,522)	189,468

Revenue Expenditure by Subjective	Annual	Year to Date	Year to Date	Year to Date
	Budget	Budget	Actual	Variance
(Harbour Account,Support Services & Recharged Services)				(Overspend)/Underspend
	£	£	£	£
Employee Costs (sub total)	**6,508,398**	**5,233,782**	**6,030,953**	**(797,171)**
Basic Pay	4,801,571	3,978,898	3,941,036	37,862
Overtime	485,660	403,637	402,264	1,373
Other Employee Costs	1,221,167	851,247	1,687,653	(836,406)
Operating Costs (sub total)	**5,201,899**	**3,750,195**	**3,271,825**	**478,370**
Travel & Subsistence	195,374	147,262	138,855	8,407
Property Costs	1,257,292	919,666	815,095	104,571
Other Operating Costs	3,749,233	2,683,267	2,317,875	365,392
Transfer Payments (sub total)	**3,978,349**	**80,580**	**92,411**	**(11,831)**
Income (sub total)	**(16,889,823)**	**(14,114,855)**	**(13,162,647)**	**(952,208)**
TOTAL	**(1,201,177)**	**(5,050,298)**	**(3,767,458)**	**(1,282,840)**

MANAGEMENT A/c's 2010/11 - COST CENTRE DETAIL - PERIOD 10
1 April to 31 January 2011

Cost Centre	Description	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance (Overspend)/ Underspend
		£	£	£	£
Ports Management (sub total)		**1,006,416**	**796,978**	**742,769**	**54,210**
SRM0001	Ports - Recruitment Expenses	12,000	9,999	6,121	3,878
SRM0100	Ports - Support Services	211,368	177,781	148,420	29,361
SRM2000	Ports - Operations Management	754,315	585,056	572,283	12,773
PRM0150	Canteen Service	28,733	24,142	15,944	8,198
Sullom Voe (sub total)		**(4,497,448)**	**(4,211,214)**	**(3,990,042)**	**(221,172)**
SRM2001	Towage Management	27,180	22,944	4,972	17,972
SRM3050	Ports - Admin Building	97,640	66,155	72,582	(6,427)
PRM2100	Sullom Voe	(6,073,789)	(5,063,005)	(4,773,185)	(289,820)
PRM2101	B & L Sullom Voe	(274,417)	(238,021)	(291,097)	53,076
PRM2102	Pilotage Sullom Voe	(718,586)	(584,594)	(536,535)	(48,059)
PRM2103	Mooring Sullom Voe	(313,492)	(258,290)	(228,564)	(29,726)
PRM2104	Ship to Ship Transfers	(300,000)	(198,748)	(109,753)	(88,995)
PRM2110	Marine Officers	959,041	804,711	813,277	(8,566)
PRM2111	Launch Crews	1,161,959	985,012	933,068	51,944
PRM2112	Towage Crews	(1,786,276)	(1,479,036)	(1,159,864)	(319,172)
PRM2113	VTS Operators	146,344	121,954	104,812	17,142
PRM2116	Pollution Control	1,000	833	0	833
PRM2120	SOTEAG	800	667	(3)	670
PRM2121	SVA	80,580	80,580	92,411	(11,831)
VRM3205	Nav Aids Sullom Voe	41,921	36,744	43,086	(6,342)
VRM3206	Radar Sullom Voe	37,003	34,868	31,512	3,356
VRM3207	VHF Radio Sullom Voe	10,500	8,749	2,379	6,370
VRM3210	Maintenance Workshop	63,364	50,705	47,344	3,361
VRM3211	Helicopter Hangar	3,960	3,523	3,584	(61)
VRM3212	Meteorological Office	3,144	2,384	1,723	661
VRM3213	Long Term Store	2,562	1,826	1,097	729
VRM3214	Crew Accommodation	6,700	5,167	3,876	1,291
VRM3215	Pollution Store	18,402	14,178	13,495	683
VRM3221	Sullom Shoormal	37,355	27,680	20,092	7,588
VRM3222	Sullom Spindrift	43,796	35,467	30,022	5,445
VRM3223	Sullom Spray	33,794	27,633	35,161	(7,528)
VRM3225	**Dunter**	499,510	216,768	125,072	91,696
VRM3226	Shalder	266,446	205,062	170,414	34,648
VRM3227	Stanechakker	134,040	108,483	111,265	(2,782)
VRM3228	Tirrick	263,859	215,757	194,382	21,375
VRM3229	**Tystie**	489,488	216,155	142,392	73,763
VRM3230	Sullom A	21,214	19,558	18,734	824
VRM3231	Sullom B	7,214	5,558	2,259	3,299
VRM3232	Sullom C	7,214	5,558	1,258	4,300
VRM3235	Vehicles Sullom Voe	34,380	29,006	26,351	2,655
VRM3236	Boat Hoist	(1,013)	(916)	(4,414)	3,498
VRM3237	Small Plant	4,750	3,958	2,391	1,567

VRM3239	Sullom Shearwater	13,591	10,558	4,909	5,649
VRM3240	Tug Jetty	62,994	49,416	50,390	(974)
VRM3241	Solan	193,772	105,806	1,331	104,475
VRM3242	Bonxie	184,898	80,515	1,112	79,403
VRM3273	Garth Pier Maintenance	9,710	7,458	6,622	837
Scalloway (sub total)		**26,311**	**(32,141)**	**(174,556)**	**142,415**
PRM2200	Blacksness	(120,997)	(141,904)	(236,001)	94,097
PRM2201	B & L Scalloway	(5,000)	(4,167)	(9,261)	5,094
PRM2202	Pilotage Scalloway	500	417	(29,848)	30,265
VRM3261	Nav Aids Scalloway	12,025	10,022	1,725	8,297
VRM3262	Offices & Stores Scalloway	29,639	24,478	20,685	3,793
VRM3263	Fish Market	19,360	16,011	23,176	(7,165)
VRM3264	Piers Scalloway	71,028	47,202	46,265	937
VRM3266	Vehicles Scalloway	6,500	5,782	5,531	251
VRM3267	Lyrie	13,256	10,018	3,172	6,846
Other Piers (sub total)		**167,451**	**119,707**	**60,395**	**59,312**
PRM2300	Baltasound	(1,916)	(1,598)	(6,248)	4,650
PRM2301	Collafirth	(1,466)	(1,223)	(3,265)	2,042
PRM2302	Toft	35	26	(922)	948
PRM2312	Cullivoe	(71,281)	(59,402)	(65,081)	5,679
PRM2314	Fair Isle	3	0	0	0
PRM2315	Hamnavoe	225	185	(973)	1,158
PRM2316	Melby Pier	150	150	148	2
PRM2317	Mid Yell	(1,500)	(1,291)	(3,947)	2,656
PRM2318	Out Skerries	135	110	(384)	494
PRM2319	Symbister	13,673	11,342	5,146	6,196
PRM2321	Uyeasound	1,000	834	(402)	1,236
PRM2322	Vaila/Grutness	235	193	(348)	541
PRM2323	West Burrafirth	(925)	(773)	(884)	111
PRM2324	Humber Inflatable	32	0	0	0
PRM2325	Orkney Spinner	10	0	0	0
PRM2326	Avon Searider	25	0	0	0
VRM3270	Baltasound Pier Maintenance	49,989	47,164	46,631	533
VRM3271	Collafirth Pier Maintenance	4,519	1,778	1,030	748
VRM3272	Toft Pier Maintenance	2,576	1,566	16	1,550
VRM3280	Billister Pier Maintenance	2,114	1,375	16	1,359
VRM3282	Cullivoe Pier Maintenance	29,613	19,984	10,968	9,016
VRM3283	Easterdale Pier Maintenance	966	781	148	633
VRM3284	Fair Isle Pier Maintenance	33,830	26,667	24,732	1,935
VRM3285	Hamnavoe Pier Maintenance	8,329	6,982	5,974	1,008
VRM3286	Melby Pier Maintenance	98	0	0	0
VRM3287	Mid Yell Pier Maintenance	16,868	13,082	16,982	(3,900)
VRM3288	Out Skerries Pier Maintenance	8,605	5,909	3,541	2,368
VRM3289	Symbister Pier Maintenance	48,052	32,056	24,098	7,958
VRM3290	Toogs Pier Maintenance	750	542	0	542
VRM3291	Uyeasound Pier Maintenance	8,976	4,617	1,965	2,652
VRM3292	Vaila/Gruting Pier Maintenance	4,152	2,221	136	2,085
VRM3293	West Burrafirth Pier Maintenan	9,579	6,430	1,318	5,112
Port Engineering (sub total)		**616,218**	**504,666**	**466,881**	**37,785**
VRM3200	Port Engineering Services	616,218	504,666	466,881	37,785

Jetties & Spur Booms (BP Funded) (sub total)		**(146,654)**	**42,946**	**(146,522)**	**189,468**
VRM3250	Jetty 1	321,542	320,957	347,512	(26,555)
VRM3251	Jetty 2	82,515	81,930	85,162	(3,232)
VRM3252	Jetty 3	255,989	255,404	276,800	(21,396)
VRM3253	Jetty 4	210,201	209,615	220,052	(10,437)
VRM3254	Construction Jetty	52,877	45,193	44,094	1,099
VRM3255	Spur Booms	12,510	10,425	10	10,415
VRM3256	Jetties Diving	50,000	30,000	0	30,000
VRM3257	Jetty Maintenance	117,333	117,333	293,406	(176,073)
VRM3259	Jetties Cathodic Protection	21,665	10,833	13,275	(2,442)
PRM2150	Jetties/Spur Booms - SV	(1,271,286)	(1,038,744)	(1,426,832)	388,088
Transfer of Funds (sub total)		**3,897,769**	**0**	**0**	**0**
PRM2002	Transfer to Funds	3,897,769	0	0	0
Ports for the Future (sub total)		**(2,271,240)**	**(2,271,240)**	**(726,381)**	**(1,544,859)**
PRM2148	Tug Boats - SV	(1,400,000)	(1,400,000)	(726,381)	(673,619)
	Savings to Be Achieved	(871,240)	(871,240)	0	(871,240)
Harbour Account TOTAL		**(1,201,177)**	**(5,050,298)**	**(3,767,458)**	**(1,282,840)**

EDUCATION & SOCIAL CARE MANAGEMENT INFORMATION 2010/11 - PERIOD 10	1 April to 31 January 2011

Revenue Expenditure by Service	Annual Budget £	Year to Date Budget £	Year to Date Actual £	Year to Date Variance (Overspend)/Underspend £
Housing Revenue Account Services (total)	(3,867,741)	(3,842,538)	(3,885,280)	42,742
Head of Housing	(1,200,000)	(912,609)	(926,684)	14,075
Operational Services	1,362,365	794,618	789,314	5,304
Business Support	(4,030,106)	(3,724,547)	(3,747,909)	23,362

Revenue Expenditure by Subjective	Annual Budget £	Year to Date Budget £	Year to Date Actual £	Year to Date Variance (Overspend)/Underspend £
Employee Costs (sub total)	2,681	2,234	2,234	(0)
Basic Pay	0	0	0	0
Overtime	0	0	0	0
Other Employee Costs	2,681	2,234	2,234	(0)
Operating Costs (sub total)	2,370,098	1,503,910	1,496,251	7,659
Travel & Subsistence	0	0	0	0
Property Costs	2,335,276	1,471,509	1,478,295	(6,786)
Other Operating Costs	34,822	32,401	17,956	14,445
Transfer Payments (sub total)	28,981	27,848	12,461	15,387
Income (sub total)	(6,269,501)	(5,376,530)	(5,396,225)	19,695
TOTAL	(3,867,741)	(3,842,538)	(3,885,279)	42,741

MANAGEMENT A/c's 2010/11 - COST CENTRE DETAIL - PERIOD 10
1 April to 31 January 2011

Cost Centre	Description	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance (Overspend)/Underspend
		£	£	£	£
HRH0350	Housing Support Grant	(1,200,000)	(912,609)	(926,684)	14,075
HRH1300	Ladies Drive Hostel	(40,748)	(34,033)	(41,298)	7,265
HRH3100	Customer Services	49,253	41,657	17,034	24,623
HRH3150	Garages, HRA	19,200	16,000	(3,519)	19,519
HRH3151	South Team Area 2	250,000	208,333	209,020	(687)
HRH3152	South Team Area 1	250,000	190,892	190,892	(0)
HRH3153	North Team Area 2	250,000	184,595	185,445	(850)
HRH3154	North Team Area 1	250,000	187,591	187,591	0
HRH3300	Other	335,160	0	30,794	(30,794)
HRH3350	Grazing Lets	(500)	(417)	(580)	163
HRH4258	Cost of Refurbishment	0	0	13,935	(13,935)
HRH2047	Rents General Needs	(4,529,288)	(3,759,148)	(3,764,206)	5,058
HRH2048	Rents Sheltered Housing	(576,162)	(549,582)	(549,392)	(190)
HRH2355	Supervision & Management	22,870	35,731	17,194	18,537
HRH3200	Planned Services HRA	1,052,474	548,452	548,495	(43)
TOTAL HOUSING REVENUE ACCOUNT		**(3,867,741)**	**(3,842,538)**	**(3,885,279)**	**42,741**

Shetland Islands Council

Revenue Expenditure by Service	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance (Overspend)/Underspend
	£	£	£	£
Executive Services (sub total)	**1,244,524**	**1,028,523**	**1,044,317**	**(15,794)**
Executive Management	56,418	56,418	63,889	(7,471)
Organisational Development	221,527	184,605	154,503	30,102
Finance	4,500	4,500	6,900	(2,400)
Legal & Administration	0	0	30,929	(30,929)
Capital Programme Services	962,079	783,000	788,095	(5,095)
Education & Social Care (sub total)	**555,430**	**484,989**	**478,874**	**6,115**
Adult Learning & Train Shetland	396,932	330,777	344,053	(13,276)
Housing	156,712	154,212	134,821	19,391
Sports & Leisure	1,786	0	0	0
Infrastructure Services (sub total)	**112,238**	**310,995**	**186,486**	**124,509**
Environmental Health	200,000	112,238	100,031	12,207
Planning	242,692	198,757	86,455	112,302
Economic Development Unit (sub total)	**10,253,565**	**6,326,856**	**5,442,275**	**884,581**
Economic Development Unit	10,253,565	6,326,856	5,442,275	884,581
TOTAL	**12,165,757**	**8,151,363**	**7,151,952**	**999,412**

Revenue Expenditure by Subjective

	Annual Budget	Year to Date Budget	Year to Date Actual	Year to Date Variance
Employee Costs (sub total)	**751,107**	**626,697**	**616,361**	**10,336**
Basic Pay	562,743	469,527	461,008	8,519
Overtime	0	0	2,335	(2,335)
Other Employee Costs	188,364	157,170	153,019	4,151
Operating Costs (sub total)	**1,967,097**	**1,686,918**	**1,808,325**	**(121,407)**
Travel & Subsistence	5,690	4,995	29,873	(24,878)
Property Costs	641,178	544,488	566,951	(22,463)
Other Operating Costs	1,320,229	1,137,435	1,211,501	(74,066)
Transfer Payments (sub total)	**9,637,538**	**6,026,816**	**4,959,486**	**1,067,330**
Income (sub total)	**(189,985)**	**(189,068)**	**(232,220)**	**43,152**
TOTAL	**12,165,757**	**8,151,363**	**7,151,952**	**999,412**

RESERVE FUND MANAGEMENT A/c's 2010/11 - COST CENTRE DETAIL - PERIOD 10
1 April to 31 January 2011

Cost Centre	Description	Annual Budget £	Year to Date Budget £	Year to Date Actual £	Year to Date Variance (Overspend)/Underspend £
Chief Executive		**56,418**	**56,418**	**63,889**	**(7,471)**
RRX0021	LPA Claim	56,418	56,418	63,889	(7,471)
Financial Support Services		**4,500**	**4,500**	**6,900**	**(2,400)**
RRF1150	Winter Fuel Grant	0	0	6,900	(6,900)
RRF1151	Councillor Christmas Grant	4,500	4,500	0	4,500
Organisational Development		**221,527**	**184,605**	**154,503**	**30,102**
RRX4120	Graduate Placement Scheme	221,527	184,605	154,503	30,102
Capital Programme Services		**962,079**	**783,000**	**788,095**	**(5,095)**
RRK3301	North Atlantic Fisheries Coll	517,051	337,972	343,067	(5,095)
RRK3302	Scofe Property Cost	445,028	445,028	445,028	0
Legal & Administration		**0**	**0**	**30,929**	**(30,929)**
RRB6383	Complaint Investigation	0	0	30,929	(30,929)
Adult Learning & Train Shetland		**396,932**	**330,777**	**344,053**	**(13,276)**
RRL6050	Modern Apprenticeships	396,932	330,777	344,053	(13,276)
Housing		**156,712**	**154,212**	**134,821**	**19,391**
RRH2800	Housing Initiatives	59,816	57,316	47,069	10,247
RRH2801	Tenant Participation	15,414	15,414	6,270	9,144
RRH2803	Shetland Women's Aid	81,482	81,482	81,482	0
Sports & Leisure		**1,786**	**0**	**0**	**0**
RRJ3007	Cunningsburgh Marina provisio	1,786	0	0	0
Environment		**200,000**	**112,238**	**100,031**	**12,207**
RRY5001	Fuel Poverty Grant Scheme	200,000	112,238	100,031	12,207
Planning		**242,692**	**198,757**	**86,455**	**112,302**
RRY8003	NAFC Marine Management	9,610	9,610	0	9,610
RRY8381	Area Regeneration Res Fund	30,700	25,498	10,764	14,734
RRY8383	Coastal Protection	44,000	28,267	10,077	18,190
RRY8481	KIMO Policy	7,000	5,833	4,393	1,440
RRY8482	Nuclear Policy	21,382	20,049	15,781	4,268
RRY8486	Env Improve/Cons	100,000	89,500	45,440	44,060
RRY8488	Natural Heritage	30,000	20,000	0	20,000
Economic Development		**10,253,565**	**6,326,856**	**5,442,275**	**884,581**
Fisheries		**4,253,792**	**2,510,567**	**2,443,493**	**67,074**
RRD2104	S.H.O.A.L.	1,000	833	0	833
RRD2120	Fisheries General Assistance	105,000	70,000	34,546	35,454
RRD2121	North Atlantic Fisheries Coll	2,443,711	1,640,541	1,640,540	1
RRD2122	Shetland Seafood Quality Con	233,751	152,857	152,857	0
RRD2123	Shet Shellfish Management O	43,888	30,278	37,615	(7,337)
RRD2201	Mentoring Programme	4,000	3,333	0	3,333
RRD2203	Fisheries&Aquaculture Lending	1,320,000	542,500	542,501	(1)

RRD2204	European Fisheries Match Fun	102,442	70,225	35,434	34,791
Agriculture		**485,000**	**297,724**	**276,588**	**21,136**
RRD1129	Livestock Health Scheme	100,000	75,000	66,851	8,149
RRD1133	Agriculture General Assistanc	115,000	79,729	71,253	8,476
RRD1136	Agriculture Contractors Schei	20,000	16,667	7,250	9,417
RRD1137	Shetland Rural Dev Scheme	50,000	26,328	38,072	(11,744)
RRD1138	Shet Agric Business Scheme	100,000	100,000	93,162	6,838
RRD1150	Agricultural Loans	100,000	0	0	0
Other		**3,514,156**	**1,947,353**	**1,621,646**	**325,707**
RRD1500	Other Research	60,000	43,550	39,873	3,677
RRD1502	Publications	2,000	1,667	(114)	1,781
RRD1515	Shetland Business Growth Sch	50,000	(1)	224	(225)
RRD1520	Other General Assistance	89,489	72,822	90,205	(17,383)
RRD1523	Rural Shop Improvement	60,000	39,035	23,553	15,482
RRD1526	Rnew Energy Proj	90,000	72,658	41,773	30,885
RRD1527	Business Energy Efficiency	100,000	19,154	11,819	7,335
RRD1528	Foula Electricity	80,000	5,591	5,591	0
RRD1530	Economic Infrastructure Proje	1,194,375	591,215	401,839	189,376
RRD1532	Architectural Heritage	250,000	250,000	250,000	0
RRD1533	Fairer Scotland Fund	0	(7,622)	(6,622)	(1,000)
RRD1534	Scotland's Islands	30,000	18,000	0	18,000
RRD1540	New Manufacturing-New Serv	200,000	0	0	0
RRD1541	Food & Drink Projects	150,000	62,500	0	62,500
RRD1545	Textiles	50,000	50,000	55,225	(5,225)
RRD1550	Broadband Services	0	0	11,390	(11,390)
RRD1551	Pop Set up Highspeed data linl	140,000	93,441	97,959	(4,518)
RRD1552	Mareel	418,292	364,625	355,672	8,953
RRD1553	Creative Industry Developmer	20,000	16,667	17,099	(432)
RRD1560	Community Enterprise Scheme	30,000		5,000	(5,000)
RRD1561	Retain Active Rural Population	30,000	0	0	0
RRD1562	Engage with Learning Centres	70,000	0	0	0
RRD1563	COPE	175,000	175,000	175,000	0
RRD1564	Childcare	100,000	64,000	35,226	28,774
RRD1800	Leader	(3,670)	(3,670)	4,232	(7,902)
RRD1801	Convergence	3,670	3,058	(5,773)	8,831
RRD1910	Decommissioning Projects	75,000	0	0	0
RRD6010	Investment Management	50,000	15,663	12,475	3,188
Tourism		**2,000,617**	**1,571,212**	**1,100,548**	**470,664**
RRD1620	Tourism Financial Assistance	50,000	37,177	32,267	4,910
RRD1621	Tourism Infrastructure	75,000	0	0	0
RRD1630	Tourism General	20,000	16,667	14,584	2,083
RRD1631	Heritage Tourism	1,008,452	705,081	220,461	484,620
RRD5005	MDP	38,000	38,000	43,124	(5,124)
RRD5010	Promote Shetland	363,000	353,250	353,250	0
RRD5014	Film Support	23,371	23,371	14,261	9,110
RRD5031	Shetland Promotional Costs	85,175	72,799	66,945	5,854
RRD5039	Flavour of Shetland	76,655	75,966	82,816	(6,850)
RRD5041	Food Festival	40,500	40,788	59,116	(18,328)
RRD5042	Tall Ships	154,391	147,975	149,855	(1,880)
RRD5043	Hamefarin	66,073	60,138	63,869	(3,731)
TOTAL		**12,496,211**	**8,151,363**	**7,121,023**	**999,412**

Shetland
Islands Council

REPORT

To: **Shetland Islands Council**   **23 March 2010**

From: **Chief Executive**

Report No: CE-020-F

Establishing Shetland's Strategic Direction for the Next 10-15 Years

1.   Introduction

1.1   Following on from the recent changes in the Council's political management arrangements, this report proposes the renewal of a medium / long term strategy for Shetland. It describes a process for doing that effectively, how it should be led by the Council and how others would be involved.

2.   Link to Corporate Priorities & Risk

2.1   Making sure Shetland has a straightforward and meaningful description of the most important objectives, issues and opportunities is both an obligation of Shetland Islands Council and a necessary part of community leadership.

2.2   That statement about the kind of future we want to work towards is the core to shared strategies like the Shetland Single Outcome Agreement and the Shetland Community Plan. It also informs the Councils Financial Strategy and its Capital Programme and helps the Council in its lead role for community planning to contribute to the direction of our partners' key plans.

2.3   The process also aims to minimise risk to the Council as it will set in place a process to assess Shetland's needs for the long-term.

3.   Background

3.1   Shetland's Community Plan is now seven years old. It is based around the Shetland Resolution, which was developed from 'Shetland: the Long-Range Forecast'. The economy, the driving force behind Shetland's future, is experiencing developments in oil and gas, renewables, and telecommunications, as well as developments in processing of local products and tourism.

3.2   As part of the Council's Improvement Plan, approved on 10 November 2010 (Min Ref 161/10), there was a commitment to develop a 'Clear common purpose and a shared vision'. Having this in place will be critical, as we move forward as an organisation, and with partner organisations and communities, to find further reductions in budgets in the coming years.

4. Proposal

4.1 There are a number of different ways such a plan can be developed. However, I believe that the process of Scenario Planning, which has its roots in the private sector, is the most appropriate, as it will enable Shetland to focus on a smaller number of clear and key priorities. It enables people to identify and agree key drivers of change and, from this, develop scenarios for possible futures.

4.2 This work will be framed within the constraints in public sector spending: it is crucial for Shetland to understand its priorities, before moving forward with more detailed assessment of changes to services. This process of Scenario Planning will enable this to be achieved.

4.3 Scenario Planning entails a number of key stages:

- The establishment of a Steering Group to provide leadership to the process, on behalf of Shetland;
- The development of the key issues facing Shetland at this time (using existing research and focused interviews with individuals and groups);
- The development of Shetland's key drivers for change;
- A Scenario Planning workshop, where different scenarios can be played out, in order to determine which priorities need to be the focus for Shetland over the next 10 to 15 years. Normal practice is to involve approximately 24 people in this event.

4.4 As a result all other plans and strategies, such as the Local Development Plan, Local Housing Strategy and Transport Strategy, will have a clear direction and framework, within which to deliver.

4.5 The steering group, of approximately 12 people, would provide representation of the public, private and voluntary sector (see Appendix A). Because this will be Shetland's plan, less than 50% of the group would be from the Council.

4.6 Interviews with individuals and groups would be focused, but the process would ensure that community development organisations and young people, as well as business representatives, are involved.

4.7 Arrangements will be made to ensure that all Councillors are kept informed, throughout, and involved at different stages.

4.8 I propose that Shetland Islands Council, on behalf of the Community Planning Partnership in Shetland, commission the St Andrew's School of Management to support and mentor individuals and groups through the process. At all stages opportunities will be made to ensure the Council and partner organisations are part of the process and are able to learn from the experience and develop skills. Therefore the approach will be a partnership between all those involved, supported by the team at St Andrew's.

5. Financial Implications

5.1 The direct cost of this exercise will be met from previously approved Council Improvement Plan budgets (Min Ref 161/10). Partner agencies, private sector participants and the voluntary sector will contribute staff time to participate.

6. Policy and Delegated Authority

6.1 The development of this sort of statement feeds into the overall medium and long term planning for Shetland Islands Council and is therefore for the Council as a whole.

7. Recommendations

7.1 It is recommended that the Council endorses the development of a statement of strategic direction for the next 10-15 years as described in this report, and delegates authority to the Chief Executive to co-ordinate and manage this process.

Date: 14 March 2010
Ref: JS/EP   Report No: CE-020-F

Appendix A: Steering Group Remit and Membership

Delivery will be overseen by a steering group of 12 individuals, representing public and private sector interests. The Steering Group will:

- commission and scope the piece of work;
- oversee the timely delivery of the process of Scenario Planning;
- take part in activities throughout the processes, as appropriate, including information gathering from interest groups and the Scenario Planning event itself; and
- sign off completion of the process and ensure leadership is provided to the policy changes required.

Membership

2 or 3 Councillors, SIC

Chief Executive and 1 or 2 Senior Managers, SIC

NHS Shetland – 2 representatives

Shetland Charitable Trust

Voluntary Action Shetland

Business Sector: representatives from Fishing, Energy, Tourism and LPA (Ports, Transport and Decommissioning)

Shetland
Islands Council

REPORT

To: Shetland Islands Council 23 March 2011

From: Assistant Chief Executive

Report: CE-021-F

FUTURE DELIVERY OF PUBLIC SERVICES

1. Introduction

1.1 This report asks the Council to consider and approve the response from the Chief Executive to the Christie Commission's call for evidence on the future delivery of Public Services in Scotland.

2. Links to Corporate Priorities

2.1 Sustainable Organisation – helps us to make sure that we are making the best use of our resources and delivering services as effectively as possible

3. Background

3.1 In November 2010 the Scottish Government established a Commission chaired by Dr Campbell Christie to develop recommendations for the future delivery of public services in Scotland.

3.2 The commission is due to report its recommendations by June 2011.

3.3 The commission has issued a call for evidence for which responses are invited by 31 March 2011.

3.4 The Council has since March 2010 participated in a joint project with our island colleagues in both Orkney and the Western Isles in looking at the concept of a Single Public Authority (SPA), which has been conducted by the Centre for Scottish Public Policy (CSPP).

3.5 The final report by the CSPP was received towards the end of February and copies have been placed in the Members workroom in Lystina for information.

4. Proposals

4.1 The Council is asked to consider and approve the response to the Christie Commission, which is attached as appendix 1 to this report.

4.2 The Council has, together with our island colleagues, looked at the concept of Single Public Authorities where it might be possible to achieve better quality of provision and outcomes in the delivery of services. It is also hoped that by doing this we can provide services more efficiently as well as having greater engagement with the local community.

4.3 The CSPP have prepared a partnership proposal as part of their overall recommendations and these are contained in the report from the CSPP. The document was discussed at the most recent meeting of the Community Planning Partnership on the 7th March 2011, where our community planning partners asked that these issues be further explored rather than formally endorsed by the partnership.

4.4 Discussions have been held with the Secretariat of the Christie Commission who have been invited to visit Shetland to meet with the Council and its Community Planning Partners in order to hear their views on the road ahead. The Commission sees its work as being to produce a " road map" for the future reform of public service delivery in Scotland and the members of the Commission hope that their recommendations will inform work in reforming public service delivery over the coming 5 – 10 years.

4.5 In order to support this the Commission wants to ensure that its recommendations are based on evidence that they have gathered with an understanding of the experience of both users and providers of public services in Scotland.

4.6 The call for evidence for the Christie Commission is timely, in that it coincides with the work which has been commissioned by the Council with the CSPP in exploring the concept of Single Public Authorities as an alternative model for the delivery of public services in island authority areas.

4.7 Members will note that there is a significant emphasis on the distinctiveness of the islands as a group compared to the growth of the city regions and the focus on sharing services particularly in the central belt.

4.8 The models which are highlighted at the end of the CSPP document are very much food for thought and will require considerably more dialogue with our partners if these concepts are to be taken ahead.

5. Financial Implications

5.1 There are no financial implications arising directly from this report

6. Policy and Delegate authority

6.1 This has not been delegated to any committee and is therefore reported to Council for consideration and approval.

7. Recommendations

7.1 I recommend that the Council considers the response by the Chief Executive to the Christie Commission, which is attached at Appendix 1 and approves its submission in the timescale of 31 March 2011.

Date: 16 March 2011
Report No: CE-021-F

COMMISSION ON THE FUTURE DELIVERY OF PUBLIC SERVICES

Response by Shetland Islands Council to call for evidence, March 2011

Shetland Islands Council welcomes the opportunity to submit evidence to the Commission on the future provision of public services.

The Council response to this call for evidence is presented in the context of the work currently undertaken in partnership by Orkney, Shetland and the Western Isles to develop the concept of the Single Public Authority (SPA) as an alternative model for local governance in islands authorities.

In so doing, the three key questions posed by the commission as detailed below have been addressed;

- How best can our Public Services achieve positive outcomes for and with the people of Scotland?

- How best can wider organisational arrangements (including functions, structures and processes) support and enable the delivery of effective services?

- What shared values and ethos should underpin Scotland's public services and how best can they be embedded in the delivery of public services in the future?

Shetland Islands Council recognises the opportunity that now exists for the government to consider the future delivery of public services together with the review of the number of councillors in each council area as initiated by the local government boundary commission for Scotland. It should be noted however that the boundary commission review has initially at least recognised the particular characteristics of the island areas in that Western Isles, Orkney and Shetland constituencies are proposed to remain unaltered.

Opportunities for Public Sector Reform in the Islands authorities

The future delivery of public services in Shetland is of paramount importance and there is considerable scope for improving the collaboration between public services, many of which are managed off Shetland through a variety of government agencies. The debate on the future delivery of Public Services in Scotland has been a concern for Islands Councils and particularly Shetland for some considerable time. It should be borne in mind that the island Councils were in the vanguard of promoting 'community leadership' in the early 1970's.

The Centre for Scottish Public Policy (CSPP) has been commissioned by the three councils to capture local ideas, investigate alternative models of Public

Sector Reform and to look at related political issues in proposing a unified strategy for three island groups.

The SPA concept builds on the experience of the Community Planning Partnerships at both political and operational levels. The basic principle of the SPA is to take Community Planning to a different level where bodies are unified or at the very least work under an umbrella within a designated geographical area. This contrasts with the majority of efficiency models which are under consideration elsewhere in the country and which focus predominantly on bringing together similar services which are provided by neighbouring authorities.

In island regions it makes much better sense to look to coterminous local partners for synergy and efficiency gains as the optimum approach to public sector reform. The present pattern of public services in Shetland looks more complicated than the pattern for a Shetland jumper with various agencies based in Aberdeen, Inverness and Edinburgh. Decisions are taken which often make local considerations secondary to the vertical delivery of these services and these are the direct opposite of the localism that is advocated by government and fully endorsed by Shetland communities.

The three island groups have independently been developing ideas for closer ties between local public agencies for some time but within the current economic and political climate it is recognised that the three island councils should work together on a unified strategy to retain autonomy and avoid being grouped together by central government.

The framework which is proposed by the CSPP recognises the distinctive nature of islands authorities and how each of them can best serve their local communities. Whilst recognising the distinctive nature of the island groups it is important to emphasise that there are differences within each islands area in terms of history, geography and culture which will determine the overall approach to be pursued individually by each island group.

The concept of a Single Public Authority is the favoured model of the Council to achieve the maximum benefit for the community. This is being discussed with partners who are mainly managed from off Shetland and are by definition more likely to support the status quo. The exception is NHS – Shetland with whom the Council has worked well but as part of NHS – Scotland is less able to advocate a localism stance.

The opportunity to engage more closely with our community planning partners to try and provide an innovative and responsive approach to delivering local services is in the interest of the users of the services and is one that will be embraced.

On the specific issues which are listed in the consultation document we would provide the following comment: -

Achieving positive outcomes

Shetland's single outcome agreement demonstrates the progress that has been made by the Council together with its partner agencies. There is work ongoing particularly in relation to the restructuring of some of the emergency services and the council working closely with our partners to ensure a comprehensive range of services will be provided. For example a review of the police service recommended the removal of three backroom posts which would remove the ability of the police HQ in Lerwick to operate a 24-hour service. The islands Council, in partnership with the police have proposed a scheme of collaboration, which will ensure 24-hour cover. We would ask that the commission considers all of the evidence that is presented to it and that no decision is taken on the future government of individual public services without considering the impact on related service.

Supporting delivery

Shetland Islands Council covers all of the range of services provided by a normal local authority but in addition is responsible for harbours, an oil terminal, a ferry fleet, pilotage services and an unincorporated college. Whilst these present significant challenges, the Council has a strong and successful track record in delivering the best services and obtaining commercial success on behalf of its community.

Shetland had operated with three economic development agencies in 2004/5 but now houses two economic development agencies under one roof as part of a partnership approach to developing and promoting the economy as well as providing a single point of contact to end users.

Shetland together with Orkney both received primary legislation in 1974 the Zetland County Council and Orkney County Council Acts respectively which enabled both islands authorities to work with and develop their communities. A notable feature in Shetland is the strong links between the Council, private sector and the voluntary sector. It is no accident that these organisations are based and take decisions in Shetland. Shetland Islands Council provided strong community leadership facilitated by the Zetland Act in 1974, which could be seen as a precursor of the power of well being. The outcomes have been astonishing with the Council providing a major port facility for the oil industry and using the income stream to support local businesses in the fishing, agricultural and craft industries so that Shetland now has the lowest unemployment in Scotland and a standard of living which bears no relationship to the fragile economy that existed in the 1970's. The Council has used the revenues to support a wide variety of community initiatives through a network of trusts and this in turn has allowed Shetland to create a network of leisure facilities, care facilities, transport and ferry networks, arts and culture venues and events which have revitalised its communities and the economy. It is a striking example of how localism should work and how public and voluntary organisations can work collectively for the common weal.

Values and Ethos

It is recognised that all members of the council and indeed all staff who are employed by the council and its partner trusts and agencies both deliver and benefit directly from the services which are provided because we live within an islands area. This in itself engenders a strong public service ethos but perhaps more importantly fosters a level of responsibility that we are providing services not just to our colleagues but to family and friends all within the communities that we are part of.

Shetland has a very good track record in dealing with large scale developers such as in the oil and gas industry but also has strong traditional links with indigenous industries such as fisheries, agriculture, knitwear and continues to promote all of them together with more advanced and modern industries in particular telecommunications where the council is directly engaging with providers to ensure the best level of coverage and connection between our islands and the mainland which will support not just private individuals but also business users. This will help to demonstrate, that although Shetland is geographically remote, this is not a barrier to people either coming to live here or to do business with us.

It has been recognised that it may be difficult for national bodies to fully appreciate the impact of decisions taken centrally and the need to apply such decisions to local circumstances of which they may not be fully aware.

There is a tradition of localism in Shetland which has long had a 'Big Society' vested in its peerie communities. Shetland is top per head of population for voluntary sector activity which demonstrates a strong sense of community through its centres and events across the length and breadth of the isles.

Shetland
Islands Council

REPORT

REPORT NO: CE-015-F

Improvement Plan – Progress Report

## 1.	Introduction

1.1	This report provides an update on progress made on achieving the outcomes set out in the Council's Improvement Plan, as approved at the meeting on 10 November 2010.

## 2.	Links to Corporate Priorities

2.1	The Council's Improvement Plan builds on Section 4 of the Council's Corporate Plan, "Organising Ourselves Better". All three strands of this section, namely, Vision and Strategic Direction, Governance and Accountability, and Best Value use of Resources are relevant. These three key areas underpin our ability to support service delivery and to achieve best value for the community.

2.2	Specifically, the Corporate Plan commits to, " Agree and then deliver a comprehensive improvement plan for the Council".

## 3.	Risks

3.1	The Council, as a corporate body, has agreed to accept the recommendations of the Accounts Commission and has sent the Improvement Plan to the Accounts Commission in response to those recommendations.

## 4.	Background

4.1	Following the public hearing at the end of June 2010, the Council received the Accounts Commission report on 16 August 2010. The Council resolved at its meeting on 15 September 2010, that the development and implementation of an Improvement Plan was essential for the Council for the next 12 months. The Council also agreed to the setting up of a Corporate Improvement Sounding Board, comprising Members from all seven Ward areas to oversee the various work-streams. The final draft of the Improvement Plan was agreed by the Council at its meeting on 10 November 2010.

Agreed as part of that, was the requirement to regularly report progress against the Plan to the Audit and Scrutiny Committee and also to the Council. This report is the second of those updates.

5. **Progress against the Improvement Plan**

5.1   Appendix 1 monitors progress against each of the individual work-streams. This is kept up to date on a near daily basis and is available on both the Council's Internet and Intranet sites.

5.2   The main areas of activity since the Plan was approved in November have been the review of the governance arrangements and the ongoing work in respect of the budget setting process for 2011/2012, and future years.

5.3   In respect of the review of the governance arrangements, a series of meetings were held between all Members and Mr Nigel Stewart, those being followed by two Members' seminars for all Members to have sight of, and to discuss, his proposals; a third seminar is planned for 15 February 2011. These discussions will culminate in a special meeting of the Shetland Islands Council in early course.

5.4   Members will be aware of the ongoing work in respect of the budget setting process, there having been 8 seminars on this subject and Members being presented with a range of choices for savings. The Chief Executive and the Head of Finance took the discussion points from those seminars to inform their budget setting report, which was presented to Council at its special meeting on 10 February 2011. The outcome of that meeting was that budget savings of £9.447M, or 7.7% were approved.

5.5   The Accounts Commission, at its meeting on 20 January 2011, considered a report from the Controller of Audit, dated 7 January 2011, on the Council's annual audit 2009/10. The Commission expressed its continuing concern that a qualified opinion had had to be issued on the financial statements for the fifth consecutive year. However, the Commission also noted the ongoing monitoring by the auditors of the Council's progress on delivering its Improvement Plan; in light of ongoing work in this respect, the Commission agreed to note the Controller of Audit's report. The Council is, together with the Charitable Trust, awaiting the opinion of senior legal counsel on the issue of qualification of accounts and the Council's relationship with the Trust.

6. **Financial Implications**

6.1   A provisional budget of £1 million was established in the current financial year by Report ESCD-23-F, presented to the Council on 30 June 2010 (Min. Ref. 106/10), to which all costs attributed to the development and delivery of the Improvement Plan will be charged.

7. **Policy and Delegated Authority**

7.1 All principal policy documents require approval by the Council. This report sets out the Council's progress on delivering against the Improvement Plan.

7.2 The role of the Audit and Scrutiny Committee is to monitor and comment on progress being made, making recommendations to the Council, if required.

8. Conclusions

8.1 This report provides an update of progress against the Council's Improvement Plan. It shows substantial progress being made in some key areas and good progress being made in a number of others.

9. Recommendations

9.1 I recommend that Audit and Scrutiny Committee comment on progress being made by the Council against the Improvement Plan and make any recommendations to the Council that are required; and

9.2 I recommend that the Council discuss progress being made and, as a result of that discussion, decide whether any amendments are required or priorities changed.

Our Ref: SLT/LM
Date: 10 February 2011   CE-015-F

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
LV01A	Create understanding of effective political leadership, role and purpose.	Chief Executive *Alistair Buchan*	John Smith		- Continuing in line with the review of overall governance arrangements
LV01B	Develop core competencies and a training programme for Members.	Project Manager – Executive Support *Shona Thompson*		Programme developed and implemented by September 2011.	- A number of informal Members' Seminars have been held in the areas of Financial Management and Governance. - Initial meeting held and decision taken to run this work stream along with LV06 – Develop Management Training. - Next meeting of Project Board scheduled for 16 March 2011.
LV02	Create circumstances to support effective political leadership. Body to be established at political level, responsible for effective leadership and strategic direction of the Council as an organisation and to work with Chief Executive and Corporate Management Team.	Chief Executive *Alistair Buchan*		Proposals formally considered Feb/March 2011 Proposals Implemented by May / June 2011. Effective succession planning implemented from March 2011 to May 2012.	- Special meeting of Shetland Islands Council held on Monday 7 March 2011; new committee structure approved and appointments made to the roles of Convener, Leader of the Council, and to the Chairs of the 4 new committees – Children, Families & Learning; Communities, Health & Well being; Economy & Development and Environment. Appointments to the Chairs of the remaining bodies will take place at the Council meeting on 23 March 2011.
LV03	Fully embed Planning and Performance Management Framework (PPMF).	Executive Director – Education and Social Care *Hazel Sutherland*	Emma Perring	Reformed PPMF established June 2011. SMART (specific, measurable, achievable, realistic and timely) Integrated Strategic and Service plans and budgets by Sep 2011 for 2012/13 budget process.	- Project Initiation Documents approved by Project Board and actions are underway. - Workshop held with Project Team with responsibility for Service Plans, with draft PPMF. Workshop to be re-run in April with Extended Corporate Mgt Team, before finalising. - Exploration of software: option appraisal to be undertaken on Covalent vs. NHS Shetland system before decision is taken.

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
LV04A	Establish a communications office within the Chief Executive's Office, in order to support the elected Members, the Council's corporate message and Shetlands reputation. Refresh the Communications Strategy.	Assistant Chief Executive *Willie Shannon*	Peter Peterson	March 2011 for refreshed strategy and proposals on staffing. Implemented by September 2011.	- Interviews for temp Communications Officer taking place this week. Proposals for establishing Unit permanently to be included in wider report from Chief Exec to Council; - Extensive consultation exercise completed on how the Council communicates (Management, Staff (over 400 responses) and Shetlink) - Draft Strategy and Implementation Plan to be at full Council on 18th May - Daily Headline Alert Service now reaching over 100 managers, Members and Head Teachers. Very positive feedback received.
LV04B	Establish dedicated support services for Members.	Project Manager – Executive Support *Shona Thompson*		Proposals for design of services and staffing developed by March 2011. Implemented by June 2011.	- Support function for Members – now that new committee structure has been agreed, the first of a series of meetings has been arranged for 17 March 2011 to ascertain requirements.
LV05A	Create new community engagement strategy based on principles of structured community engagement.	Assistant Chief Executive *Willie Shannon*	Emma Perring	Updated strategy designed by June 2011	- Partners have approved Project Initiation Document too - Principles approval by Community Planning Development Group on 7 March 2011, to be approved by partners - Community Engagement Mechanism Database being developed - Next Project Team meeting planned for Mid-March
LV05B	Co-ordinated response to complaints with lessons being learned and disseminated throughout the organisation	Head of Legal and Administration *Jan Riise*	Shona Thompson	Dates for approval/implementation of new complaints scheme to be determined by project board following guidance from SPSO (Scottish Public Services Ombudsman)	- Project Initiation Document prepared to reflect SPSO principles of complaints handling. The launch and introduction to new ombudsman guidance delayed from Dec, took place in Edinburgh on 31 January 2011. - Workshop arranged for 14 March 2011 with key members of staff from around the Authority. - SPSO guidance on a Model Complaints Handling Procedure received on 11 March 2011.

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
LV06	Develop Management Training	Head of Organisational Development *John Smith*	Denise Bell	Programme designed by March 2011	- E-Learning options being explored with Clyde Valley Consortium. Options also being explored with other agencies, such as the Improvement Service and SOLACE (Society of Local Authority Chief Executives) Enterprise. - Decision taken to run this work stream along with LV01B – Develop Core Competencies and a training programme for Members. Joint Project Board scheduled for 18 February 2011.
LV07	Deliver Management Training	Head of Organisational Development *John Smith*	Denise Bell	Implemented from June 2011	- A shared leadership programme will be launched alongside new governance arrangements.
LV08	Performance Appraisal	Executive Director – Education & Social Care *Hazel Sutherland*	Denise Bell	Design complete for Chief Executive and Chief Officers by December 2010 Full Implementation by December 2011	- System in place for Chief Executive, supported by an external facilitator. - In hand, as part of Planning and Performance Management Framework. Project Initiation Document completed. The Project Team met on January 18th and agreed actions to be completed by the next meeting which will take place on Feb 28th. A draft revised Employee Review and Development policy has been circulated for comment to all project team members.
LV09	Reinvigorate the Council's policy of jobs dispersal.	Head of Economic Development *Neil Grant*	John Smith	Implementation from June 2011	- Staff and Managers Survey carried out, feedback being analysed. Initial Projects identified and approved by Project Board.
LV10	Share Best Practice	Executive Director – Infrastructure *Gordon Greenhill*	John Smith	1st session December 2010	- Project Initiation Documentation drafted – All managers session taking place late April.

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
LV11	Benchmarking	Executive Director – Infrastructure *Gordon Greenhill*	Stephen Cooper	Aligned to Planning and Performance Management Framework (PPMF) timescales. June 2011 for agreement of structure implemented to support strategic and budgeting in September 2011	- Working Group established and first meeting held. - Data collection underway.
LV12	External Engagement	Executive Director – Infrastructure *Gordon Greenhill*	Stephen Morgan	Full review of current activity with proposals for improvement by end May 2011	- Audit of Elected Member's membership and attendance at National Fora completed. - Template sent to Extended Corporate Management Team for completion to audit officer membership at National Fora. This information to be returned by Friday 25th March for collation.
LV13	Review current chief officer structure.	Chief Executive *Alistair Buchan*		Proposals developed for June 2011	- Will be progressed between March 2011 and June 2011.
LV14A	Update Recruitment and Selection Policy for protocols governing the process for Chief Officer appointments.	Head of Organisational Development *John Smith*	Denise Bell	December 2010	- In hand – needs to reflect the changes to the Committee structure, so plan to report to Employee Joint Consultative Committee (EJCC) and then to Council on 23 March 2011.
LV14B	Robust and transparent procedures for creation and filling of posts	Executive Director – Infrastructure *Gordon Greenhill*		December 2010	- Fortnightly Vacancy Management Panel established to deal with all vacancies – established posts, temporary posts and extensions to contracts. First meeting was held on 13 January 2011.
G01	Develop understanding of good governance standards.	Head of Legal and Administration *Jan Riise*		March 2011	- Underway as part of review of governance arrangements.

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
G02	Revise governance structures.	Head of Legal and Administration *Jan Riise*		Report proposals and options in December 2010. Formal decision making February / March 2011 Implementation May / June 2011.	- Underway as part of review of governance arrangements.
G03	Revise local codes of conduct for Members and officers.	Head of Legal and Administration *Jan Riise*		Report to Council with proposals in March 2011.	- Underway as part of review of governance arrangements.
	Protocol on Member officer relations to be developed.	Chief Executive *Alistair Buchan*		Formal approval of any changes February / March 2011.	- Underway as part of review of governance arrangements.
CP1	Revise governance structures for community planning.	Executive Director – Education and Social Care *Hazel Sutherland*	Emma Perring	September 2011	- Underway as part of PPMF. - Project Initiation Document agreed by Project Board and actions are underway. Awaiting conclusion of Shetland Islands Council Governance. Being developed as part of LV03.
CP2	Bring community planning within Planning and Performance Management Framework (PPMF).	Executive Director – Education and Social Care *Hazel Sutherland*	Emma Perring	September 2011	- Underway as part of review of PPMF - Project Initiation Document approved by Project Board and actions are underway. Being developed as part of LV03.

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
FM1	The council will establish rigorous processes to ensure that its use of resources is on a footing consistent with implementing and sustaining its financial strategy, and demonstrate that it delivers services in a way which achieves Best Value.	Head of Finance *Graham Johnston*		September 2011	- Links to FM2 below.
FM2	The budget setting process will be developed with a shared commitment by members and management, to focus on efficiency and strategic priorities conducted in line with all good governance principles.	Head of Finance *Graham Johnston*	Hazel Tait	September 2011	- 8 Members' Seminars held 25/11/10 – 21/1/11, to progress a programme of savings comprising – efficiency, increases in income and reductions in service. The debate at these seminars informed the budget setting report, put before Members on 10/2/2011, where savings of £9.44M, or 7.7%, were agreed. - Budget strategy and long term financial planning reports will follow on from the Council meeting on 23 March 2011.
FM3	The long running qualification of the Councils accounts by Audit Scotland will be resolved.	Assistant Chief Executive *Willie Shannon*		August 2011	- This is being progressed and the Council is currently in discussion with external lawyers regarding the opinions on consolidation of accounts, and the Council's relationship with the Shetland Charitable Trust.
FM4	Adequate resourcing of the Financial Accounting function.	Head of Finance *Graham Johnston*		March 2011	- The Head of Finance will conclude discussions with the Chief Executive in March 2011.
FM5	Review of the Council's Financial Regulations.	Head of Finance *Graham Johnston*	Hazel Tait	March 2011	- Mr B Lawrie is undertaking some drafting of these on behalf of the Head of Finance.

REF	IMPROVEMENT ACTION	LEAD	PROJECT MANAGER	KEY DATES	LATEST UPDATE
AS1	Create a new strategy.	Head of Capital Programming *Robert Sinclair*		December 2011	- Asset Strategy Manager recruited, starts 4th April 2011. - Project Initiation Document completed. Sharing of property data with other agencies is underway. Other preparatory work is also underway.