

MINUTE

A&B – PUBLIC

Special Development Committee
Council Chamber, Town Hall, Lerwick
Thursday 31 January 2013 at 3 p.m.

Present:

A Cooper	T Smith
M Burgess	S Coutts
B Fox	A Manson
F Robertson	G Robinson
M Stout	A Westlake

Also in Attendance:

G Smith
V Wishart

Apologies

None

In Attendance (Officers):

C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
J Gray, Executive Manager - Finance
I McDiarmid, Executive Manager – Planning
V Simpson, Executive Manager – Community Planning and Development
J Riise, Executive Manager - Governance and Law
C Anderson, Senior Communications Officer
J Thomason, Management Accountant
L Adamson, Committee Officer

Chair:

Mr A Cooper, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

There were no declarations of interest.

01/13 **Management Accounts for Development Committee 2012/13 – Quarter 3 (April 2012 – December 2012)**

The Committee considered a report by the Executive Manager – Finance (Report No: F-002-F), which enabled the Development Committee to monitor the financial performance of services within its remit to ensure that expenditure incurred and income generated has been delivered within the approved budget, so that timely action can be taken when required to mitigate projected overspends.

In summarising the main terms of the report, the Executive Manager – Finance commented on the challenging budget that has been set for the services within the remit of Development Committee, and he reported on the £2m savings achieved to date and on the £1m projected underspend.

The Director of Development Services advised on the projected overspend within the Transport Planning budget for 2012/13, and in referring to the Economic Development underspend he commented on the concerted efforts of staff within Economic Development to make the savings in consultation with the individual organisations.

(Ms Manson attended the meeting).

Reference was made to the allocation of Shetland Development Trust (SDT) surplus to the NAFC Marine Centre in 2012/13. In response to a question regarding eligibility for SDT surpluses, the Director of Development Services explained that the recipient has to be a charitable body and the grant awarded free of any conditions to allow tax relief on the allocation. He added that any distribution would have to be agreed at Development Committee.

On the motion of Mr Cooper, seconded by Mr T Smith, the Committee approved the recommendations in the report.

Decision:

The Committee **RESOLVED** to:

- review the Revenue Management Accounts, from 1 April 2012 – 31 December 2012, including the projected outturn position; and
- instruct the Director of Development Services to ensure that the projected outturn is achieved at the year-end or exceeded.

02/13

2013-14 Budget Proposals Development Committee

The Committee considered a report by the Executive Manager – Finance (Report No: F-006-F), which enabled the Development Committee to examine the controllable budget proposals for the services within the Committee's remit, which will in turn contribute towards ensuring that the Development directorate meet their Target Operating Budgets, as set out in the Medium Term Financial Plan.

The Executive Manager – Finance summarised the main terms of the report, and advised on an amendment to the budget proposals with the need to include additional funding for Cope Ltd. to allow a full review to be carried out with the aim to reduce the grant to the organisation. The Chair clarified that the proposed funding for Cope Ltd. will be reported at the Council meeting on 20 February.

The Director of Development Services referred to the target operating budget for services under the remit of Development Committee to reduce by £6m over the next 3 years, and advised on the intention to front load the savings to remove as much uncertainty as is possible.

The Director of Development Services advised on the proposed reduction in funding to Shetland Amenity Trust for Archaeological Heritage Services and Museum and Archives Services, while the funding to PromoteShetland is to remain the same.

(Mr F Robertson declared an interest as a Trustee of Shetland Amenity Trust).

In response to questions relating to the proposal to maintain funding levels to PromoteShetland, the Director of Development Services reported that the current contract is providing an effective service and achieving targets. It was confirmed that proposals to re-tender the 'PromoteShetland' contract would be reported through Committee.

The Director of Development Services advised that the 2013-14 Community Planning and Development budget that reports to Development Committee are activities relating to Culture, which is entirely for funding of the Museum and Archives service.

In response to a question regarding the proposal to reduce the allocation of community ferry runs in 2013/14, the Director of Development Services confirmed on the proposal that the funding will be reduced from £50,000 to £25,000.

During the discussion, the Chair said to he supported the proposals to focus the budget reductions in the first year as this would remove some uncertainty with industry and the private sector, and provide the stability to move forward with limited resources. Mr Robertson reported on the need to encourage organisations to seek as much external funding as possible, and he said that the Council's Local Development Plan will be a significant factor in the economic development of communities and will support applications for external funding.

In response to a question, the Executive Manager – Planning confirmed that the proposed reduction in budget for Planning in 2013/14 should not impact on the current practice whereby Officers assist during the pre-application stage.

The Chair advised that a Special Development Committee has been arranged for 8 March 2013 to consider the core funding applications.

Mr Cooper moved that the Committee approve the recommendation in the report. Mr Robertson seconded.

Decision:

The Committee **RESOLVED** to:

Recommend to the Executive Committee approval of the budget proposals and carry-forwards for 2013-14 included within the report and appendices.

The meeting concluded at 3.30pm

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Chair