



Shetland Islands Council

Development Committee
Council Chamber, Town Hall, Lerwick
Thursday 8 September 2011 at 2 p.m.

Present:

A T J Cooper	A T Doull
J Budge	R S Henderson
J Simpson	

Apologies

L Angus	E L Fullerton
I J Hawkins	W H Manson
F A Robertson	A S Wishart

In Attendance (Officers):

N Grant, Head of Economic Development
D Irvine, Head of Business Development
J Riise, Head of Legal and Administration
J Dunn, Economic Development Project Manager
S Keith, Project Manager
J Johnson, Senior Assistant Accountant
A Cogle, Service Manager - Administration

Chair:

Mr A Cooper, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

None.

44/11 **Minutes**

The minutes of Development Committee held on 22 June 2011, having been circulated, were confirmed.

Shetland Islands Council as Trustee of Shetland Development Trust

45/11 **Shetland Development Trust (SDT) Surplus Distribution**

A report by the Director of Development Services (Report No: DV040-F) was presented to the Committee, seeking a decision with regard to the distribution of SDT profits to the Shetland Charitable Trust (SCT).

The Project Manager introduced the report, and the Committee noted that a further report from the Director of Development would be presented within 2 cycles, provided that tax advice was received back from the Auditors.

The recommendations in the report were approved on the motion of Mr Doull, seconded by Mr Henderson.

Decision:

The Committee RESOLVED, on behalf of the Council as Trustee of the SDT, to:

- Revoke the previous decision for the SCT to receive all the surpluses from the SDT;
- Distribute surpluses directly to beneficiaries with an economic development objective, in accordance with the Trust Deed; and
- Await a further report(s) from the Director of Development Services, within 2 cycles time, with information on the level of available surpluses for distribution, the sum in the tax pool and recommendations for potential beneficiaries.

In order to avoid the disclosure of exempt information, Mr Cooper moved, Mr Doull seconded, and the Committee agreed to exclude the public in terms of the relevant legislation during consideration of the following items of business.

(Representatives of the press left the meeting.)

46/11

Bod Ayre Products Ltd

A report by the Economic Development Project Manager (Report No: DV039-F) provided the Committee with an update of the current status of Bod Ayre Products Ltd and to consider a proposal with regard to the existing loan.

The Economic Development Project Manager introduced the report, and answered questions from Members relating the viability of the business into the future, and the Committee noted that the SDT ranked first in the borrowing interests, ahead of the Council.

During consideration, Members agreed that the proposals would offer some protection to the company with a view to it taking the current opportunities available to it and the company becoming an asset to Shetland.

The Committee approved the recommendations in the report on the motion of Mr Simpson, seconded by Mr Budge.

Decision:

The Committee RESOLVED to approve the rescheduling of the existing loan as detailed in the report.

47/11

Investment Update

The Committee noted a report by the Director of Development Services (Report No.: DV041-F) and updates were provided.

Decision:

The Committee NOTED the contents of the report and RESOLVED that the Director of Development Services and his staff continue to act on behalf of the Council accordingly regarding current and future business activities.

The meeting concluded at 2.15 p.m.

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Chair