

**Special Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Tuesday 23 September 2014 at 11.30am**

Present:

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| M Bell | M Burgess |
| P Campbell | G Cleaver |
| A Cooper | S Coutts |
| R Henderson | A Manson |
| G Robinson | D Sandison |
| C Smith | T Smith |
| M Stout | A Wishart |
| V Wishart | |

Apologies

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| A Duncan | B Fox |
| D Ratter | F Robertson |
| G Smith | A Westlake |
| J Wills | |

In Attendance (Officers):

C Ferguson, Director of Corporate Services
J Gray, Executive Manager – Finance
J Riise, Executive Manager – Governance and Law
K Adam, Solicitor
S Fox, Community Safety Officer
C Anderson, Senior Communications Officer
L Adamson, Committee Officer

Also in Attendance:

C Hislop, Audit Scotland
D McConnell, Audit Scotland
Chief Inspector E Graham, Police Scotland
H Balfour, Brae Junior High School
E Johnson, Brae Junior High School
L Povilonyte, Brae Junior High School
J Stout, Brae Junior High School

Chair:

Mr M Bell, Convener of the Council, presided.

Circular:

The circular calling the meeting was held as read.

The Convener welcomed the work experience pupils, from the Brae High School, who were observing at the today's meeting.

Declarations of Interest

None

The Council considered a report by the Executive Manager – Finance (F-045-F), which presented the final signed and audited accounts for 2013/14 and Audit Scotland's report to those charged with governance on the 2013/14 Audit.

In introducing the report, the Executive Manager – Finance advised on the common approach agreed with Audit Scotland which led to a smooth audit process. The Executive Manager – Finance made reference to the paper, that was tabled at the meeting (Appendix A), and informed on a late adjustment to be made to Note 35 "Contingent Liabilities", in regard to an EU ruling on holiday pay.

Mr D McConnell, Audit Scotland, advised that the audit process had gone well for Audit Scotland, and that a good set of working papers had been received from the Finance Service. He advised that the audit produced a number of presentational and monetary adjustments however none had caused any difficulty. He drew Members' attention to the provision made for asset decommissioning obligations for future landfill. He confirmed there were no significant remaining issues and therefore Audit Scotland would be issuing an unqualified certificate.

In response to a question, Ms Hislop provided further explanation to Members in regard to the non-adjusted error, as set out in Appendix C. The Executive Manager – Finance added that the adjustment required was not a valid cash amount but related to an estimation of the value of an asset.

Reference was made to page 89 of the Accounts, where further information was sought in regard to the marked increase in payments made to bodies where Members' have declared an interest in 2013/14. The Executive Manager – Finance confirmed that he would look into this, and inform Members.

In referring to Section 17 of the "Report to those charged with governance", Mr Stout enquired whether Audit Scotland were content with the response from Shetland Charitable Trust's auditor. Ms Hislop confirmed that Audit Scotland had received the information last week and were happy with the response.

Ms Wishart advised that the final signed and audited accounts had been well received at the Audit Committee earlier today, and she paid tribute to all staff involved in the audit process. Ms Wishart moved that the Council approve the recommendations in the report. In seconding, Mr Robinson advised that this was the third consecutive year where the Council has received an unqualified set of accounts, which he said shows definite progress. He thanked the Executive Manager – Finance and his team for all their work, and the staff across the Council who provided the information to the Finance Service in a timely fashion.

Decision:

The Council **RESOLVED** to:

- approve the final signed and audited accounts for 2013/14; and
- note Audit Scotland's report to those charged with governance on the 2013/14 Audit.

The Council considered a report by the Executive Manager – Finance (F-047-F), which presented the final signed and audited Pension Fund accounts for 2013/14 and Audit Scotland's report to those charged with governance on the 2013/14 Audit.

The Executive Manager – Finance introduced the report.

Mr McConnell, Audit Scotland, advised on the good support from the Finance Service during the audit process. He advised that a few presentational adjustments had been required, however there were no significant issues and he confirmed a clear audit certificate.

Ms Wishart moved that the Council approve the recommendations in the report. Mr C Smith seconded.

Decision:

The Council **RESOLVED** to:

- approve the final signed and audited Pension Fund Accounts for 2013/14; and
- note Audit Scotland's report to those charged with governance on the 2013/14 Audit.

70/14

Final Audited Zetland Educational Trust Annual Report and Financial Statements to 31 March 2014

The Council considered a report by the Executive Manager – Finance (F-046-F), which presented the final signed and audited Zetland Educational Trust (ZET) accounts for 2013/14 and Audit Scotland's report to those charged with governance on the 2013/14 Audit.

In introducing the report, the Executive Manager – Finance advised Members that this is the first year where a full audit has been required on the smaller Trusts, where in previous years an independent examination had sufficed. He advised that ZET remains the only smaller Trust administered by the Council, with the other smaller Trusts having been wound up. He took this opportunity to thank the staff in the Legal Service and his colleagues in the Finance Service who had been involved in winding up the Trusts.

Mr McConnell, Audit Scotland, advised on the new process where charitable accounts are to be audited where a Council is the sole Trustee. He made reference to the fact that the opening balances at March 2013 had not been audited, however this had not caused Audit Scotland any difficulties, and he confirmed an unqualified certificate.

In response to questions, the Executive Manager – Finance advised that the ZET funds are currently invested in a fixed term deposit account with the Bank of Scotland, with an approximate return of 2%. The Executive Manager – Finance explained that he would expect restrictions on whether the Funds can be invested differently, and he undertook to inform Members on detail.

In response to a question, Mr McConnell advised that the fee for undertaking the ZET audit forms part of the fee the Council is charged for the consolidated funds audit process.

Ms Wishart moved that the Council approve the recommendations in the report. Mr Stout seconded.

Decision:

The Council **RESOLVED** to:

- approve the final signed and audited Zetland Educational Trust Accounts for 2013/14; and
- note Audit Scotland's report to those charged with governance on the 2013/14 Audit.

The Convener advised that Ms C Hislop, the Senior External Auditor for the Council, is leaving her position working in Shetland after a period of 5 years. He said that Ms Hislop has seen the Council through some of its more troublesome periods, and has been on the journey to stability, and with the excellent leadership and strong governance put in place by the Executive Manager – Finance has led the Council to produce a sterling set of accounts as presented to Council today. On behalf of the Council, the Convener thanked Ms Hislop for her work with the Council. (Ms Hislop was presented with a floral tribute, and all present at the meeting gave a round of applause).

In her response, Ms Hislop advised on how much she has enjoyed working with the Council, and that she was sorry to be leaving. She said that she has learned a lot through her attendance at the Audit Committee meetings, and she commented that the set of final accounts for 2013/14 were brilliant. Ms Hislop paid tribute to the staff in the Finance Service, and said that she looked forward to visiting Shetland in the future.

71/14

Shetland Partnership Board – Appointment of Members

The Council considered a report by the Executive Manager – Governance and Law (GL-15-14-F), which provided an opportunity for the Council to make the necessary appointments in line with the revised membership of the Shetland Partnership Board.

In introducing the report, the Executive Manager – Governance and Law highlighted the resolution from the Partnership Board for consideration by the Council as set out in Section 3.4, and to the proposal to seek to achieve geographical representation of Members on the Partnership Board.

During the discussion, Mr Stout made reference to Section 3.6 of the report where he sought clarity as to whether the Vice-Chair of ZetTrans would deputise, should the Chair of ZetTrans be unable to attend a meeting of the Partnership Board. Mr T Smith referred to the proposal put forward by the Partnership Board that the Depute Leader deputise for the Leader on the Partnership Board should the Leader be unable to attend Board meeting, and he questioned whether a similar arrangement should also be in place that the Depute Convener would deputise for the Convener. The Executive Manager – Governance and Law advised that these proposals had not formed part of the resolution put forward from the Partnership Board, but advised that he would raise these matters with the Executive Manager – Community Planning and Development who has the lead officer role for the Partnership Board.

Following some discussion, there was general agreement to proceed as suggested in the report, that in addition to the Convener and Leader, to make appointments to the Partnership Board having regard to geographical representation as well as functional responsibilities. Nominations were sought for Members to the Partnership Board, and appointments made as follows:

North Isles: Mr G Cleaver
Shetland North: Mr A Cooper
Shetland Central: Ms V Wishart
Shetland South: Mr G Smith
Lerwick South: Mr C Smith

In response to questions, the Convener undertook to seek clarity from the Partnership Board in regard to the Depute Convener deputising at meetings for the Convener, and whether the Vice-Chair of ZetTrans would deputise for the Chair of ZetTrans, and he would report back to Members.

On the motion of Mr C Smith, seconded by Mr Cooper, the Council approved the recommendations in the report.

Decision:

The Council **RESOVLED** to:

- Appoint the Leader and Convener and a further 5 Councillors to the Shetland Partnership Board, namely, Mr G Cleaver, Mr A Cooper, Ms V Wishart, Mr G Smith and Mr C Smith; and
- Appoint the Depute Leader to deputise for the Leader on the Shetland Partnership Board, should the Leader be unable to attend Board meetings.

72/14

Approval of Local Police Plan 2014-17 and Local Fire and Rescue Plan 2014-17

The Council considered a report by the Executive Manager – Governance and Law (GL-16-14-F), which presented the Local Police Plan 2014-17 and the Local Fire & Rescue Plan 2014-17 for approval.

(Mr M Loynd, Area Manager, Fire and Rescue Service, participated in the meeting via video-link from Inverness).

In introducing the report, the Executive Manager – Governance and Law advised that the Police and Fire and Rescue Plans had been approved by the Community Safety and Resilience Board (CS&RB) and the Shetland Partnership Board, and he commended the Plans to the Council.

In presenting the Local Police Plan, Chief Inspector Graham advised on the extensive consultation that was carried out in the community, and he outlined to Members the five main local policing priorities as set out in Section 3.5 of the report. Chief Inspector Graham advised that he is accountable to report on the Plan to the CS&RB at their quarterly meetings.

Mr M Loynd, Fire and Rescue Service, informed Members on the extensive consultation undertaken on the Fire and Rescue Plan during December 2013, which he advised resulted in only minor amendments to be made. He advised on

the nine priorities for Shetland as summarised in Section 3.9 of the report, and Members noted the final two priorities were to enhance involvement in community planning and improve engagement with communities and multi-agencies in Shetland.

In response to questions, Mr Loynd advised on the current situation where there are insufficient retained fire-fighters in Fetlar to crew an active unit. A recent recruitment exercise for firefighters for Fetlar had been unsuccessful as applicants had not met the fitness requirement, and in that regard, he had plans to visit Fetlar soon where he hoped to encourage applicants to improve their fitness and reapply. He advised that there is a well run unit in Fair Isle, however there are no operational presence in either Foula or Skerries but arrangements are in place to respond when required. In response to comments from the Convener, Mr Loynd advised that the Fire and Rescue Service now apply the National standard single point of entry test for the recruitment of retained firefighters. He said that although this involves an increased fitness requirement, he did not consider it a difficult standard to achieve.

The Convener thanked Chief Inspector Graham and Mr Loynd for presenting their Plans.

Mr Cooper advised that his main concerns for both the Police and Fire and Rescue Services are the recruitment and retention of staff. He said that the Police locally have been running at 1-2 officers light, and for the Fire Service there are difficulties in recruiting staff in a number of outlying areas. Mr Cooper advised that he had attended a number of the community consultation sessions on the Police and Fire and Rescue Plans, and commented on the good attendance in the isles, however the attendance on the Mainland had been poor, and that community participation is an area where improvements need to be made.

On the motion of Mr Cooper, seconded by Mr Robinson, the Council approved the recommendations in the report.

Decision:

The Council **RESOLVED** to approve the Local Police Plan 2014-17 and the Local Fire & Rescue Plan 2014-17.

The Council **RESOLVED** to delegate authority for the approval or modification of the Local Police and Fire & Rescue Plans to the Policy and Resources Committee.

The meeting concluded at 12.30pm.

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Convener