

MINUTE

B – PUBLIC

**Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Wednesday 2 July 2014 at 10.00 am**

Present:

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

Apologies

P Campbell	F Robertson
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In Attendance (Officers):

M Boden, Chief Executive
S Bokor-Ingram, Director of Community Health and Social Care
H Budge, Director of Children's Services
N Grant, Director of Development Services
C Ferguson, Director of Corporate Services
M Sandison, Director of Infrastructure Services
A Edwards, Executive Manager – Quality Improvement
J Gray, Executive Manager – Finance
D Irvine, Executive Manager – Economic Development
J Riise, Executive Manager – Governance and Law
C Scott, Executive Manager – Adult Services
V Simpson, Executive Manager – Community Planning and Development
R Sinclair, Executive Manager – Capital Programme
S Laurenson, Consultant Adviser
A Cogle, Team Leader – Administration
C Reeves, Harbourmaster
C Bain, Treasury Accountant
J Thomason, Management Accountant
E Skinley, Road Safety Officer
S Keith, Project Manager
W Goudie, Project Manager
K Johnston, Solicitor
L Gair, Committee Officer

Also in Attendance

R Roberts, Chief Executive, NHS
S Taylor, Director of Public Health, NHS
R Mainland, Shetland Amenity Trust

Chair:

Mr M Bell, Convener of the Council, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

Mr Bell declared an interest in item 2, "Chair's Report – Health and Social Care Integration Options Appraisal", as a Non-Executive Member of the NHS Board and advised that he would leave the Chamber.

Mr Burgess declared a financial interest in item 9 "Chair's Report – Shetland College Fees 2014/15" for his services to Shetland College, and advised that he would leave the Chamber.

Mr Ratter declared an interest in item 2, "Chair's Report – Health and Social Care Integration Options Appraisal".

Mr C Smith declared an interest in item 2, "Chair's Report – Health and Social Care Integration Options Appraisal" as a Member on the NHS Board, however he advised that he had received a dispensation and would remain in the Chamber.

Opening Remarks

Dr Christine Begg – The Convener paid tribute to Dr Begg, former Councillor, who sadly passed away following a long illness. He advised that her funeral would take place on Thursday and the Town Hall flag would fly at half-mast as a mark of respect. A full and formal tribute would be paid at the next Ordinary meeting of the Council but in the meantime he expressed his heartfelt sympathy to Dr Begg's Family.

HM Queen's Baton Relay – The Convener said he was delighted to welcome Her Majesty's Baton to Shetland yesterday and said that this was a special day for all involved and in particular the Baton Bearers each of whom deserved the honour. The Convener expressed his thanks to all who had worked over the past few months arranging the day.

Scotland's Commonwealth Games Team – The Convener gave his best wishes to the three Shetland competitors who would be representing Scotland in the Commonwealth Games, namely Andrea Strachan, swimming; Lynda Flaws, table tennis and 13 year old Erraid Davies, swimming. He said that this was a great honour and achievement that proves that with personal effort and no small degree of sacrifice it is possible to live in Shetland and develop to a national standard and recognition. The Convener advised that he had written to all three competitors on behalf of the Council.

Alastair Buchan CBE – The Convener paid tribute to Mr Buchan, Chief Executive of Orkney Islands Council, and former Chief Executive of Shetland Islands Council, who was made a Commander of the British Empire (CBE) in her Majesty's recent Birthday Honours List.

Ollaberry School – Congratulations to pupils and staff at Ollaberry School for winning the Total Green School Awards for 2014. Seven pupils competed against larger schools on the mainland but their project on marine litter and homemade animation scooped the award and prize of £5000.

Minutes

The Council approved the minutes of the Council meetings held on:

- (a) 12 May 2014, on the motion of Mr Henderson seconded by Mr Sandison;
- (b) 14 May 2014, on the motion of Mr Fox seconded by Ms Wishart;
- (c) 21 May 2014, on the motion of Mr T Smith seconded by Mr Fox;
- (d) 28 May 2014, on the motion of Ms Wishart seconded by Mr C Smith; and
- (e) 9 June 2014 on the motion of Mr C Smith seconded by Mr Cleaver.

Policy and Resources Committee – 23 June 2014

Review of the Plans for Day Service Provision for Adults with Learning Disabilities, Autistic Spectrum Disorders and Complex Needs

The Council considered a joint report by the Chair of the Social Services Committee and the Chair of the Policy and Resources Committee (SIC-0702-CC19), which presented recommendations regarding the Review of Day Service Provision for Adults with Learning Disabilities, Autistic Spectrum Disorders and Complex Needs.

Mr C Smith introduced the report and advised that the discussions had been unanimous at the Social Services and Policy and Resources Committee meetings to proceed with a new build. He said that the question had been asked relating to the size and use of the existing building and he reported that Officers had since met with Members who were now satisfied that their questions had been answered.

Mr C Smith moved that the Council approve recommendations 2.1, 2.2 and 2.3 of the report, Mr Duncan seconded.

In response to a query, the Executive Manager – Finance confirmed that there were two options to fund the build, the first being that the Directorate would repay the loan which would be paid from its revenue budget. He said that the only other alternative would be to ask another department to pay from within their revenue budget. Mr C Smith advised that depending on the decision taken today it would be possible to proceed to seek external funding therefore there could be a non borrowed funding option available.

A Member questioned whether it would be possible to look again at the internal design without reducing the internal facilities. The Director of Community Health and Social Care said that this was possible stating that the amount of internal space was important. He said that as cost pressures fall to the Community Health and Social Care Service, looking at external funding and reducing costs was a must. In responding to a query, the Executive Manager – Capital Programme said that to reassess the floor area and specification would not affect the timescale for works to begin onsite next year, as this amounted to flexibility on the detail rather than the footprint.

It was acknowledged that appropriate corridor and bathroom spaces had been designed into the building and a Member commented that this must not be compromised.

Mr C Smith thanked colleagues for supporting the motion and thanked officers for the work undertaken over the last 6 months in order to report to this meeting. Mr Smith also thanked the families for their input.

Decision:

The Council **RESOLVED** to:

- APPROVE the Committees' preferred option for the longer term - Option 3: New Build on the old hockey pitch site - for inclusion in the Council's Asset Investment Plan and;
- APPROVE the Committees' preferred solution for funding: that the Council borrow the money required to fund such a new building, but that all avenues be explored in an attempt to gain external funding to assist with the new build.

- AGREE that work continues to develop this project on a rigorous timescale, and that updated progress reports come before the Social Services Committee every second cycle.

(Mr Bell and Mr Ratter left the Chamber. Mr Robinson took the Chair)

43/14 **Chairs' Report: Special Social Services Committee – 11 June 2014**
Policy and Resources Committee – 23 June 2014
Health and Social Care Integration Options Appraisal

The Council considered a joint report by the Chair of the Social Services Committee and the Chair of the Policy and Resources Committee (SIC-0702-CRP08), which presented recommendations regarding the up to date information on the Health and Social Care Integration Project commissioned by Shetland's Community Health Partnership (CHP) Committee, a sub-committee of Shetland NHS Board.

The Chair welcomed the Chief Executive of NHS and the Director of Public Health, NHS to the meeting.

Mr C Smith introduced the report advising that a number of seminars and informal discussions had taken place and he made comment that this was the eleventh meeting that this report had been presented to. Mr Smith said that this legislation would come into place next year however he felt that there had already been strong partnership working in place for many years and this would continue no matter what legislation is introduced.

Mr C Smith moved that the Council approve recommendations 2.1-2.7 inclusive, Mr Cleaver seconded.

Decision:

The Council **RESOLVED** to:

- ADOPT the Body Corporate as the preferred model for Health and Social Care Integration in Shetland under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014;
- AGREE that the detailed governance arrangements (the "Integration Scheme") be presented to the Council and Health Board for approval by the end of December 2014, in order to meet the timescale of April 2015 for approval by the Scottish Government;
- COMMENT on the draft list of service areas and functions set out in paragraphs 3.18 through to 3.30 for inclusion in the integrated health and social care model for Shetland SUBJECT TO the provisions of the Regulations that are currently published in draft and FINAL CONFIRMATION in Shetland's Integration Scheme;
- APPROVE proposals for an interim combined Community Health and Social Care Committee for Shetland as set out in paragraphs 3.71 through to 3.76 with a view to implementation in August 2014;
- NOTE that further detail regarding the work required to meet the requirements

of the Act is set out in Shetland's Joint Commissioning Strategy and Integration Plan for Community Health and Social Care (the "Partnership Agreement") 2014/15 which is also on the agenda for this meeting for approval, and that the Strategy and Integration Plan for future years will be informed by the outcome of the final approved Integration Scheme;

- NOTE that a Transition Programme led by the Council's Director of Corporate Services on behalf of both organisations has been established to co-ordinate and link a number of projects and work streams to ensure the successful implementation of Shetland's chosen model for health and social care integration to meet the deadlines set by the Scottish Government. The programme uses PRINCE2 methodologies with the programme manager reporting directly to the Chief Executives of the Council and the Health Board; and
- APPROVE proposals for the Health and Social Care Integration Project Board to become the senior stakeholder group for the programme with additional membership to be determined by partner organisations in line with PRINCE2 standards.

(Mr Bell returned to the Chamber and resumed the Chair)

44/14 **Chair's Report: Harbour Board – 27 May 2014**
Capital Spending – Solan/Bonxie

The Council considered a report by the Chair of the Harbour Board (SIC-0702-PH13), which presented a recommendation that £16,000 from capital budget, approved in the 2013/14 budget year, be carried forward into the 2014/15 year to cover the committed expenditure currently identified to bring the tugs to a fully operational state.

Ms Manson moved that the Council approve the recommendations contained in the report. Mr Robinson seconded.

Decision:

The Council **RESOLVED** to adopt the recommendation from the Harbour Board that £16,000 from capital budget, approved in the 2013/14 budget, be carried forward into the 2014/15 year to cover the committed expenditure currently identified to bring the tugs to a fully operational state.

45/14 **Chair's Report: Development Committee – 16 June 2014**
Statement of Intention for Protecting Shetland's Marine Environment

The Council considered a report by the Chair of the Development Committee (SIC-0702-DV027), which presented the Statement of Intention for Protecting Shetland's Marine Environment.

Mr Cooper advised that matter had been well reported and approved at Development Committee on 16 June 2014, without amendment. Mr Cooper moved that the Council approve the recommendation at 2.1, seconded by Mr T Smith.

Decision:

The Council **RESOLVED** to approve the completed Statement of Intention for Protecting Shetland's Marine Environment.

Dr Wills endorsed Mr Cooper's comments and advised that he had shared the document at the CPMR (Commission of Peripheral Maritime Regional) in Brussels where comments had been made on its clarity and brevity, for which he congratulated officers.

46/14 **Chair's Report: Development Committee – 16 June 2014**
Digital Strategy (2014-2017)

The Council considered a report by the Chair of the Development Committee (SIC-0702-DV029), which presented the Digital Shetland Strategy 2014-17.

Mr Cooper introduced the report, and highlighted the comments at 3.5 of the report, stating that the Director of Development Services had been asked to provide a schedule of meeting dates to engage with the parties involved to seek the clarity required on what improvement would be made to broadband in Shetland. The Director of Development Services advised that he had made contact with those involved and the first meeting would take place on 12 July 2014 where further dates would be set.

Mr Cooper moved that the Council approve recommendation 2.1 in the report. Mr Fox seconded.

Decision:

The Council **RESOLVED** to approve the Digital Shetland Strategy 2014-17.

47/14 **Chair's Report: Policy and Resources Committee – 23 June 2014**
Single Outcome Agreement 2014-15

The Council considered a report by the Chair of the Policy and Resources Committee (SIC-0702-DV025), which presented the Single Outcome Agreement (SOA) 2014-15.

(Mr Ratter returned to the Chamber)

Mr Robinson moved the recommendations contained in the report, seconded by Mr C Smith.

A Member questioned whether Officers would be highlighting the important parts of the Single Outcome Agreement when in discussions with the Community on participatory budgeting. Mr Robinson said that the detail of the public discussions was being worked up but this could be included.

Decision:

The Council **RESOLVED** to adopt and commit to support the delivery of the Single Outcome Agreement 2014 as a partner organisation of the Shetland Partnership.

48/14 **Chair's Report – Policy and Resources Committee – 23 June 2014**
Clickimin Path Upgrade

The Council considered a report by the Chair of the Policy and Resources Committee (SIC-0702-SR11), which set out the Clickimin Path Upgrade project, whereby the paths surrounding the Clickimin Loch and proposed new Anderson High School (AHS) would be upgraded, partly using funding granted by Sustrans.

Mr Robinson introduced the report and moved that the Council approve the recommendation in paragraph 2.1. Ms Wishart seconded.

In response to a query, Mr Robinson confirmed that the Council was not contributing to this work which was being funded by a contribution from the Scottish Futures Trust which would be matched by Sustrans. A Member commended the Road Safety Officer for negotiating this project.

Decision:

The Council **RESOLVED** to accept the Sustrans funding on offer for this project and approve the project implementation.

49/14

Chair's Report: Policy and Resources Committee – 23 June 2014
Shetland Islands Council Medium Term Financial Plan

The Council considered a report by the Chair of the Policy and Resources Committee (SIC-0702-F030), which presented the Medium Term Financial Plan (MTFP), setting out the roadmap for Shetland Islands Council to achieve financial sustainability over the term of this Council and to align resources in accordance with the priorities of Members.

Mr Robinson moved that the Council approve recommendations 2.1-2.15. Mr Henderson seconded.

A Member asked whether the participatory budget exercise could result in a change to the budget if the public were to decide that they wanted to spend more in any area as a result of this exercise. Mr Robinson explained that the idea was that the Council consults with the public and then set the budget. He said that once the budget is set the MTFP sets out what the Council will do the rest of the year.

In response to a query, Mr Robinson advised that at this time it was uncertain whether the participatory budget exercise would include the option to participate online rather than attend the meeting. He however said that if this year's exercise proves successful then work would be done to refine the process in the future.

During further discussion, Mr Robinson gave assurance that the process would allow debate on the budget for each Departmental Directorate and would inform Members on priorities going forward. At the request of Members, it was agreed that consideration has to be given to how to reach members of the public who are unable to attend the planned meetings, and in addition these meetings are to be proactively publicised to encourage attendance. It was also noted that 6 dates had been set, at venues spread across the Islands in order to best attract participation.

Decision:

The Council **RESOLVED** to adopt the Medium Term Financial Plan by:

- Approving the principles of the plan and the assumptions underlying the plan set out in Section 2.1 to 2.12 of Appendix 1;
- Approving the continuation of the budget carry forward scheme as set out in section 2.13 to 2.18 of Appendix 1;

- Approving the continuation of the policy of external funding as set out in section 2.19 to 2.21 of Appendix 1;
- Approving the continuation of the principle of making spend to save funding available to assist with the budget savings work as set out in section 2.22 to 2.24 of Appendix 1;
- Approving the continuation of the Economic Development loans scheme as set out in section 2.25 of Appendix 1;
- Approving the proposed reserves policy as set out in section 5.12 to 5.13 which is to maintain the capital value of the reserves in real terms into the future;
- Approving to make no adjustment in 2013-14 to the value of the Reserves Equalisation Fund as set out at section 5.15 to 5.18 of Appendix 1;
- Approving the proposed capital expenditure policy and capital funding policy as set out at section 6.5 of Appendix 1;
- Approving the Housing Revenue Account Financial Policy as set out at section 7.6 of Appendix 1;
- Approving the budget model as set out at section 11.1 of Appendix 1 which limits net general fund expenditure at £109.147m in 2015-16, and anticipates a limit of £111.186m in 2016-17, £111.742m in 2017-18, £111.258m in 2018-19 and £107.963m in 2019-20;
- Approving the Target Operating Budgets for each directorate for 2015-16 to 2019-20 inclusive, as set out at Section 12.11 of Appendix 1;
- Approving the principle of seeking to maximise income from fees and charges as set out at section 12.15 to 12.18 of Appendix 1;
- Approving to continue the freeze on Council Tax in 2015-16 and in principle for the medium term;
- Approving the proposal to grant delegated authority to the Chief Executive to invoke contingencies measures if required, as set out in section 13.4 of Appendix 1; and
- Approving the policy around consultation as set out in section 14 of Appendix 1.

(Mr Burgess left the Chamber)

50/14

Chairs' Report: Shetland College Board – 29 May 2014
Policy and Resources Committee – 23 June 2014
Shetland College Fees 2014/15

The Council considered a joint report by the Chair of the Shetland College Board and the Chair of the Policy and Resources Committee (SIC-0702-SCB067), which presented the proposed fees for the academic session 2014/15.

Mr Robinson introduced the report and moved that the Council approve the recommendation contained in the report. Mr Cleaver seconded.

Decision:

The Council **RESOVLED** to approve the course fees for the Academic Session 2014/15.

(Mr Burgess returned to the Chamber)

51/14 **Chairs' Report: Audit Committee – 18 June 2014**
Policy and Resources Committee – 23 June 2014
Assurance and Improvement Plan Update 2014-17

The Council considered a joint report by the Chair of the Audit Committee and the Chair of the Policy and Resources Committee (SIC-0702-IP11), which set out the "Shetland Islands Council – Assurance and Improvement Plan (AIP) Update 2014-17".

Mr Duncan introduced the report and advised Members on the progress made, however he said that there could be no complacency going forward. Mr Duncan paid tribute to the Members and Officers for the achievements made.

Mr Duncan moved that the Council approve the recommendation contained in the report, seconded by Mr Robinson.

Decision:

The Council **RESOLVED** to note the contents of the Assurance and Improvement Plan Update.

52/14 **Strategy for Secondary Education in Shetland – Amendment**

The Council considered a report by the Director of Children's Services (CS-14-14-F), which presented an amendment to the Strategy for Secondary Education in Shetland.

Following an introduction by the Director of Children's Services, the Convener thanked the Director and her team for turning around this report in light of a challenging timeframe.

Mr Bell moved that the Council approve the recommendations contained in the report. Mr G Smith seconded.

Decision:

The Council **RESOLVED** to approve the following recommendations as outlined in the amended Strategy for Secondary Education:-

"In approving the amended Strategy, statutory consultations will be carried out on secondary education provision in Shetland as set out below. The Council delegates the implementation of these resolutions to the Director of Children's Services.

Actions:

- a) Children's Services progresses statutory consultation on the options of the proposed closure of Mid Yell Junior High School Secondary Department, or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in September 2014 with a

- proposed transfer date for pupils of August 2016 to the new Anderson High School, or as soon as possible thereafter;
- b) Children's Services progresses statutory consultation on the options of the proposed closure of Whalsay School Secondary Department, or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in September 2014 with a proposed transfer date for pupils of August 2016 to the new Anderson High School, or as soon as possible thereafter;
 - c) Children's Services progresses statutory consultation on the options of the proposed closure of Baltasound Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in August 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter;
 - d) Children's Services progresses statutory consultation on the options of the proposed closure of Aith Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in October 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter;
 - e) Children's Services progresses statutory consultation on the options of the proposed closure of Sandwick Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in October 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter."

53/14

Pension Fund – Investment Tender Exercise

The Council considered a report by the Executive Manager – Finance (F-034-F), which sought partial exemption from the Council's Contract Standing Orders in regards to the requirement to advertise, in relation to three Pension Fund investment mandate tenders.

The Executive Manager – Finance introduced the report.

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

Decision:

The Council **RESOLVED** to treat the three Pension Fund investment mandate tender exercises as a partial exception from the Contract Standing Orders, in particular Part 2 Operational Procedures, (2 (i) a) the requirement to advertise.

(Mr Cleaver left the Chamber)

54/14

Our Islands Our Future – Update Report

The Council considered a report by the Executive Manager – Executive Services (CE-04-14-F), which provided an update on the Our Islands Our Future campaign and attached the document "Empowering Scotland's Island Communities".

The Chief Executive introduced the report.

(Mr Cleaver returned to the Chamber)

A Member commented that that he had been sceptical about progressing with this campaign however he acknowledged that the OIOF had been a political triumph and congratulated the Leader and Officers for their achievements. The Council concurred.

During discussions Members, commented on the income that the Crown Estate receive for the use of the seabed and any potential that this income could be shared with communities. Members acknowledged that this had been discussed for many years and one Member said that any sharing of income could in the future be taken away therefore it was important that control of the seabed is sought by coastal communities. The Leader explained that the Council had previously pushed hard for control of the seabed out to 12 miles and it may be that this could happen in the future if the issue is approached in a sensible manner.

A comment was made that the Appended report was flawed in terms of the inference to Scotland remaining part of Europe after the Referendum on 18 September 2014 in the event of a “Yes” majority. Conflicting reports had indicated that Scotland would have to negotiate its entry into the European Union. The Leader indicated that this point had been widely debated and would continue to be debated until at least 18 September.

A Member questioned whether other Islands could benefit from any concessions given as a result of the hard work of the 3 Island Authorities. The Leader explained that it had been made clear that the OIOF campaign related to the 3 Island authorities, although some parts could be applied to Authorities with islands. As an example, he advised that in seeking a fair system for ferry fares, which is part of the prospectus, a good structure could be rolled out across all islands.

Members unanimously noted the content of the report and the attached appendix.

Decision:

The Council **RESOLVED** to note the contents of the report and appendix.

55/14

Appointments to Committees

The Council considered a report by the Executive Manager – Governance and Law (GL-08-14-F), which sought to confirm the appointment of Chairs and Vice-Chairs of the Council’s Committees and Boards made at its meeting on 14 May 2014.

The Team Leader – Administration introduced the report.

The Council then proceeded to confirm the following appointments:

Depute Convener: Mr C Smith

Confirmed on the motion of Mr Bell, seconded by Mr Duncan.

Social Services Committee – North Isles Member: Mr Henderson

Confirmed on the motion of Mr Coutts, seconded by Mr Cleaver.

Development Committee – North Isles Member: Mr Henderson

Confirmed on the motion of Mr Coutts, seconded by Mr Cleaver.

Audit Committee – Additional Member: Mr Burgess

Confirmed on the motion of Mr Coutts, seconded by Mr T Smith.

Employees JCC – 2 Substantive Members: Mr Fox and Mr Coutts

Mr Fox confirmed on the motion of Mr G Smith, seconded by Mr Robinson.

Mr T Smith was nominated by Mr Coutts, however he declined the position.

Mr Coutts, confirmed on the motion of Mr G Smith, seconded by Mr T Smith.

ZetTrans – Substitute Member: Mr G Smith

Confirmed on the motion of Mr Fox, seconded by Mr C Smith.

CoSLA Convention – Substantive Member: Mr Stout

Confirmed on the motion of Mr Coutts, seconded by Mr Henderson.

The Council unanimously noted that a review of all other external appointments will be undertaken this year.

Decision:

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

Depute Convener	Cecil Smith
Social Services Committee – North Isles Member	Robert Henderson
Development Committee – North Isles Member	Robert Henderson
Audit Committee – Additional Member	Mark Burgess
Employees JCC – 2 Substantive Members	Steven Coutts Billy Fox
ZetTrans – Substitute Member	George Smith
CoSLA Convention – Substantive Member	Michael Stout

The Council **NOTED** that a review of all other external appointments will be undertaken this year.

In order to avoid the disclosure of exempt information, Mr Bell moved, Mr Robinson seconded, and the Council agreed to exclude the public in terms of the relevant legislation during consideration of the following items of business.

(Dr Wills advised that as the holder of a Business Development Loan from Shetland Development Trust he would take no part in the discussion on the following item).

A Member questioned why item 17 “Risk Assessment of Towage Requirements in Sullom Voe” was being held in Private. The Executive Manager – Governance and Law advised that there was a proposal for the sale or disposal of the assets and there is a risk that during discussions there may be information disclosed that would affect the market place.

(The media left the Chamber)

Future Mechanism for Economic Development Commercial Investments

The Council considered a report by the Project Manager – Economic Development, which detailed the history behind the 2008 decision to wind up the SDT and for lending activity to be wholly undertaken by the Council.

The Project Manager (S Keith) introduced the report, and responded to questions.

Mr Cooper moved that the Council approve the recommendations contained in the report, seconded by Mr Robinson.

Decision:

The Council **RESOLVED:**

- To note the decision made by Council on the 19 March 2008 [Min Ref: SIC 50/08] to wind up the SDT with all assets and undertakings transferred to the Council.
- That all SDT assets which are transferred be held in the earmarked Local Investment Fund, set up for this purpose.
- To instruct the Executive Manager - Economic Development, or his nominees, to implement the operational aspects of the decisions above. This includes the preparation of a Project Initiation Document (PID) for a project to conclude the winding up of the SDT, transfer of the assets/undertakings to the Council and review of Investment Strategy for Economic Development commercial investments.
- To award delegated authority to the Executive Manager - Economic Development and Executive Manager – Finance to seek further external advice on the winding up the SDT from professional advisors, and the Council's External Auditors.
- Approval to spend up to £30,000 from SDT funds to meet the costs of professional advisors.

Changes to Security for Guardian Angell Fishing Company Limited Investment

The Council considered a report by the Project Manager – Economic Development, which sought approval to amend the security arrangements for the commercial investment in the Guardian Angell Fishing Company Ltd, originally approved at the Development Committee on 12 March 2013.

The Director of Development Services introduced the report.

Mr Henderson, in moving the recommendations, stated that this report puts the Council in a better position than before. Mr Cooper seconded.

The Leader congratulated staff for securing equal standing in this case.

Decision:

The Council **RESOLVED** to adopt the proposal to amend the Council's security position.

58/14

Risk Assessment of Towage Requirements, Sullom Voe Harbour

The Council considered a report by the Director of Infrastructure Services, which informed the Port Marine Safety Code (PMSA) Duty Holder of the number and power of tugs required to service traffic arriving at the Sullom Voe Oil Terminal.

The Director of Infrastructure Services introduced the report.

Following discussions, Ms Manson commented that she was pleased with the content of the report and hoped for a good resolution. Ms Manson moved that the Council approve the recommendations contained in the report, with the addition that Voith be used to demonstrate how good the tugs are to potential purchasers. Ms Westlake seconded.

Decision:

The Council **RESOLVED** that:

- Future planning for the provision of towage services be based on the risk assessment in Appendix 1 to the report which indicates the optimal towage service is provided by the use of four tugs with a bollard pull of nominal 50 tonnes to cater for all ship sizes that can use the port of Sullom Voe; and
- Instruction be given to the Director of Infrastructure Services to instruct the Council's appointed shipbrokers of SC Chambers to assist in the valuation and sale of Solan and Bonxie as they are outsized for an effective, efficient and safe towage operation at Sullom Voe and that Voith be used to demonstrate how good the tugs are to potential purchasers.

59/14

Chair's Report: Policy and Resources Committee – 23 June 2014
Review of Corporate Services Management Arrangements

The Council considered a report by the Chair of the Policy and Resources Committee, which presented proposals for the reorganisation of Corporate Services.

Mr Robinson moved that the Committee approve the recommendation contained in the report, seconded by Mr Fox.

Decision:

The Council **RESOLVED** to adopt the recommendation from the Policy and Resources Committee, namely to agree that the proposals should be developed further and the Director of Corporate Services be authorised to take forward such of the proposals, as appropriate through the Council's Organisational Review Policy and Procedures.

The meeting closed at 11.55am.

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Convener

