

MINUTE

A&B - Public

**Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Monday 18 February 2013 at 10 a.m.**

Present:

M Bell	G Cleaver
A Cooper	S Coutts
A Duncan	B Fox
R Henderson	A Manson
D Ratter	F Robertson
G Robinson	M Stout
D Sandison	C Smith
G Smith	T Smith
M Stout	A Westlake
J Wills	A Wishart
V Wishart	

Apologies

M Burgess

In Attendance (Officers):

M Boden, Chief Executive
C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
A Edwards, Executive Manager – Quality Improvement
J Gray, Executive Manager - Finance
J Riise, Executive Manager - Governance and Law
J Smith, Executive Manager – Performance and Improvement
A Cogle, Team Leader – Administration
C Anderson, Communications Officer
C Bain, Treasury Accountant
L Adamson, Committee Officer

Also Present:

R Miller, Liaison Manager, Total
C Bain, Logistics Manager, Petrofac

Chair:

M Bell, Convener of the Council, presided.

Circular:

The circular calling the meeting was held as read.

In order to ensure continuity of representation, the Convener ruled that the following item of business would be considered at this meeting as a matter of urgency in terms of subsection 4 of section 50B of the Local Government (Scotland) Act, 1973.

- Agenda Item 4B – Appointments to External Organisations

Obituary – Mr Andrew Cromarty

All those present in the Chamber stood whilst the Convener paid the following tribute:

“Former Council Member Andrew Cromarty, or Drew as he was better known, sadly passed away on 26 November 2012, aged 78 years.

Mr Cromarty served on the Zetland County Council, representing the Northmavine North Ward, for nine years between May 1964 and May 1973. During his time in the ZCC, he served on the Non-attendance of Children at Schools Sub-Committee and the Teachers Joint Consultative Committee as well as representing Shetland on the COSLA Housing Committee.

He spent his early years in Giblestone, Scalloway, before moving north in 1947 when his father took on the estate at Lochend House, North Roe.

Outside of Council work, he was regarded as a good landlord, and I understand he was always keen to get people into any vacant croft who would make positive use of it. He was also very much involved in all manner of community bodies and organisations over many years.

Mr Cromarty is survived by his wife Elizabeth, son John Alex and daughter Anne-Marie.

I move that an extract of the minute from this meeting be sent to Mrs Cromarty”. The Council unanimously concurred.

Declarations of Interest

Dr Wills, Mr Ratter, Mr Henderson, Mr Campbell and Ms Manson declared an interest in Item 5 ‘Mareel’, as Trustees of Shetland Charitable Trust.

Mr T Smith declared an interest in Item 5 ‘Mareel’, as he still has a financial interest as a consultant to the project. Mr Smith confirmed that he would take no part in the discussion, and would leave the Chamber.

Mr G Smith declared an interest in Agenda Item 5 ‘Mareel’, as a former Trustee of SADA who had resigned in 2010.

02/13 Minutes

The Council approved the minutes of the Council meeting held on 5 December 2012 on the motion of Mr Robertson, seconded by Mr Henderson.

The Council approved the minutes of the Council meeting held on 17 December 2012 on the motion of Mr Henderson, seconded by Mr Robertson.

The Council approved the minutes of the Council meeting held on 4 February 2013 on the motion of Mr Sandison, seconded by Mr Cooper.

03/13 Update on Shetland Gas Plant – Presentation by Total Ltd.

The Council considered a report by the Director of Development Services (DSD-02-13-F), which introduced a briefing from Total on the Shetland Gas Plant project.

Ms R Miller, Total, provided Members with a brief update on recent developments at the Gas Plant and advised on the decision to bring in a barge to accommodate workers. Members noted that the project was on target to bring in gas in 2014 and that the camp was working well. She advised that some amendments had been made to the Gas Plant planning application, and that Total wished to thank the Planning Service for their assistance and professional approach. Ms Miller concluded

by confirming that the modules for the hotel at Brae were expected to arrive in Lerwick around 1 March.

Ms C Bain, Petrofac, advised on the current workforce on site at between 850 and 900 workers, which is anticipated to increase to approximately 1400 at the peak time. In regards to accommodation for the workers, she advised that the Sella Ness accommodation facility is currently at capacity, with 72 hotel beds being utilised around the islands, and developments are ongoing to bring in a 220 bedroomed barge to be berthed at Morrison Quay from 1 April. She said that the barge will go some way to accommodate the additional workers however discussions are ongoing to find solutions to accommodate all workers during the peak time.

During the discussion, assurance was given that dialogue was taking place with Lerwick Port Authority to limit congestion and disruption to other quay users while the barge is sited at Morrison Quay.

In response to questions, Ms Bain explained that the local workforce included a combination of sub-contractors, individuals employed on the project and local vendors, and she undertook to provide Members with actual figures.

Ms Bain advised on the processes being followed with the Police and Health Board to ensure any impact from the increase in manpower into Shetland is limited.

Mr Cooper advised that the construction phase of the project had not created any disruption in the community to date, and he congratulated Total for the way the project is being managed. In response to a suggestion, Ms Miller advised that arrangements would be made for Members to visit the Gas Plant site during May.

The Convener thanked Ms Miller and Ms Bain for the information provided.

Decision:

The Council **RESOLVED** to note the presentation.

04/13 Accounts Commission Findings and Improvement Plan Update Report

The Council considered a report by the Executive Manager – Performance and Improvement (IP-03-13-F), which presented the Accounts Commission's latest follow up report on the Council's improvement work.

The Convener advised that he welcomed the report, which he said provides a fair and balanced appraisal of the Council's current position. He added that the report confirms the Council is on the right path across a range of actions, however he acknowledged that much work is still to be done and the biggest challenges still remain.

In introducing the report, the Chief Executive said that the Accounts Commission's follow up report provides a very important milestone for the Council's Improvement Plan into the future and reflects positively on the achievements to date. There were however thoughtful and clever decisions to be made in deploying resources to provide and deliver services, and how the Council can invest in capacity to reach the best outcomes.

During the discussion, Dr Wills said that he welcomed the report, however in referring to the recent decision for the Shetland Charitable Trust (SCT) accounts to be included

in the group accounts, he commented that in his opinion the SCT is not, never has been, and never will, be a subsidiary of the Council.

Mr G Smith commented on the excellent report from the Accounts Commission, which he said provided a comprehensive road map in which to move forward. In response to a question, the Executive Manager – Performance and Improvement reported that a Members Seminar had been arranged on 13 March 2013 to focus on the Corporate Plan 2013-18, and Members would be invited to participate in the Shetland Partnership Seminar on the new Shetland Outcome Agreement on 21 March.

During the discussion, assurance was given that although not included as a specific objective in the Improvement Plan, remote working and job dispersal is being taken forward within the Directorate plans. The Director of Development Services indicated that he was aware that there was an increase in the number of staff taking up the option to work from home however he undertook to circulate Members with the figures on staff currently engaged in remote working, which would include a breakdown by area. Mr Cooper commented on the importance of high speed broadband links to assist remote working.

Mr G Smith moved that the Committee approve the recommendation contained in the report. Mr Robinson seconded.

Decision:

The Council **RESOLVED** to:

- Discuss the Controller of Audits follow up report and Accounts Commission findings and note the Commissioners have decided that the Council's progress will now be monitored as part of the annual audit process rather than through special measures;
- Note the latest progress set out in the Improvement Plan Update Report;
- Approve the proposals to integrate future Improvement Activity with the Council's Corporate Plan 2013 – 2018 which is under development for final approval in June 2013; and
- Delegate authority to the Chief Executive to communicate the Council's decisions and further improvement plans to Audit Scotland and the Accounts Commission.

05/13 Chair's Report – Education and Families Committee: Blueprint for Education 2012-17: Technical Amendment

The Council considered a report by the Chair of the Education and Families Committee (SIC-0218-CS01), which presented recommendations requiring a Council decision in relation to a proposed amendment to the Blueprint for Education 2012-17.

In response to questions, the Executive Manager – Quality Improvement advised on the proposal that the statutory consultation on the Sandwick Junior High School secondary department could be undertaken along with 3 other statutory consultations during 2013, and that the resources required and plans are in progress pending the Council's decision today. It was confirmed that should it be agreed that the Sandwick

secondary department would close the transfer would remain as previously proposed, at the date when the new Anderson High School is ready.

Ms Wishart moved that the Committee approve the recommendation contained in the report. Mr G Smith seconded.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Education and Families Committee, namely to:

- Approve the amendment to the Blueprint for Education 2012-17 that Statutory Consultation on the proposed closure of Sandwich Junior High School secondary department commences in 2013 instead of 2015.

06/13 **Chair's Report – Executive Committee: Annual Investment Strategy for 2013/14**
The Council considered a report by the Chair of the Executive Committee (SIC-0218-F018), which presented recommendations requiring a Council decision in relation to the proposed annual investment strategy for the financial year 2013/14.

Members noted that indepth reviews of the performance of the Council's Fund Managers would take place during May/June 2013.

Mr Robinson moved that the Committee approve the recommendation contained in the report. Mr C Smith seconded.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Executive Committee, namely to:

- approve the investment strategy statement to be followed for the financial year 2013/14,
- review the four clauses within the CIPFA Code of Practice;
- review the Treasury Management Policy Statement; and
- review the Statement of Treasury Management Practices.

07/13 **Appointments to External Organisations**
The Council considered a report by the Executive Manager – Governance and Law (GL-05-13-F), which sought the appointment of a Member to three external organisations, where a vacancy had arisen.

Following a request for nominations to KIMO, the following appointments were duly made:

Substantive Member – Ms A Westlake
Substitute Member – Dr J Wills

Following a request for nominations to the CPMR, the following persons were duly nominated, and following a secret ballot, the result was as follows:

Mr P Campbell – 9

Dr J Wills – 12

Dr J Wills was duly appointed.

Nominations were sought for appointments to the Dounreay Stakeholders Group (DSG). During the discussion, some Members questioned the benefit to the Council of attendance at DSG meetings, commenting on the time involved and costs associated with attendance at meetings, and that the facility was now at the decommissioning stage.

After hearing the Director of Development Services advise that a report had been drafted on the Council's representation on Nuclear Free Local Authority (Scotland), which could be completed to include consideration of representation on the DSG, Mr Robinson moved that the appointment be deferred until the report is presented to Development Committee at the next cycle of meetings. Mr Sandison seconded.

Mr Cooper moved as an amendment, that the Council should not make appointments to the DSG, but asked the Chief Executive to keep a watching brief on developments at Dounreay. Mr T Smith seconded. Mr Robinson confirmed that he was content with Mr Cooper's amendment, and would therefore withdraw his motion. This received the consent of his seconder.

In commenting on the importance of representation on the DSG during the decommissioning stage, Mr Coutts moved, as an amendment, that the decision on Council representation on the DSG be made following consideration of the report to Development Committee at the next cycle of meetings. Mr Stout seconded.

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

Amendment (Mr Coutts)	12
Motion (Mr Cooper)	9

Decision:

The Council **RESOLVED** to approve the following appointments:

KIMO - Substantive Member: A Westlake
Substitute Member: J Wills

CPMR - Substantive Member: J Wills

Dounreay Stakeholders Group - Deferred.

The Council adjourned at 11.05am

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Chair