Shetland Islands Council

Development Committee **18 August 2014**

Management Accounts for Development Committee: 2014/15 – Projected Outturn at Quarter 1
F-043-F

Report Presented by Executive Manager - Finance	**Corporate Services**

1. Summary

1.1 The purpose of this report is to enable the Development Committee to monitor the financial performance of services within its remit to ensure that Members are aware of the forecast income and expenditure and the impact that this will have with regard to delivering the approved budget. This allows the Committee the opportunity to provide early instruction to officers to address any forecast overspends in order that the budget is delivered by the year-end.

1.2 This report is on the projected outturn position for the 2014-15 year as at the end of the first quarter for revenue and capital. The forecasts have been determined by Finance Services after consultation with the relevant Budget Responsible Officers for the services in this Committee area.

1.3 The projected outturn position for the services in this Committee area is an underspend of £554k on revenue and to breakeven on capital.

2. Decision Required

2.1 The Development Committee is asked to RESOLVE to:

- review the Management Accounts showing the projected outturn position at Quarter 1.

3. Detail

3.1 On 11 December 2013 (SIC Min Ref: 109/13) the Council approved the 2014/15 revenue and capital budgets for the Council (including the General Fund, Harbour Account, Housing Revenue Account and Spend to Save) requiring a draw from reserves of £14.793m. This is still at an unsustainably high level and therefore it is vital to the economic wellbeing of the organisation that the budget is delivered, as any overspends will result in an further draw on reserves.

Revenue – Overall Forecast: Well on track   **G**

3.2 The projected revenue outturn position for Development Committee is an underspend of £554k (9.98%) which means the services in this Committee area are collectively on course to spend less than their Council approved budget.

Capital – Overall Forecast: Well on track   **G**

3.3 The projected outturn position on Development Committee capital project expenditure is to breakeven, which means the project in this committee area is on course to meet its Council approved budget.

4. Implications

Strategic

4.1 Delivery On Corporate Priorities
There is a specific objective within the Corporate Plan to ensure that the Council is "living within our means" with a range of measures which will enable the Council to achieve financial sustainability over the next four years, and line up spending with priorities and continue to have significant reserves.

The Medium Term Financial Plan also includes a stated objective to achieve financial sustainability over the lifetime of the Council.

4.2 Community /Stakeholder Issues – None.

4.3 Policy And/Or Delegated Authority
Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Committee may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to it by the Council. The Council approved both revenue and capital budgets for the 2014/15 financial year. This report provides information to enable the Committee to ensure that the services within its remit are operating within the approved budgets.

4.4 Risk Management
There is a risk that revenue services and capital projects will not be delivered within the approved 2014/15 budget resulting in an additional draw on reserves, which is unsustainable. Failure to deliver the 2014/15 budgets may result in the Council failing to deliver its Corporate Plan and Medium Term Financial Plan.

4.5   <u>Equalities, Health And Human Rights</u> – None.

4.6   <u>Environmental</u> – None.

<u>Resources</u>

4.7   <u>Financial</u>

The 2014-15 Council budget is not sustainable because it requires a draw on reserves in excess of the returns that the fund managers can make on average in a year.

For every £1m of reserves spent (in excess of a sustainable level) it will mean that the Council will have to make additional savings of £50,000 each year in the future as a result of not being able to invest that £1m with fund managers to make a return.

It is therefore vital that the Council delivers its 2014-15 budget, as any overspend will result in a further unsustainable draw on reserves which will have the long term consequences as explained above.

4.8   <u>Legal</u> – None.

4.9   <u>Human Resources</u> – None.

4.10   <u>Assets And Property</u> – None.

5.   Conclusions

5.1   The projected outturn position for the services under the remit of the Development Committee is an underspend of £554k on revenue, and expected to breakeven on capital.

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<u>List of Appendices</u>
Appendix 1 – Development Committee – Projected Revenue Outturn Position 2014/15
Appendix 2 – Development Committee – Projected Capital Outturn Position 2014/15

<u>Background documents:</u>
SIC Budget Book 2014-15, SIC 11 December 2013
http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=15444

Development Committee

1.0 - Projected Revenue Outturn Position 2014/15

Description	Annual Budget 2014/15 £000	Projected Outturn 2014/15 £000	Budget v Proj. Outturn Variance (Adv)/ Pos £000
Director of Development	822	816	6
Economic Development	3,528	2,984	544
Planning	1,202	1,198	4
Total Controllable Costs	**5,552**	**4,998**	**554**

An explanation for the main variances by service is set out below.

1.1 - Directorate – projected outturn underspend £6k (0.73%) G

This service is projecting a small underspend in relation to maintenance at NAFC.

1.2 – Economic Development - projected outturn underspend £544k (15.42%) G

This service is projecting an underspend of £554k mainly in relation to grant schemes, £356k. This is due to delay in European schemes to which we provide match funding and delayed drawdown of grant funding. Shetland Telecom is expected to generate additional income from the wholesale of broadband capacity, £140k.

1.3 – Planning - projected outturn underspend £4k (0.33%) G

This service is projecting a small underspend of £4k due to minor variances across the service.

Development Committee

1.0 - Projected Capital Outturn Position 2014/15

Description	Budget 2014/15 £000	Outturn 2014/15 £000	Proj. Outturn Variance (Adv)/ Pos £000
Economic Development	372	372	-
Total Costs	**372**	**372**	**-**

An explanation for the main variances by service is set out below.

1.1 – Economic Development – projected outturn breakeven   G

This project relates to the Fibre Optic Cable which is projecting to breakeven. It is predicted that remaining expenditure will not exceed budget but it is difficult for the service to quantify this at this stage in the year. Completion is expected by the end of September.

Shetland Islands Council

Education and Families Committee	**18 August 2014**
Social Services Committee	**18 August 2014**
Development Committee	**18 August 2014**
Environment and Transport Committee	**18 August 2014**
Shetland College Board	**21 August 2014**

Development Services Directorate Performance Report **3 Month / 1st Quarter 2014/15**
Report No: DV036-F

Director of Development Services	

1.0 Summary

1.1 This report summarises the activity and performance of the Development Services Directorate for the reporting period above.

2.0 Decisions Required

2.1 The Committee should discuss the contents of this report as appropriate to their remit and make any 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.

3.0 Detail

3.1 Highlights of progress against Council priorities from the Council's Corporate Plan by the Development Services Directorate are set out in the table below. Further detail on Actions, Indicators and Risks are contained in appendices to this report.

Priority	Progress at end June 2014	RAG	Target	Committee
Supporting adults to be independent	Housing Support Service re-design North Isles Pilot progressing. 2 conversions complete, 1 on site and further project identified. Information gathering in hand for service re-design and draft timetable being agreed with HR.	G	On target for March 2015	SS

Priority	Progress at end June 2014	RAG	Target	Committee
The best possible start for every child	Refreshed project plan issued and new project team in place for Tertiary review. Now to develop the Business Model and Implementation plan for a single governance and delivery model in Q3 of this financial year.	A	New target of November 2014 set for decision making	C&F/ SCB
The transport services we need most	Tendering complete, contracts awarded for new school and public bus services. Monitoring processes under development to be ready for contract start date of 18 August 2014.	G	On target for August 2014	E&T
	Consultant appointed to undertake review for new arrangements for additional support needs, and community care bus transport. Initial workshop completed. Current contracts extended to enable review to be completed.	G	On target for March 2015	C&F SS E&T
	Kick off meeting of ZetTrans held to refresh Shetland Transport Strategy Initial meeting with Community Planning Service held to develop approach to engaging members of Shetland Partnership.	A	Target of March 2015	E&T
	Developed a programme of changes to our long-term internal transport systems including a realistic funding programme. Information on all infrastructure maintenance and replacement costs has been provided to Finance and the long term investment plan should be reported to Council in the next Cycle.	G	On target for September 2014	E&T
	Develop proposal for external ferry provision. Current contracts end in 2018. Consultant undertaking option development.	G	On track to discuss with Scottish Government Sept 2014	E&T
Healthy economy	Scottish Chamber of Commerce has presented benefits to Shetland business audience to improve and develop engagement with local industry. Steering Group of local businesses has been set up.	A	March 2015	Dev
	Revised Digital Shetland strategy adopted by Council. Reliant link nearing completion. Increase in sales on Shetland Telecomm network. Output from BDUK project awaited before any extension of local network considered.	A	September 2014	Dev
	Decision taken to transfer Shetland Development Trust assets into Council. PID being prepared to conclude this exercise.	G	On target for March 2015	Dev

Priority	Progress at end June 2014	RAG	Target	Committee
Strong communities	Good joint working in place with Housing, Planning and HHA. Good dialogue with Scottish Government on funding proposals and options to find ways to help increase supply of affordable housing Strategic Housing Investment Plan due for submission in October 2014. Currently 62 new build units on-site and further 12 in pipeline.	G	On target for March 2015	SS
	Research ongoing community benefit policy to cover all industry sectors and including developer contribution – first report to Development Committee October	A	March 2015	Dev
	Fully implement the findings of the Community Planning & Development Service Review. New structure now in place with regular all staff, team and individual meetings taking place.	G	March 2015	SS E&T P&R
	Strengthening Community Involvement Project Start of project delayed due to high priority work in relation to budget consultation	A	March 2015	P&R
	Taskforce established to develop framework and toolkit to support the development of community transport. Support secured from Social Value Scotland to build skills and capacity within taskforce and pilot study areas.	G	Pilot project by 31 March 2015 with first CT services in place by August 2015	E&T SS
Working with partners	Shetland Partnership Resources Group established, with agreed terms of reference and action plan developed	G	March 2015	P&R
	Single Outcome Agreement updated for 2014/15, and approved by key partners	G	March 2015	P&R
Vulnerable and disadvantaged people	Work with partners as welfare reform is implemented and support households through the changes. External funding achieved to deliver support or ICT skills and access in remote areas.	G	March 2015	SS
	Fuel Poverty working group (sub-group of Fairer Shetland Partnership) has been reinstated and is co-ordinating work streams around fuel poverty.	G	March 2015	SS
	Undertake LIFE audit, and agree whether or not to proceed with this family centred approach. Project Board and Team established, data sharing in progress.	G	October 2014	SS

Priority	Progress at end June 2014	RAG	Target	Committee
Dealing with challenges effectively	Building Budgets community engagement events planned for July / Aug 2014	G	October 2014	P&R
	Scottish Government Prospectus delivered and negotiation with UK Government re Concordat in progress. Action plan to be developed to achieve real benefits and outcomes from the commitments.	G	September 2014	P&R
Living within our means	The delivery of services within the reduced budget requires some of the change projects to be delivered, specifically, CP&D implementation of review actions; School and Public Bus network contracts; ASN and Social Care Transport review; and Housing support service review. These projects are progressing on schedule as detailed above.

There are also budget risks associated with the Shetland College, and particularly WSUMs income which are being closely monitored.

The directorate was within budget for Q1 | G | March 2015 | P&R/All |

3.2   The Committee is invited to comment on any issues which they see as significant to sustaining and improving service delivery.

4.0   Implications

Strategic

4.1   Delivery on Corporate Priorities – The Council's Corporate Priorities are set out in "Our Corporate Plan". This report reviews progress against these.

4.2   Community /Stakeholder Issues – Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public.

4.3   Policy and/or Delegated Authority –

The Council's Constitution – Part C - Scheme of Administration and Delegations provides in its terms of reference for Functional Committees (2.3.1 (2)) that they;

"Monitor and review achievement of key outcomes in the Service Plans within their functional area by ensuring –

(a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework.

(b) Best value in the use of resources to achieve these key outcomes is met within a performance culture of continuous improvement and customer focus."

4.4 Risk Management – Embedding a culture of continuous improvement and customer focus are key aspects of the Council's improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of the Council working inefficiently, failing to focus on customer needs and being subject to further negative external scrutiny.

4.5 Equalities, Health And Human Rights – The Council is required to make sure our systems are monitored and assessed for any implications in this regard.

4.6 Environmental – NONE

Resources

4.7 Financial – The actions, measures and risk management described in this report has been delivered within existing approved budgets.

4.8 Legal – NONE

4.9 Human Resources - NONE

4.10 Assets And Property – NONE

5.0 Conclusions

5.1 This report demonstrates good progress against the priorities identified in the Council's Corporate Plan and the Development Services Directorate Plan 2013/14.

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List of Appendices

Appendix 1 – Action Plan
Appendix 2 – Performance Indicators
Appendix 3 – Risk Management

Links to Background Documents

Development Directorate Plan
Our Corporate Plan – 2014 Update

Development Services Directorate Plan 2014/15

Action Plan

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
1		**Supporting adults to be independent**					
1.2	Housing	Increased services that help people to live longer independently in their own homes, and provided extra-care housing options to provide supported homely settings;	CHANGE PROJECT Addressed through Housing Support Service re-design, initially through multi-agency pilot in North Isles	North Isles Pilot progressing. 2 conversions complete, 1 on site and further project identified.

Information gathering in hand for service re-design and draft timetable being agreed with HR. | G | Redesigned housing support service integrated into locality model of service with Care and NHS | March 2015 |
2		**The best possible start for every child**					
2.9	Directorate	Developed educational opportunities by establishing a partnership between secondary education and further and higher education and developing a Shetland Learning Campus.	CHANGE PROJECT Create an ambitious partnership between Shetland High schools and the Further and Higher Education sector in Shetland, and align the implementation of this partnership with the current proposals for Tertiary Education, Research and Training.	Refreshed project plan issued and new project team in place. The project team are working to deliver the Business Model and Implementation plan for a single governance and delivery model Q3 of this financial year.	A	Detailed business model and implementation plan for single governance model for Tertiary Education Research and Training agreed with stakeholders.	November 2014
3		**The transport services we need most**					
3.1	Transport	Implemented transport	CHANGE PROJECT	Tendering complete, contracts	G	Best value public	August

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
	Planning & ZetTrans	arrangements that meet people's current needs and which we can afford to maintain in the long term;	Put in place new arrangements for school and public bus transport to more efficiently link together services, and to achieve this within the medium term financial plan budgets.	awarded. Monitoring processes under development to be ready for contract start date of 18 August 2014.		and school bus service contracts in place	2014
3.1	Transport Planning & ZetTrans	Implemented transport arrangements that meet people's current needs and which we can afford to maintain in the long term;	CHANGE PROJECT Put in place new arrangements additional support needs, and community care bus transport to more efficiently link together services, and to achieve this within the medium term financial plan budgets.	Consultant appointed to undertake review. Initial workshop completed. Current contracts extended to enable review to be completed.	G	Best value ASN and Social Care Transport	March 2015
3.1	Transport Planning & ZetTrans	Implemented transport arrangements that meet people's current needs and which we can afford to maintain in the long term;	Work with Infrastructure Directorate to implement the ferry fares review.	First round of user surveys carried out on 4 main routes with initial findings summarised. Consultant approached to prepare proposal and fee estimate to undertake option development and appraisal.	G	Impacts reported to members.	April 2014 & Nov 2014
3.1	Transport Planning & ZetTrans	Implemented transport arrangements that meet people's current needs and which we can afford to maintain in the long term;	CHANGE PROJECT Complete the 6 months and 12 months assessments of the Ferry Review to establish the impacts of the changes for individuals, communities, and	Process started in July 2014 so nothing to report at end June 2014	G	Increase usage of smart cards, chip and pin facilities and online booking facilities	March 2015

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
				businesses.			
3.1 – 3.4	ZetTrans		Refresh Shetland Transport Strategy	Kick off meeting of ZetTrans held. Initial meeting with Community Planning Service held to develop approach to engaging members of Shetland Partnership.	A	Refreshed strategy in place	March 2015
3.3 & 3.4	Transport Planning	Developed a programme of changes to our long-term internal transport systems that meet our individual and business needs with a realistic funding programme;	Work with Infrastructure and Corporate Services to establish the Council's current investment in our Transport Infrastructure and the future investment required to maintain transport services in a 50 year infrastructure.	Information on all infrastructure maintenance and replacement costs has been provided to Finance and the long term investment plan should be reported to Council in the next Cycle.	G	Infrastructure Investment Plan Completed	September 2014
3.4	Transport Planning	Developed a programme of changes to our long-term external transport systems that meet our economic growth needs with a realistic funding programme.	CHANGE PROJECT Develop proposal for external ferry provision. Current contracts end in 2018	Consultant undertaking option development. On track to be in a position to discuss with Scottish Government Sept 2014	G	Proposal can be discussed with Scottish Government	September 2014
4		**Healthy economy**					
4.1	Directorate	A wider business base and a closer partnership with both traditional and emerging sectors.	Improve and develop engagement with local industry.	Scottish Chamber of Commerce has presented benefits to Shetland business audience. Steering Group of local businesses has been set up.	A	Chamber of Commerce or equivalent in operation.	March 2015

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
4.2	Economic Development	High-speed broadband available to 84% of the Shetland population.	CHANGE PROJECT Work with partners and communities to deliver high speed broadband.	Revised Digital Shetland strategy adopted by Council. Relient link nearing completion. Increase in sales on Shetland Telecom network. Output from BDUK project awaited before any extension of local network considered.	A	Digital Shetland strategy and action plan in place	September 2014
4.4	Economic Development	More high skill and well paid jobs across Shetland	Research and communicate supply chain information relating to larger scale developments in Shetland.	Business register to be completed in late 2014.	G	Business register maintained and communicated to parties engaged in industrial developments	December 2014
4.6	Economic Development	Developing a resident labour force suitably skilled and qualified to take up those jobs	Assess the capacity in Shetland to provide the workforce training & skills development required by Shetland industry	Draft skills requirement model completed – 30 June 2014	A	Devise a system for businesses to register needs for specific skills.	September 2014
4.1	Economic Development	A wider business base, and a closer partnership with both traditional and emerging sectors	CHANGE PROJECT Complete new commercial lending mechanism within the Council	Decision taken to transfer Shetland Development Trust assets into Council. PID being prepared to conclude this exercise.	G	Complete new commercial lending mechanism within the Council	March 2015
5		**Strong communities**					
5.1	Economic Development	More resilient and long-lasting communities and community enterprises across Shetland	Work with partners and communities to deliver high speed broadband.	Revised Digital Shetland strategy adopted by Council. Relient link nearing completion. Increase in sales on Shetland Telecom network. Output from BDUK project awaited before any extension of local network	G	Digital Shetland strategy and action plan in place	September 2014

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
				considered.			
5.2	Housing	Found ways to help increase supply of affordable housing.	Deliver on the Local Housing Strategy through joint working with Planning and Hjaltland Housing Association and other partners	Good joint working in place with Housing, Planning and HHA. Good dialogue with Scottish Government on funding proposals and options. Strategic Housing Investment Plan due for submission in October 2014. Currently 62 new build units on-site and further 12 in pipeline.	G	Robust housing development programme approved by Scottish Govt. Range of incentives and initiatives to complement social rented option.	March 2015
5.1	Planning		Develop a community benefit policy to cover all industry sectors and including developer contribution. A key outcome is to provide affordable housing.	Research ongoing – first report to Development Committee October 2014.	A	Community Benefit Policy agreed with Community Planning Partners	March 2015
5.1	Economic Development		Encourage growth in commercial activity through development of unused or underutilised local assets	So far the Council has been successful in the disposal of these assets without much Economic Development involvement. Service will engage with Knab project as required.	G	Engage with investigations in potential commercial or community uses for vacant properties within the schools estate.	March 2015
5.1	CP&D	Stronger, more resilient communities	CHANGE PROJECT Fully implement the findings of the Community Planning & Development Service Review, recognising that 2014/15 will be a transitional	Regular all staff, team and individual meetings have been established following the restructure	G	Workforce development and delivery of an efficient and effective service	March 2015

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
			year for community funding.				
5.1	CP&D	Established a network of local area forums across Shetland linked directly to the Shetland Partnership	CHANGE PROJECT Develop and implement the Strengthening Community Involvement Project	Start of project delayed due to high priority work in relation to budget consultation	A	Increased participative democracy and community involvement in Community Planning	March 2015
5.1	Transport		Support communities to develop the transport solutions that meet their needs	Community Transport event held in February 2014. Taskforce established to develop framework and toolkit to support the development of community transport. Support secured from Social Value Scotland to build skills and capacity within taskforce and pilot study areas.	G	Sustainable community transport capabilities in Shetland.	Pilot project underway by 31 March 2015 with first CT services in place by August 2015
6		**Working with partners**					
6.1	CP&D	Aligned budget setting timetables across SIC, NHS and SCT	Support the Shetland Partnership Resources Group to implement the Agreement on joint working and resourcing	Shetland Partnership Resources Group established, with agreed terms of reference and action plan developed	G	Develop a shared understanding of the financial, physical and human resources available across the Shetland Partnership and the best way to use these together	March 2015
6.2	CP&D	Participated in the	Participate in the	Shetland not selected as an	G	Effective	March

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
		Improvement Service project	Improvement Service work around improving the impact of Third Sector Interfaces on Community Planning	area for the pilot – no further action as this stage, other than monitoring progress re pilot and considering findings		partnership working at a strategic level	2015
6.3	CP&D	An effective Shetland Partnership	Support and effective Shetland Partnership, and build capacity to meet the challenges set through the National Review of Community Planning and any other new areas of accountability	Board, Performance Group and Resources Group all directly supported by CP&D. Work ongoing to develop a link officer role with other strategic partnerships within community planning. Work has also started in relation to monitoring shift towards prevention	G	Effective partnership working at a strategic level	March 2015
6.4	CP&D	Developed an improvement plan	Work with the Improvement Service to carry out a self assessment of the Performance Group and develop a Shetland Partnership Improvement Plan	Due to start in Oct / Nov 2014	A	Demonstrate continuous improvement	March 2015
6.5	CP&D	An updated SOA, an effective performance monitoring framework and an annual report to the Scottish Govt and Shetland community	Make sure that key partnership plans such as the Shetland Single Outcome Agreement are complete and approved, and that they deal with the issues highlighted	SOA updated for 2014/15, and approved by key partners	G	Demonstrate commitment to deliver a high quality SOA which reflects local priorities and needs	March 2015
6.6		Made sure that we are making the best choices between public-, private- and voluntary-sector partners providing services;	Review and analyse obstacles to better partnerships and transfers of responsibilities.	This is now an action belonging to the Shetland Partnership Resources Group	A	Best value service delivery	March 2015
7		**Vulnerable and disadvantaged**					

Development Services Directorate Plan 2014/15

CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
		people					
7.1	CP&D	Concentrated our resources and services on the people who need them most and protected these people from the worst effects of change.	Work with partners as welfare reform is implemented and support households through the changes.	External funding achieved to deliver support or ICT skills and access in remote areas.	G	Stronger, more resilient communities	March 2015
7.1	CP&D	Delivered on the Fairer Shetland action plan	Work with partners to deliver the Fairer Shetland framework to tackle poverty disadvantage and exclusion.	Progress in areas including more effective employability support and community transport framework.	G	Stronger, more resilient communities	March 2015
7.1	Housing		Combat fuel poverty by continuing to deliver on the Local Housing Strategy theme.	Fuel Poverty working group (sub-group of Fairer Shetland Partnership) has been reinstated and is co-ordinating workstreams around fuel poverty.	G	Range of measures to address fuel poverty issues and an increased awareness of the issues locally. Political lobbying of island specific issues.	
7.2		Provided the right support, at the right time, to help each person find long-term employment opportunities;	Draw down EU funding to support the provision of employability services in Shetland.	Inter-agency meetings held to progress application so it is ready for submission once the fund becomes available.	A	Strategic Employability Pipeline, and funding to deliver.	March 2015
7.3		Worked with people who need our help to improve their chances in life;	Undertake LIFE audit, and agree whether or not to proceed with this family centred approach.	Project Board and Team established, datasharing in progress.	G	LIFE audit	October 2014
7.4		Provided opportunities to develop positive community connections, to make sure	Develop action plan, drawing together strands across the CPP.	Evaluation of pilots complete, launch event planned for autumn.	G	Deliverable action plan.	

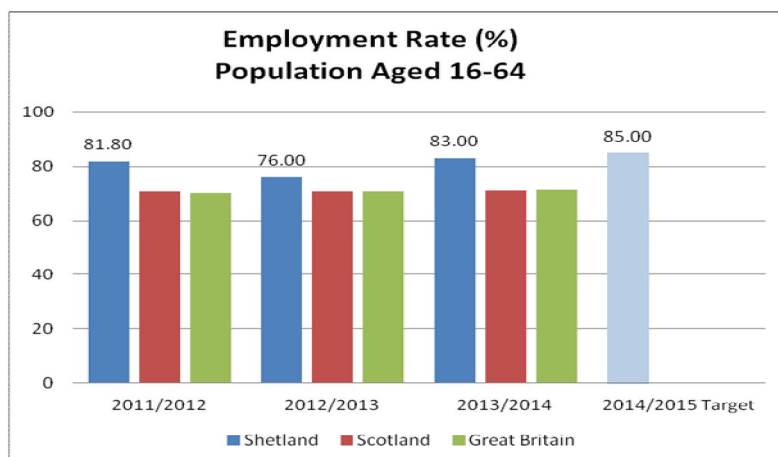| CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
		people feel more a part of their community and take part in a wider range of activities; and					
7.5		Identified and dealt with new forms of inequality such as not having access to the internet and online services, sometimes called digital exclusion.	Seek external funding to undertake a pilot project and develop and deliver on a Digital Inclusion Project.	External funding achieved (see above). Additional funding, to support additional sectors of community, in pipeline.	G	Project delivered, subject to external funding.	March 2015
9		**Dealing with challenges effectively**					
9.1	Finance/CP&D	Dealt with pressures, issues and problems within existing budgets	Investigate participatory budgeting and associated community engagement.	Building Budgets community engagement events planned for July / Aug 2014	*	Proposal paper presented to members.	October 2014
9.4		Secured the best for Shetland in any constitutional change following the referendum.	Provide support to members with the Our Islands Our Future campaign to ensure information and analysis is available to support the case for greater local decision making.	Scottish Government Prospectus delivered and negotiation with UK Government re Concordat in progress. Action plan to be developed to achieve real benefits and outcomes from the commitments.	G	Achieve meaningful and achievable commitments for the islands from Scottish and UK governments	September 2014
10		**Living within our means**					
10.1		Stuck to the Medium Term Financial Plan and be financially strong.	Deliver services within the revised budget of £13.065m thereby saving £1.839 in 2014-15. This will be delivered by:	The delivery of services within the reduced budget requires some of the change projects to be delivered, specifically, CP&D implementation of review actions; School and	G	Balanced budget.	March 2015

Development Services Directorate Plan 2014/15

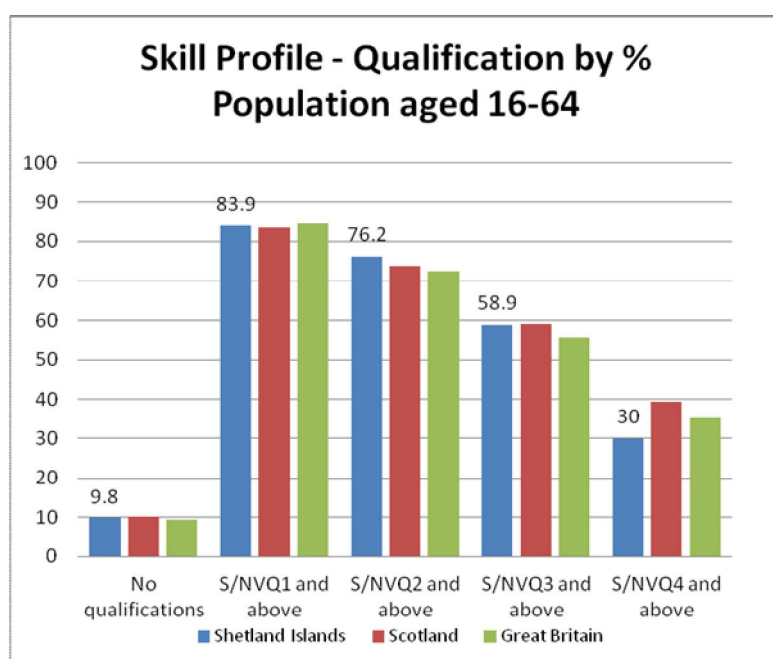| CP Ref	Dir /Svs	Priority / by the end of this plan we will have…..	Proposed Action	Progress at end June 2014	RAG	Target Outcome	Delivery Target
			- CP&D implement review, £486k - Economic Development, reduction in development grants, £408k. - Review and retendering of School, public transport and review of ASN and social care transport, £738k - Housing support service review, including charges and removal of furnished tenancy project, £207k - Train Shetland, £41k	Public Bus network contracts; ASN and Social Care Transport review; and Housing support service review. These projects are progressing on schedule as detailed above. There are also budget risks associated with the Shetland College, and particularly WSUMs income which are being closely monitored. ASN and Social Care Transport contracts have been extended until Summer 2015 so no savings will be made in 2014/15 The directorate was within budget for Q1			

Development Services Directorate Plan 2014/15

Change Programme Major Projects

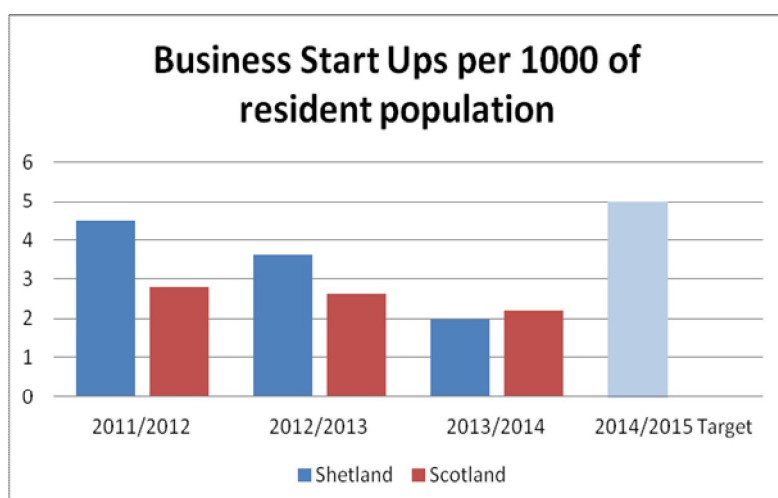| Item	Start	End
Bus Network Redesign (School & Public transport)	2012	March 2015
ASN & Social care transport review	June 2014	October 2014
Proposals for our external ferry provision beyond the current contract which ends in 2018	June 2014	Stage 1 March2015
Increase usage of smart cards, chip and pin facilities and online booking facilities for internal ferry travel	September 2014	31 March 2015
Digital Shetland Strategy Project and action plan to deliver high speed broadband	April 2014	April 2015
A better lending system for commercial development projects	July 2014	March 2015
Shetland Tertiary Education, Research and Training Project	June 2013	September 2016
Review of Community Grants	April 2014	March 2015
Strengthening Community Involvement	August 2014	TBC
Redesign of Housing Support Service	May 2013	March 2015

Employment Rate (%) Population Aged 16-64

Chart data (Shetland, Scotland, Great Britain):
- 2011/2012: 81.80 (Shetland)
- 2012/2013: 76.00 (Shetland)
- 2013/2014: 83.00 (Shetland)
- 2014/2015 Target: 85.00

Legend: Shetland, Scotland, Great Britain

Trend Comment: Slight rise.

Source: Office for National Statistics
Information Gathered: Quarterly

Skill Profile - Qualification by % Population aged 16-64

Chart data:
- No qualifications: 9.8
- S/NVQ1 and above: 83.9
- S/NVQ2 and above: 76.2
- S/NVQ3 and above: 58.9
- S/NVQ4 and above: 30

Legend: Shetland Islands, Scotland, Great Britain

Comment: Very high employment oportunities, higher percentage of school leavers going directly into employment.

Source: Office for National Statistics
Information Gathered: Annual

Business Start Ups per 1000 of resident population

Chart data (Shetland, Scotland):
- 2011/2012
- 2012/2013
- 2013/2014
- 2014/2015 Target

Legend: Shetland, Scotland

Trend Comment: Reduction in business start up probably affected by very high employment oportunities.

Source: Scottish Committee of Clearing Bankers
Information Gathered: Quarterly

1

Jobseekers Allowance Claimants %
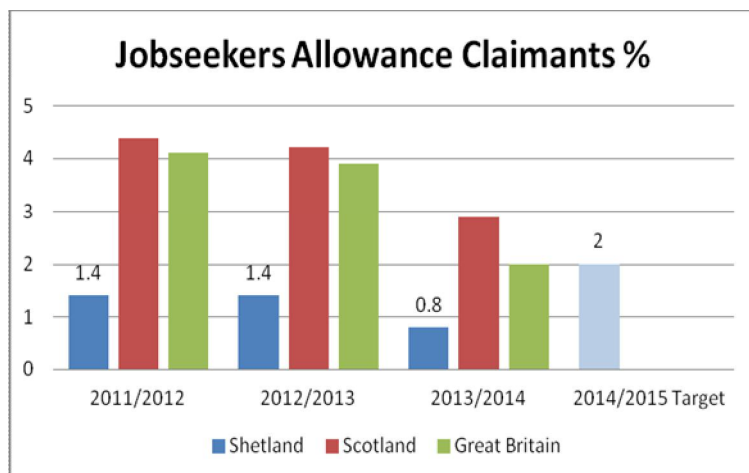
Trend Comment: Further reduction in unemployment levels. Local businesses are struggling to recruit, and retain staff.

Source: Office for National Statistics
Information Gathered: Annual

Gross Average Weekly Pay for Full Time Workers

Trend Comment: Oil & Gas project oportunities & salaries are driving up average weekly wage.

Source: Office for National Statistics
Information Gathered: Annual

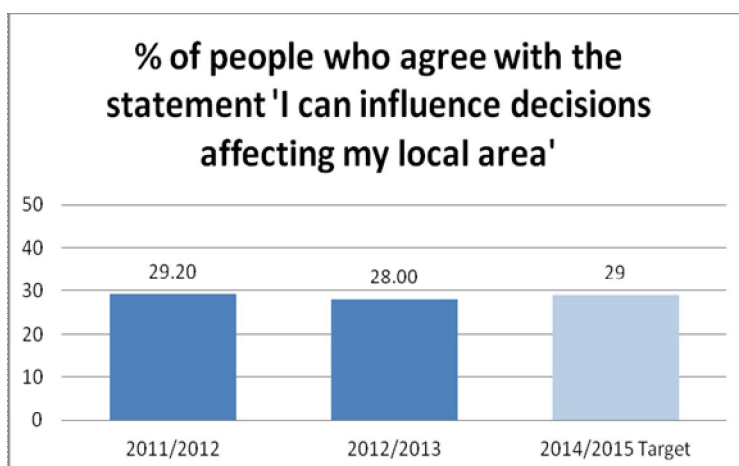## Number of Modern Apprentices Recruited by Train Shetland
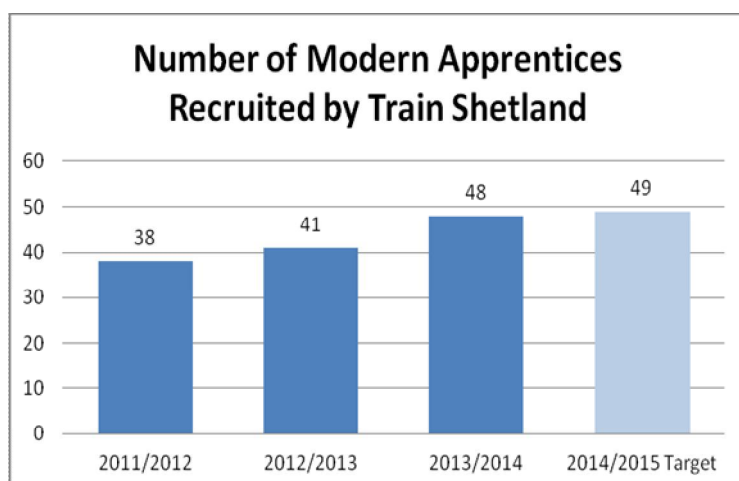
Trend Comment: These numbers represent only a fraction of the shetland resident people entering apprenticships each year, being approximately 120

Source: Train Shetland
Information Gathered: Quarterly

2

Achievement rate for Modern Apprentices as recorded by Skills Development Scotland

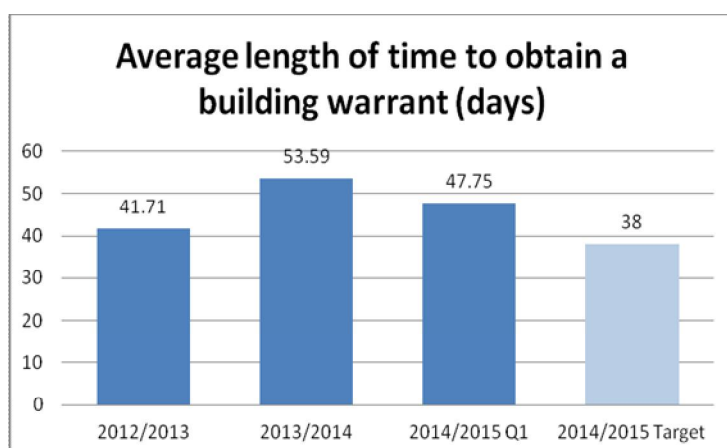| Year	Value
2011/2012	74
2012/2013	86
2013/2014	87

Trend Comment: Overall rate continues at a high level, above national average of 75%.

Source: Skills Development Scotland
Information Gathered: Quarterly

% of people who agree with the statement 'I can influence decisions affecting my local area'

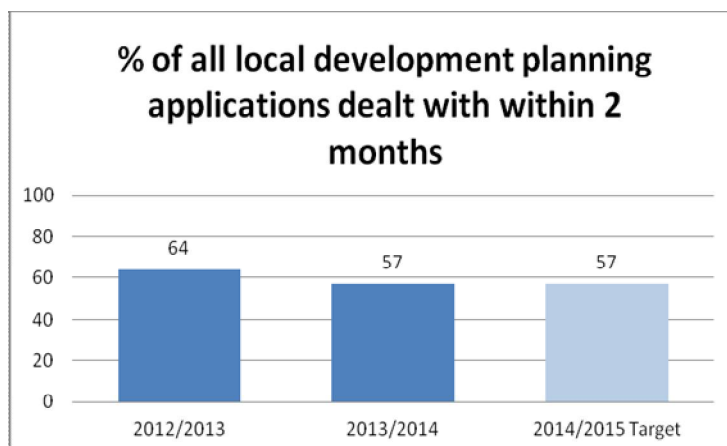| Year	Value
2011/2012	29.20
2012/2013	28.00
2014/2015 Target	29

Trend Comment: Slight downward trend possibly due to the financial challenges faced by the public sector. Work is ongoing to increase participation in local democracy, e.g. the Building Budgets meetings, and the Community Development Fund. Data for 2013/2014 to be available September 2014.

Source: Scottish Household Survey
Information Gathered: Annual

Average length of time to obtain a building warrant (days)

Year	Value
2012/2013	41.71
2013/2014	53.59
2014/2015 Q1	47.75
2014/2015 Target	38

Trend Comment: Building standards now fully staffed. LEAN type process being implemented and predicting an improved performance.

Source: Planning Service
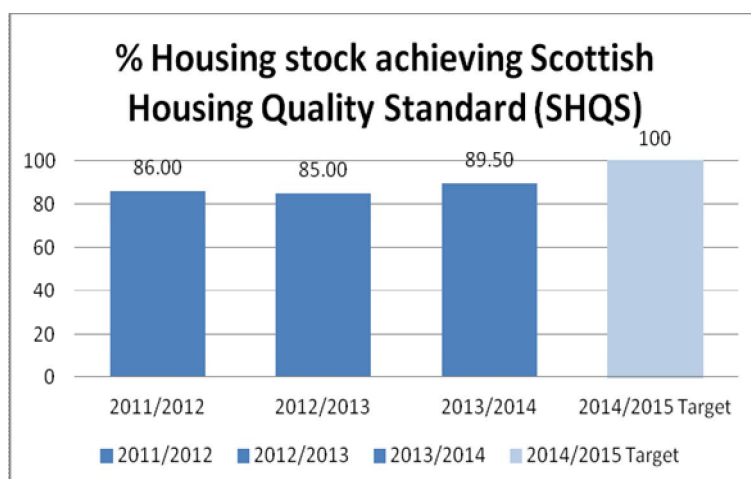Information Gathered: Quarterly

3

% of all local development planning applications dealt with within 2 months

Year	Value
2012/2013	64
2013/2014	57
2014/2015 Target	57

Trend Comment: Significant large developments imminent when added to increase in application numbers indicates that a standstill is the best we can aim for with current resources.
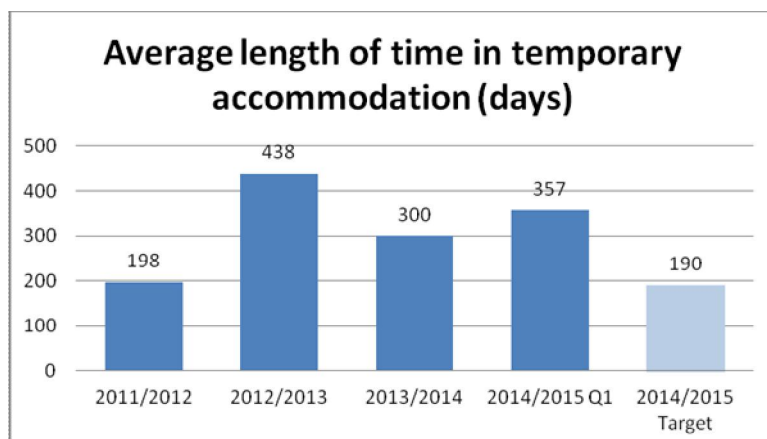Source: Planning Service
Information Gathered: Quarterly

% Housing stock achieving Scottish Housing Quality Standard (SHQS)

Year	Value
2011/2012	86.00
2012/2013	85.00
2013/2014	89.50
2014/2015 Target	100

Trend Comment: Plan in place to achieve 100% by April 2015 deadline.

Source: Housing Service
Information Gathered: Annual

Average length of time in temporary accommodation (days)

Year	Value
2011/2012	198
2012/2013	438
2013/2014	300
2014/2015 Q1	357
2014/2015 Target	190

Trend Comment: Reflects pressure on housing stock.

Source: Housing Service
Information Gathered: Quarterly

4

Average time to re-let not low demand properties in the last year (days)

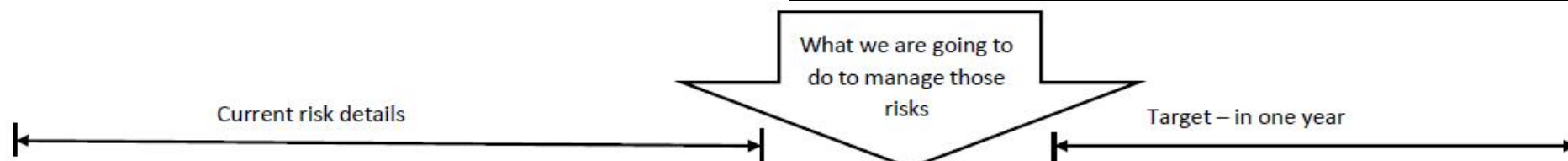| Year	Days
2011/2012	20
2012/2013	23
2013/2014	36
2014/2015 Q1	35
2014/2015 Target	28
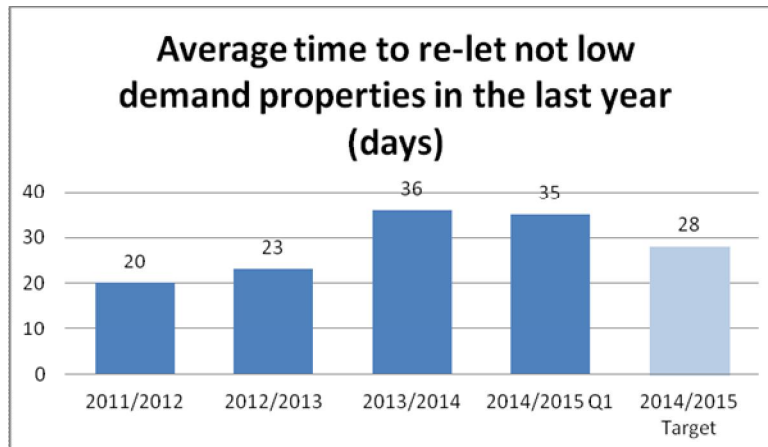
Trend Comment: Void policy being reviewed.

Source: Housing Service
Information Gathered: Quarterly

5

Development Services Directorate Plan 2014/2015 – Risk Register

Rating	Descriptor	Description
5	**Almost Certain**	I would not be at all surprised if this happened within the next few months
4	**Likely**	I think this could occur sometime in the coming year or so
3	**Possible**	I think this could maybe occur at some point, but not necessarily in the immediate future
2	**Unlikely**	I would be mildly surprised if this occurred, but cannot entirely rule out the possibility
1	**Rare**	I would be very surprised to see this happen, but cannot entirely rule out the possibility

Risk Matrix					
Almost Certain	5	10	15	20	25
Likely	4	8	12	16	20
Possible	3	6	9	12	15
Unlikely	2	4	6	8	10
Rare	1	2	3	4	5
	Insignificant	**Minor**	**Significant**	**Major**	**Catastrophic**

Current risk details → What we are going to do to manage those risks → Target – in one year

Lead Officer: Director of Development

6 Working with Partners								
Risk	**Details**	**Residual Likelihood**	**Residual Impact**	**Residual Risk Rating and Current Risk Profile**	**Current and Planned Control Measure**	**Target Likelihood**	**Target Impact**	**Target Risk Rate**
Lack of 'buy in' to community planning	Lack of buy in from council or community partners, impacts on effectiveness of partnership and adversely	Likely (4)	Significant (3) Impact on a local community	High (12)	Updated 2014/2015 SOA adopted to take account of progress on actions, emerging	Possible (3)	Significant (3) Impact on a local community	Medium (9)

1

| | | | | | issues and new targets. The Partnership is supported by six active thematic partnership groups, and a Shetland Partnership resources group was established in March 2014. The National Review of Community Planning is also helping to provide focus and priority to community planning from the Council and it's community partners. | | | |
| on Council reputation | | | , local public or press interest | | | | | |

8 A properly led and well-managed council

Risk	Details	Residual Likelihood	Residual Impact	Residual Risk Rating and Current Risk Profile	Current and Planned Control Measure	Target Likelihood	Target Impact	Target Risk Rate
Loss of key staff	Staff morale is impacted by uncertainties where service reviews are outstanding. Low morale may impact on service performance and loss of key staff.	Likely (4)	Significant (3) impact on a local community	High (12)	Most service reviews are now complete, and the directorate is close to achieving the savings set out in the MTFP. Corporate wide staff survey planned to be carried out this year.	Possible (3)	Significant (3) Impact on a local community	Medium (9)

2

Risk	Details	Residual Likelihood	Residual Impact	Residual Risk Rating and Current Risk Profile	Current and Planned Control Measure	Target Likelihood	Target Impact	Target Risk Rate
Breach of legislation	Data protection, human rights, employment practice, health & safety.	Likely (4)	Significant (3) major injury to an individual litigation/fine £50K to £250K, local press or public interest	High (12)	Adhere to standing orders, train staff on standing orders, ongoing staff training on employment practices, health and safety, ensure risk assessments are current, communicated and complied with.	Unlikely (2)	Minor (2) Minor injury or discomfort, embarrassment contained within the service	Low (4)
Strategic priorities wrong, mis-directed resources	Development Directorate is managing a number of significant projects of strategic importance: Bus Network Redesign, ASN & Social Care Transport review, Transport Infrastructure 50 year Investment Plan, A better lending system for commercial development projects, Digital Shetland Strategy & projects, STERT, Review of Community Grants and community Development, Participatory budgeting, Strengthening Community Involvement in democratic process, Redesign of Housing Support Service, Deliver on	Possible (3)	Major (4) Financial loss increased cost of working £500K to £1M	High (12)	Project plans are being progressed for all projects which are on the change programme	Unlikely (2)	Significant (3)	Medium (6)

3

Risk	Details	Residual Likelihood	Residual Impact	Residual Risk Rating and Current Risk Profile	Current and Planned Control Measure	Target Likelihood	Target Impact	Target Risk Rate
	the Local Housing Strategy							
Accidents/Injuries – staff/clients/students/others	Serious health and safety incident involving staff, public or clients	Unlikely (2)	Significant (3) major injury to an individual	Medium (6)	Review of risk assessments across Development Service, Safety Forum meets regularly.	Rare (1)	Minor (2) Minor injury or discomfort	Low (2)

9 Dealing with challenges effectively

Risk	Details	Residual Likelihood	Residual Impact	Residual Risk Rating and Current Risk Profile	Current and Planned Control Measure	Target Likelihood	Target Impact	Target Risk Rate
Capacity issues	The service may struggle to maintain services within financial constraints, and reduced staffing resources.	Likely (4)	Significant (3) Impact on a local community	High (12)	Change projects require a significant amount of resource in the short term, which is being managed	Possible (3)	Significant (3) Impact on a local community	Medium (9)
Poor communications	Failure to share information, mis-perception by media	Unlikely (2)	Catastrophic (5) officer/member forced to resign	High (10)	Adhere to Corporate Policy, use Communications Section	Rare (1)	Significant (3) Local public or press interest	Low (3)
Complex governance arrangements	The Development Directorate has complex governance arrangement which can impact on decision making	Likely (4)	Major (4) Impact on several communities	High (16)	Mid term governance review implemented, requires time to bed in.	Possible (3)	Significant (3) impact on a local community	Medium (9)

July 2014

4

Shetland Islands Council

Development Committee **18 August 2014**

Committee Business Programme – 2014/15	
GL-13-14-DC-F	
Team Leader – Administration	Governance and Law Corporate Services

1.0 Summary

1.1 The purpose of this report is to inform the Committee of the planned business to be presented to Committee over the remaining quarters of the current financial year to 31 March 2015 and discuss with Officers any changes or additions required to that programme.

2.0 Decision Required

2.1 That the Development Committee considers its business planned for the remaining quarters of the current financial year to 31 March 2015 and RESOLVE to approve any changes or additions to the Business programme.

3.0 Detail

3.1 The Council approved the Council's Meeting Dates and Business Programme 2014/15 at its meeting on 26 March 2014, (Min. Ref. 21/14).

3.2 It was agreed that the Business Programme for 2014/15 would be presented by Committee Services to the Council and each Committee, on a quarterly basis, for discussion and approval.

3.3 The manner in which meetings have been scheduled is described below:

- Ordinary meetings have been scheduled, although some have no scheduled business at this stage. Where there is still no scheduled business within 2 weeks of the meeting, the meeting will be cancelled;

- Special meetings have been called on specific dates for some items – other agenda items can be added, if time permits;

- PPMF = Planning and Performance Management Framework meetings have been called for all Committees and Council once per

quarter. These meetings are time restricted, with a specific focus on PPMF only, and therefore no other business will be permitted on those agendas;

- Budget = Budget setting meetings – other agenda items can be added, if time permits, or if required as part of the budget setting process; and

- In consultation with the Chair and relevant Members and Officers, the time, date, venue and location of any meeting may be changed, or special meetings added.

3.4   There is a proposed being presented to the Policy and Resources Committee on 20 August 2014, to change the way Audit Scotland reports are handled. This will ensure that Service Committees have the opportunity to consider the report and agree an action plan (where appropriate). The Audit Committee will then have the opportunity at a later date to "review action on External Audit recommendations". These reports will be added to the Business Programme as they become available.

3.5   In relation to the planned business for the year ahead, the lead strategic Director reporting to this Committee has the following comments or observations to make:

Director of Development Services
Development Directorate now reports to 4 Committees so projects and committee business is now distributed across the committees.

4.0   Implications

Strategic

4.1   Delivery On Corporate Priorities – The recommendation in this report is consistent with the following corporate priorities:

Our Corporate Plan 2013-17
- To be able to provide high quality and cost effective services to people in Shetland, our organisation has to be run properly.
- Fully align the timetables, time spans and approaches for financial planning relating to the medium term yearly budgeting with Council, directorate and service planning.

4.2   Community /Stakeholder Issues – The Business Plan provides the community and other stakeholders with important information, along with the Council's Corporate and Directorate Plans, as to the planned business for the coming year.

4.3   Policy And/Or Delegated Authority – Maintaining a Business Programme ensures the effectiveness of the Council's planning and performance management framework. The Business Programme supports each Committees role, as set out in paragraph 2.3 of the Council's Scheme of Administration and Delegations, in monitoring and reviewing achievements of key outcomes within its functional areas, whilst ensuring best value in the use of resources is met to achieve these outcomes

within a performance culture of continuous improvement and customer focus.

4.4 <u>Risk Management</u> – The risks associated with setting the Business Programme are around the challenges for officers meeting the timescales required, and any part of the business programme slipping and causing reputational damage to the Council.   Equally, not applying the Business Programme would result in decision making being unplanned and haphazard and aligning the Council's Business Programme with the objectives and actions contained in its corporate plans could mitigate against those risks.

4.5 <u>Equalities, Health And Human Rights</u> – None.

4.6 <u>Environmental</u> – None.

<u>Resources</u>

4.7 <u>Financial </u>– The there are no direct financial implications in this report, but indirect costs may be avoided by optimising Member and officer time.

4.8 <u>Legal</u> – None.

4.9 <u>Human Resources </u>– None.

4.10 <u>Assets And Property</u> – None.

5.0 Conclusions

5.1 The presentation of the Business Programme 2014/15 on a quarterly basis provides a focussed approach to the business of the Committee, and allows senior Officers an opportunity to update the Committee on changes and/or additions required to the Business Programme in a planned and measured way.

For further information please contact:
Anne Cogle
Tel Ext: 4554, email: anne.cogle@shetland.gov.uk
11 August 2014

<u>List of Appendices</u>
Appendix 1 – Development Committee Meeting Dates and Business Programme 2014/15

<u>Background documents:</u>
Report GL-02-F - Presented to Council on 26 March 2014: Titled "Meeting Dates and Business Programme 2014/15"
http://www.shetland.gov.uk/coins/Agenda.asp?meetingid=4317

**Shetland Islands Council - Meeting Dates and Business Programme 2014/15
as at Monday, 11 August 2014**

Development Committee			
			D= Delegated R=Referred
Quarter 1 **1 April 2014** **to** **30 June 2014**	**Date of Meeting**	**Business**	
	Ordinary 23 April 2014	*Meeting cancelled – no business*	
	PPMF 26 May 2014 2 p.m.	Management Accounts – Quarter 4	D
		Development Services Directorate – Performance Overview – Quarter 4	D
		Economic Development Investments - Update	D
		SDT Annual Accounts 2013-14	D
		Development Directorate Plan – Integrated and Formatted Final Edit	D
		Committee Business Programme 2014/15	D
	Ordinary 16 June 2014 10 a.m.	Presentation - "No Discards Ban"	D
		Architectural Heritage Funding 2014/15	D
		Maritime Development Policy	D
		Digital Shetland Strategy	D
		Historic Scotland Conservation Area Regeneration Scheme (CARS)	D
Quarter 2 **1 July 2014** **to** **30 September** **2014**	**Date of Meeting**	**Business**	
	Special 13 August 2014 2 p.m.	Appointment to Promote Shetland Steering Group	D
		Shetland Local Development Plan – Reporter's Recommendations	R
		CARS Funding Application	D
	PPMF 18 August 2014 2 p.m.	Management Accounts – Quarter 1	D
		Development Services Directorate – Performance Overview – Quarter 1	D
		Economic Development Investments - Update	D
		Committee Business Programme 2014/15	D

Page 1 of 2

Development Committee -*Continued*			
			D= Delegated R=Referred
Quarter 3 1 October 2014 to 31 December 2014	**Date of Meeting**	**Business**	
	Ordinary 6 October 2014 10 a.m.	Approval of short list of measures to address flood risk within Shetland	D
	PPMF 17 November 2014 2 p.m.	Management Accounts – Quarter 2	D
		Development Services Directorate – Performance Overview – Quarter 2	D
		Economic Development Investments - Update	D
		Committee Business Programme 2014/15	D
	Budget 25 November 2014 11.30 a.m.	Development Services Directorate Plan 2015-16	D
		2015-16 Budget and Charging Proposals	R Ex 8 Dec
Quarter 4 1 January 2015 to 31 March 2015	**Date of Meeting**	**Business**	
	Ordinary 21 January 2015 10 a.m.	tbc	
	PPMF 23 February 2015 2 p.m.	Management Accounts – Quarter 3	D
		Development Services Directorate - Performance Overview Q3	D
		Economic Development Investments - Update	D
		Committee Business Programme 2015/16	D

Planned Committee business still to be scheduled - as at Monday, 11 August 2014

- Community Planning and Development – Review Update
- Community Assets Transfer Policy and Scheme
- Renewable Energy Development Plan
- Shetland Development Trust Assets
- Investments policy
- Community Benefit Policy
- Next Generation Access, Broadband Project
- Strengthening Community Involvement Project
- Review of Community Grants

Development Committee – END

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