

# MINUTE

# B - PUBLIC

**Development Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Monday 26 May 2014 at 2.00 pm**

**Present:**

|             |            |
|-------------|------------|
| A Cooper    | T Smith    |
| S Coutts    | B Fox      |
| F Robertson | G Robinson |
| M Stout     |            |

**Apologies**

M Burgess  
A Manson  
G Robinson (for lateness)  
A Westlake

**In Attendance (Officers):**

N Grant, Director of Development Services  
M Craigie, Executive Manager – Transport Planning  
J Gray, Executive Manager – Finance  
I McDiarmid, Executive Manager – Planning  
J Riise, Executive Manager – Governance and Law  
W Grant, Project Manager  
S Keith, Project Manager  
J Jamieson, Risk Management Officer  
K Marshall, Solicitor  
L Adamson, Committee Officer

**Also Present (Members)**

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**

None.

19/14     **Management Accounts for Development Committee: 2013/14 – Draft Outturn Quarter 4**

The Committee considered a report by the Executive Manager – Finance (F-022-F), which enabled the review of financial performance of services within its remit.

In his introduction, the Executive Manager – Finance reported on the £1,086k underspend on revenue, the £399k underspend on Capital, and on the £385k of revenue underspend carry forwards which will be presented to Council. The Executive Manager – Finance advised on the gradual reduction and managed

underspend on the budget, and provided a summary of the main variances from each of the service areas.

In response to questions, the Executive Manager – Finance confirmed that the underspend on grant expenditure in 2013/14 was a one off, non-recurring saving. The Director of Development Services advised on the challenges going forward with the significantly reduced budget for grant schemes.

On the motion of Mr Stout, seconded by Mr Coutts, the Committee approved the recommendation in the report.

**Decision:**

The Development Committee **RESOLVED** to:

- Note the Management Accounts showing the draft outturn position; and
- Note the proposed carry forwards which will be included in the overall draft outturn report which will be presented for approval at Policy and Resources Committee on 28 May 2014.

20/14

**Twelve Month Performance Overview – Development Department**

The Committee considered a report by the Director of Development Services (DV023-F), which summarised the activity and performance of the Development Services Directorate for Quarter 4 of 2013/14, up to March 2014.

*(Mr Robinson attended the meeting).*

In introducing the report, the Director of Development Services made reference to the recent decision of the Council, whereby the Transport Planning function will now report to Environment and Transport Committee, instead of Development Committee. In referring to the Planning Service, he advised that the response from the Scottish Government on the Local Development Plan is expected soon. He reported on the significant reduction in the time it now takes to consider applications, and commended the Executive Manager – Planning on these achievements while noting that the review of the Planning Service had achieved significant savings. He made reference to the work done to resolve the issues of the SDT assets and to progress the Shetland Telecom project, and he commended the Executive Manager – Transport Planning on the significant achievements in respect of the bus services contracts.

In response to a question, the Director of Development Services confirmed that an update of the Renewable Energy Strategy and Action Plan has been undertaken, however he advised on the need for better understanding and certainty on the interconnector. Reference was made to the “Affordable Transport Network” priority, and the Director of Development Services advised on the active engagement on options for external ferry provision, which he confirmed is an action in the Development Directorate Plan for 2014/15.

In referring to the Ferries Review, a Member sought assurance in regard to the implementation date for the new fare structure. The Executive Manager – Transport Planning advised that the Ferry Review will feed into the budget setting process, with the data from the survey already carried out, and the survey to be

undertaken during the summer to inform the process and the budget setting timeline.

A Member made reference to the "Develop Remote Areas" priority, and enquired on the projects being progressed to "increase resilience and create jobs in remote areas". The Director of Development Services undertook to provide Members with an update on the initiatives and projects.

In response to a question, the Director of Development Services advised on the opening of the Shetland College Phase 3 development on 6 August. He added that there is no assurance that the project is within original budget as the final figure has not been provided.

In response to a question relating to the "Home Energy Efficiency Programme" priority, the Director of Development Services undertook to provide an update to Members on the ongoing initiatives being promoted to households.

A Member made reference to the graph which illustrated a slight increase in temporary staff within the Development Directorate. The Director of Development Services advised on the significant reduction in FTE over the last two years, however he explained that through the transition phase and with the nature of the work within the Service there has been a need to retain temporary staffing levels at this time.

In referring to Page 27, a Member enquired on the changes in the Risk areas during the past 12 months. The Director informed on the upturn in staff morale, with an increase in Employee Reviews being completed and implemented. He advised on progress to improve communication between Members and staff teams and on the plans being implemented in regard to College rationalisation. Reference was made to the improvement reported on the Risk "Low staff morale impacts on directorate", where it was suggested that a clearer understanding from staff could better inform the data, which could be achieved through conducting a staff survey. The Leader further suggested that this be done across all Directorates for all service areas of the Council.

A Member requested an update on the priority to "Assist the Voluntary sector in funding and delivering more cost effective services". The Director of Development Services advised that this priority was still ranked as Amber, and with recognition that more work is required it is included in the Directorate Plan for this year. The Executive Manager – Transport Planning provided an update to Members on the development of a community transport sector in Shetland, with a task force having been set up in August 2013 with the intention to engage with communities who have expressed an interest to develop their own community transport solutions. He confirmed that the process will include Voluntary Action Shetland (VAS), who are keen to be a principal organisation in the development of community transport. In response to a question, the Executive Manager – Transport Planning advised that the indication would be that there has been less use of the community minibuses since they transferred to VAS; as one bus is currently broken down and the other two are being hired at much the same rate as previously.

During the discussion, the Chair advised of his concern at the significant number of uncompleted projects ranked as Amber to be carried forward into 2014/15, and he stated that this was an issue that had to be addressed. The Chair asked for a report in early course to set out a programme of actions required and realistic

targets that will bring each of the outstanding projects to a conclusion. The Director of Development Services advised on the resourcing issue where for some cases it will be necessary to buy in resources to progress projects. The Director of Development Services undertook to provide the report as requested by the Chair, in Quarter 1.

On the motion of Mr Robertson, seconded by Mr Robison, the Committee approved the recommendation in the report.

**Decision:**

The Development Committee discussed the contents of the report and made relevant comments on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

21/14 **Development Services Directorate Plan 2014/15**

The Committee considered a report by the Director of Development Services (DV024-F), which presented the final edit of the Development Directorate Plan for 2014/15 aligned with the Council's Corporate Plan.

The Director of Development Services introduced the report, and provided a summary to Members on the priorities for Economic Development and the Planning Service for 2014/15.

Reference was made to the Council Wide Performance Indicator which reported that 38% of Employee Review and Development interviews had been conducted during 2013/14. The Leader advised that the Policy had only been implemented since April 2013, and therefore he envisaged a significantly improved performance next year.

A Member enquired on the processes that will be followed to proactively communicate the final Directorate Plan with partners, staff and the community. The Director of Development Services advised that some further discussion is required with the Shetland Partnership to agree the best means of engagement with the individual communities.

In response to questions, the Executive Manager – Planning advised on progress being made in the preparation of a Community Benefit Policy, and said that it is anticipated that the Policy will finalised before the end of December 2014.

On the motion of Mr Robertson, seconded by Mr Robinson, the Committee approved the recommendation in the report.

**Decision:**

The Development Committee **RESOLVED** that this version of the plan be further shared with partners, staff and the community.

22/14 **Committee Business Programme 2014/15**

A report by the Team Leader – Administration (GL-07-14-F), which informed of the planned business to be presented to Committee over the remaining quarters of the current financial year to 31 March 2015, allowing for discussion with Officers regarding any changes or additions required to that Programme.

The Executive Manager – Governance and Law introduced the report. During the discussion reference was made to the list of reports still to be scheduled into the Business Programme. It was suggested that the Chair and Vice-Chair of the Committee and the Director of Development Services should discuss and decide on the allocation of reports to Committee.

**Decision:**

The Committee noted the business planned for the remaining quarters of the current financial year up to 31 March 2015.

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**Shetland Islands Council as Trustee of Shetland Development Trust**

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23/14     **Shetland Development Trust Annual Accounts for year ended 31 March 2014**  
The Committee considered a report by the Project Manager – Economic Development (DV021-F), which presented for approval the annual accounts of the Shetland Development Trust (SDT) for the year ended 31 March 2014.

After hearing the Project Manager (W Grant) introduce the report, Mr Robinson moved that the Committee approve the recommendation contained therein. Mr Fox seconded.

**Decision:**

The Development Committee **RESOLVED** to approve the accounts of the SDT for the year ended 31 March 2014.

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

24/14     **Economic Development Investment Update**  
The Committee considered a report by the Project Manager, which provided an update on recent activities concerning specific commercial investments and initiatives which are of a confidential nature.

The Project Manager (W Grant) briefly introduced the report.

Following discussion, Mr T Smith moved that the Committee approve the recommendations in the report. Mr Stout seconded.

**Decision:**

The Development Committee **RESOLVED:**

- That the Executive Manager – Economic Development and the staff of the Economic Development Service continue to act on behalf of the Council accordingly regarding current and future commercial lending activities.
- To delegate authority to the Executive Manager – Economic Development, or his nominee, to commission a commercial valuation of North Atlantic Salmon Ltd, and Shetland Mussels Ltd, to determine the value of the SDT preference shareholding in North Atlantic Salmon Ltd.

The meeting concluded at 3.15pm.

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Chair