

MINUTE

AB - PUBLIC

Special Development Committee
Council Chamber, Town Hall, Lerwick
Wednesday 20 November 2013 at 12 noon.

Present:

M Burgess	A Cooper
S Coutts	B Fox
A Manson	T Smith
M Stout	A Westlake

Apologies

F Robertson
G Robinson

In Attendance (Officers):

N Grant, Director of Development Services
C Ferguson, Director of Corporate Services
J Gray, Executive Manager – Finance
J Riise, Executive Manager – Governance and Law
H Tait, Team Leader - Accountancy
L Gair, Committee Officer

Also Present:

P Campbell
R Henderson
G Smith

Chair:

Mr A Cooper, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

Mr Burgess declared an interest in item 2 “2014-15 Budget and Charging Proposals – Development Committee” as a Member of the Shetland Fisheries Training Centre Trust adding that this was a non pecuniary interest and only if the Trust becomes the focus of any discussion or decision would he leave or abstain. Mr Coutts, Mr Fox and Mr T Smith declared the same interests.

52/13 Management Accounts for Development Committee: 2013/14 – Projected Outturn at Quarter 2

The Committee noted a report by the Executive Manager - Finance (F-063-F), which enabled the monitoring of the financial performance of services within their remit to ensure that expenditure incurred and income generated have been delivered within the approved budget, so that timely action could be taken, when required, to mitigate projected overspends.

The Executive Manager – Finance Services introduced the report and explained that Development Services Department saw the biggest budget reduction across all departments. He said that the projected savings had been achieved and that this

was down to the staff involved. The Executive Manager – Finance Services provided a breakdown of the savings and projected budget outturn expected within individual services of the department.

In responding to Members questions, the Director - Development Services explained that the unbudgeted service level agreement within the planning service related to an agreement with the Shetland Amenity Trust for archaeological services year on year which had been missed from the budget. The contract is continuing and costs will be shown as an overspend. He also advised that the Nuclear Policy Information that the Council receives is in the form of a nuclear monthly update from the Industry and is part of the budget. It was agreed that this be stopped at the end of last year but the notification was not put in on time therefore there was a period that had to be paid for however it has now been stopped.

Decision:

The Development Committee **RESOLVED** to review the Management Accounts showing the projected outturn position at Quarter 2.

53/13

2014-15 Budget and Charging Proposals – Development Committee

The Committee considered a report by the Executive Manager – Finance (F-052-F), which presented the budget proposals for the services within the Committee's remit, which would, in turn, contribute towards ensuring that the Development Directorate meets its Target Operating Budgets, as set out in the Medium Term Financial Plan.

The Executive Manager – Finance Services introduced the report and explained that there were a number of reasons for the revised budget target including the transfer of services where they had moved to another department as well as the 1% pay award and the bus contracts.

The Chair explained that 2013/14 had seen a challenging budget demand on it and officers knew what had to be done in 2014/15. As a result of the budget cuts he said that Officer would require to meet with two industry parties and proposals would be brought to the Committee. The Chair said that everything that the Economic Development Unit does percolates into the industry and the Committee needs to see what the affect will be and stressed the importance of engaging with the industry.

In response to a comment made in regard to the number of FTE within Building Standards Section of the Development Services Department listed on the budget activity sheet on page 17 of the agenda, it was agreed that Members would be provided with an email stating the correct figure in relation to Building Standards.

In regard to the Service Level Agreement with the Scottish Government, for Business Gateway activity, the Director - Development Services advised that this forms part of the overall award from the Scottish Government. He said that the cost of providing the gateway service is £146K but the funding is not ring fenced.

The Economic Research activity was referred to and Members were advised that there is 1.5 FTE member of staff focussed on economic research for statistics for staff and the Council. The Director - Development Services advised that there are plans to pull various information resources into a virtual team and that is being led by the Executive Manager – Housing Services. He confirmed that this information

is not currently sold to other organisations, but that could be done with a view to generating income.

The question was asked whether the promotional activities tender may come in less than the proposed budget figure. The Director - Development Services advised that it may well do so and that point would be taken on board when the panel next meet.

The Director - Development Services also explained that the pensioner proposed budget related to staff who have retired and this was a financial cost that the department has to bear.

In discussing the flood risk prevention plan Member were advised that two members of staff are focussed on the Scottish Governments priority to provide a full flood prevention document and peat movement is included within the document.

In response to further questions, Members were advised that there is a management agreement in place with the Shetland Amenity Trust to provide a ranger service at a national level. The Director - Development Services explained that most of this service is funded from the Scottish Government. It is proposed that the Council reduce what it spends on this and Officers are in discussions with the Shetland Amenity Trust. However he cautioned that if this budget is reduced too much the Scottish Government funding will be lost and that it is not part of the overall award and it is not ring fenced.

In regard to the taxi licensing function it was noted that the Council do implement charges but these charges are guided by national policy and it was important not to be too different from other areas. The Director - Development Services advised that the work involved is in the processing of licences and that to put additional cost onto the licence would make it too expensive for the individuals. He said that the system works well and he believed there was good balance in this area.

Concern was expressed regarding the NAFC budget reductions and the NAFC and Shetland College's ability to meet extending challenges set in the strategy approved last week. The Director - Development Services was asked if consideration had been given to approaching community planning partners. The Director - Development Services confirmed that could be done. Also that the proposed funding would be made of £1,161K gross from Shetland Development Trust and £10K from Council this represents a £208K reduction from the current year.

Members acknowledged the responsibility on the Committee in terms of communicating with industry on the budget cuts.

Mr Fox moved that the Committee resolve to approve the recommendations contained within the report. Ms Manson seconded.

Decision:

The Development Committee **RECOMMENDED** that the Executive Committee recommend that the Council resolve to approve the budget proposals for 2014-15 included within this report and set out in detail in the budget activity sheet and charging sheet, attached as appendices to the report.

The meeting concluded at 12.35pm

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Chair