

# MINUTE

# B - Public

**Development Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Wednesday 14 January 2015 at 2pm**

## **Present:**

A Cooper	M Burgess
B Fox	R Henderson
A Manson	F Robertson
G Robinson	T Smith
M Stout	A Westlake

## **Apologies**

None

## **In Attendance (Officers):**

N Grant, Director of Development Services  
D Irvine, Executive Manager – Economic Development  
I McDiarmid, Executive Manager – Planning  
J Riise, Executive Manager – Governance and Law  
M Holmes, Coastal Zone Manager  
T Coutts, Project Manager  
G Smith, Shetland Telecom Project Manager  
M Smith, Shetland Telecom Project Manager  
K Marshall, Solicitor  
L Adamson, Committee Officer

## **Chair:**

Mr A Cooper, Chair of the Committee, presided.

## **Circular:**

The circular calling the meeting was held as read.

**The Chair ruled that due to special circumstances, namely due to the timescales involved, the following item of business would be considered at this meeting as a matter of urgency in terms of paragraph 3.2.2 of the Council's Standing Orders for Meetings:**

Item 6: Smyril Line investment

## **Declarations of Interest**

Mr Burgess declared a non-financial interest in Item 4, "Funding Request for Shetland Fisheries Training Centre Trust (NAFC Marine Centre) for the Financial Year 2015/16", and advised that he would leave the meeting during that discussion.

## **Minutes**

The Committee confirmed the minutes of the meetings held on (a) 6 October 2014 on the motion of Mr Fox, seconded by Mr Stout; (b) 17 November 2014 on the motion of Mr Henderson, seconded by Ms Westlake; (c) 24 November 2014 on the motion of Ms Manson, seconded by Mr Robertson; and, (d) 16 December 2014 on the motion of Ms Manson, seconded by Mr Henderson.

The Committee considered a report by the Project Manager (DV-01-15-F), which presented a final draft Economic Development Policy Statement 2013-2017, following the agreed annual review process undertaken by the Economic Development Service.

The Project Manager summarised the main terms of the report.

A Member made reference to Objective Ref. 4.2 - to support projects in the renewable energy sector, where he advised on the need for more focused work to develop hydrogen in Shetland and suggested that objectives to support hydrogen initiatives should be included in the Renewables Policy document. The Project Manager advised that the aim to reduce the level of carbon burned in the local economy would include hydrogen, where initiatives could attract research and development funding and any external funding. The Project Manager confirmed that there was scope in the existing Policy to look at emerging hydrogen initiatives. During the discussion, a Member questioned whether the focus should be broader in regard to carbon reduction and innovation, and for the Council to adopt the principle of carbon reduction which could help to support Shetland's case in future negotiations and pull in external funding.

In response to a suggestion from the Executive Manager – Economic Development, the Committee agreed that a scope to cover carbon reduction and emerging hydrogen initiatives would be presented to Development Committee in April.

On the motion of Mr Robinson, seconded by Mr Stout, the Committee approved the recommendations in the report.

#### **Decision:**

The Development Committee **RESOLVED** to:

- Adopt the updated Economic Development Policy Statement 2013-2017; and
- Note the contents of the Outcome/Targets Review 2014 and the review of the Economic Development Grant Scheme.

02/15

#### **Shetland Islands Marine Spatial Plan – Supplementary Guidance**

The Committee considered a report by the Coastal Zone Manager (DV-06-15-F), which provided an update of the Shetland Islands Marine Spatial Plan (SIMSP) as Supplementary Guidance (SG) to the Local Development Plan (LDP).

The Coastal Zone Manager summarised the main terms of the report.

During the discussion, the Coastal Zone Manager responded to questions from Members. In regard to the consultation process, he advised that most of the responses received were from organisations with a specific interest in a particular area of the marine environment, and who may find that some of their aspirations had been diluted in the SIMSP in order to reduce conflicts with other users.

The Coastal Zone Manager advised that the Scottish Government are soon to release an Order establishing eleven Scottish Marine Regions with Shetland being a stand-alone Region. A further Order will follow on Marine Planning Partnerships with Shetland being one of the first to be established.

In response to a suggestion from the Council Leader, it was agreed that the Coastal Zone Manager would prepare a paper to support proposals for local control of the seabed around Shetland.

In commenting that the SIMSP was an excellent document, which has undergone extensive consultation, Mr Robertson moved that the Committee approve the recommendation in the report. Mr Stout seconded.

#### **Decision:**

The Development Committee **RECOMMENDED** that the Council resolve to adopt the SIMSP as Supplementary Guidance and notify the Scottish Government of its intention.

03/15

#### **Next Generation Broadband – Update**

The Committee considered a report by the Director of Development Services (DV-05-15-F), which provided an update on the rollout of the Digital Scotland Superfast Broadband (DSSB) project in Shetland by HIE and BT, and progress with public sector networks involving the Council's ICT and Shetland Telecom project. The report identified partnership working opportunities to maximise coverage of the combined network, to households, businesses and public sector, and opportunities to maximise the take up of high speed broadband services by households and businesses.

The Director of Development Services summarised the main terms of the report. Members noted the proposal for a local Working Group to be established with representation from key players in the telecommunications sector, to work together and connect with the community, to achieve the ultimate aim of 100% high speed broadband coverage in Shetland. The Director of Development Services also advised that a business case for the Shetland Telecom project will be presented to Committee in April.

In response to a question, the Director of Development Services confirmed that the remit of the Telecoms Working Group will include review of the Council's internal IT requirements.

A Member enquired on the proposed timescales for the roll out of Broadband to the outer isles, including North Yell. The Director of Development Services referred Members to DSSB's current plan for deployment of superfast broadband during 2015 and 2016, as included on Page 2 of Appendix 1. He acknowledged that there was currently no connection solution north of Mid Yell at this time, but advised that North Yell and Unst have been regarded as priority areas where Community Broadband Scotland could develop funded solutions. In that regard, the Director of Development Services advised that he would be reporting later in 2015 in terms of future rollout of Broadband to the outlying areas of Shetland.

In making reference to the update on Mobile Coverage at Appendix 2, where it stated, "A recent survey by the Federation of Small Businesses puts Shetland last in terms of 2G/3G mobile phone coverage in Scotland", a Member enquired on what efforts could be made to address the poor mobile coverage in Shetland. The Director of Development Services said that in regard to the Mobile Infrastructure project there is a need to progress an active lobbying plan to press for improved mobile coverage throughout Shetland. In that regard, the Chair advised on the

proposals for the next contract for coverage for the blue light services which he suggested could be used to support Shetland's lobbying activity.

During the discussion, a Member suggested that mobile coverage in Shetland should be included as an agenda item for an early meeting of the Shetland Partnership Board. In response to a question, the Director of Development Services confirmed that his report to Committee in April to present the business case for the Shetland Telecom project will include updates on other areas of progress, including mobile coverage in Shetland.

Following some discussion, where Members sought assurance on the reporting to Committees from the Telecoms Working Group, Mr Cooper moved that the Committee approve the recommendations in the report, with the additional recommendation "that relevant reporting from the Telecoms Working Group is presented to both the Development Committee and Policy and Resources Committee". Mr Robinson seconded.

**Decision:**

The Development Committee **RESOLVED:**

- To note the progress made to date by HIE and BT in the early roll out of phase 1 of the DSSB project, also the progress by Shetland Telecom project in providing connection solutions, and the achievement of the Council's ICT Service in providing cost effective replacement of the Pathfinder connections to schools and public buildings.
- To agree partnership working arrangements as identified in paragraph 3.7.
- That relevant reporting from the Telecoms Working Group is presented to both the Development Committee and Policy and Resources Committee.
- To note that a business case for the Shetland Telecoms project will be presented to the Development Committee on 22 April 2015 and Policy and Resources Committee on 4 May 2015.

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

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*(Mr Burgess left the Chamber).*

04/15     **Funding Request for Shetland Fisheries Training Centre Trust (NAFC Marine Centre) for the Financial Year 2015/16**

The Committee considered a report by the Executive Manager – Economic Development (DV-03-15-F), which sought consideration of core funding for the Shetland Fisheries Training Centre Trust (SFTCT), the charitable trust that runs NAFC Marine Centre, for the 2015-16 financial year.

The Executive Manager – Economic Development summarised the main terms of the report, where he informed that this is likely to be the last year the Council will consider core funding to the NAFC Marine Centre. Members were informed on an error in the content of the report, at Section 6.10, in that the Council has a lease agreement with SLAP for the NAFC Marine Centre building only; and that the accommodation block and the John Goodlad Centre belong the Trust.

The Director of Development Services commented that the work the Trust has done to identify income streams and secure additional business to the NAFC Marine Centre has been very laudable. In concurring, the Council Leader made reference to the target for the Review of Tertiary Education to be complete by the end of the new academic year, where he said that considerable focus has to be brought to ensure that deadline is met. Mr Robertson moved that the Committee approve the recommendations in the report.

In response to a question relating to the main current risk as reported at Section 6.4, being that the SFTCT does not continue to be a full participant in the Review of Tertiary Education, the Director of Development Services reported on the positive engagement between the Council and NAFC at this time, and on the importance that this dialogue and communication continues as the Review progresses the recommendation of a single entity.

In response to a question, the Director of Development Services advised that the Council has an obligation to SLAP for rental of the NAFC Marine Centre building for a number of years to come.

Mr Cooper seconded.

**Decision:**

The Development Committee **RESOLVED** to:

- approve a net funding package of £971,370 made up of SDT surplus funds and a contribution from the Council's revenue budget, as specified in paragraph 5.1.
- provide delegated authority to the Executive Manager – Economic Development to obtain a funding split that is both tax effective and confers adequate obligations on SFTCT to continue its engagement with the Review of Tertiary Education in Shetland (STERT), as discussed in paragraphs 3.10 and 3.11.

*(Mr Burgess returned to the meeting).*

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

**05/15     Shetland Development Trust Surplus – COPE Ltd**

The Committee considered a report by the Project Manager, which provided an update on the current position regarding the funding of Community Opportunities for Participation in Enterprise (COPE) Ltd, and sought approval for disbursement of Shetland Development Trust surpluses as core funding for the company for the financial year 2015/16.

The Project Manager summarised the main terms of the report, and responded to questions from Members.

In response to a suggestion as to whether more could be done within the Council to create employment opportunities for participants of COPE Ltd., the Director of

Development Services advised that he would take this onboard, where he added that the Council should lead by example.

During the discussion, the Council Leader commended the new management of COPE Ltd. on their efforts to improve the trading efforts of the company while supporting vulnerable people, and on the anticipated reduction in grant funding in future years.

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

**Decision:**

The Development Committee, as sole Trustee of the Shetland Development Trust, **RESOLVED** to approve the proposed distribution from surplus funding to COPE Ltd. during the financial year 2015/16.

06/15

**Smyril Line Investment**

The Committee considered a report by the Director of Development Services.

Following a brief discussion, Mr Robinson moved that the Committee approve the recommendations in the report Ms Manson seconded.

**Decision:**

The Development Committee RESOLVED to:

- Hold the Smyril Line shares in a bare trust, pending evaluation of options to retain or sell the shares.
- Provide delegated authority to the Director of Development Services, or his nominee, to progress discussions with Smyril Line and its shareholders to ascertain sale value of shares.

The meeting concluded at 3.45pm.

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Chair