

**Policy and Resources Committee****27 May 2015****Management Accounts for Policy and Resources Committee:
2014/15 – Projected Outturn Quarter 4****F-029-D1****Report Presented by Executive Manager -
Finance****Corporate Services****1. Summary**

- 1.1 The purpose of this report is to enable the Policy and Resources Committee to note the financial performance of services within its remit. This report details the outturn position on net controllable costs for revenue and capital, and may be subject to final accounting and audit adjustments as part of the year end accounts process.
- 1.2 The outturn position for services in this Committee area is an overspend of £158k on Fund Manager Fees, an underspend of £326k on revenue and an underspend of £5k on capital against approved budgets.

2. Decision Required

2.1 The Policy and Resources Committee RESOLVE to:

- note the Management Accounts showing the draft outturn position; and
- note the proposed budget carry-forwards which will be included in the overall Draft Outturn Report also to be presented for approval at this Committee today.

3. Details

- 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 was an unsustainable draw and therefore it is vital to the economic wellbeing of the organisation that the budget was delivered, as any overspends would result in a further draw on reserves.

Revenue

- 3.2 The revenue outturn position is an overspend on Fund Managers' Fees of £158k (14%) as a result of increased funds invested. The revenue outturn position is an underspend of £326k (2%), which means the services in this Committee area have met their Council approved budget. The main reasons for variance by service are shown in Appendix 1 attached.

Capital

- 3.3 The capital outturn position is an underspend of £5k (0.6%), which means the services in this Committee area have collectively met their Council approved budget. The main reasons for variance by service are shown in Appendix 2 attached.

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 –None.

4.5 Equalities, Health And Human Rights – None.

4.6 Environmental – None.

Resources

4.7 Financial

4.7.1 The 2014/15 Council budget was not sustainable because it required 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 means 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 was therefore vital that the Council delivered 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.

4.7.2 The outturn revenue position for the services in this Committee area is an overspend of £158k on Fund Managers' Fees, and an underspend of £326k on services, against approved budget.

4.7.3 The outturn capital position for services in this Committee area is an underspend of £5k against approved budget.

4.7.4 In line with the Medium Term Financial Plan Budget Carry Forward Scheme, the Directorate in this Committee area has requested a total of £191k of their revenue underspend.

4.8 Legal – None.

4.9 Human Resources – None.

4.10 Assets And Property – None.

5. Conclusions

5.1 The outturn position for the services under the remit of the Policy and Resources Committee is an overspend of £158k on Fund Managers' Fees, an underspend of £326k on services on revenue, and an underspend of £5k capital projects against approved budgets.

For further information please contact:
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List of Appendices

Appendix 1 – Policy and Resources Committee – Revenue Outturn Position 2014/15

Appendix 2 – Policy and Resources Committee – Capital Outturn Position 2014/15

Background documents:

SIC Budget Book 2014-15, SIC 11 December 2013

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=15444>

1. Policy and Resources Committee - Draft Revenue Outturn Position 2014/15

Description	Annual Budget 2014/15 £000	Draft Outturn 2014/15 £000	Budget v Draft Outturn Variance (Adv)/ Pos £000
Executive Services	1,157	1,067	90
Council Members	577	594	(17)
Director of Corporate Services	117	116	1
Capital Programmes	2,629	2,682	(53)
Finance	2,747	2,477	270
Joint Valuation Board	284	277	8
Governance & Law	973	808	164
Human Resources	1,483	1,567	(84)
ICT	1,440	1,514	(74)
Audit, Risk & Improvement	371	355	16
Community Planning & Development (Community Council Grants)	188	183	5
Total Controllable Costs	11,966	11,639	326
Less budget carry-forwards	191	0	191
Revised Total	11,775	11,639	135
Fund Manager Fees	1,070	1,228	(158)

An explanation for the main variances by service:

1.1 Executive Services – outturn underspend £90k (8%)

- ongoing efficiencies being made in staffing £36k;
- deferral of two projects (Branding/Security at Town Hall) meant that funding was not used £18k;
- unused provision for legal fees £45k;
- offset by charges to the Corporate and Democratic Core relating to staff not on the support ledger £15k.

1.2 Council Members – outturn overspend (£17k) (3%)

- Higher than expected costs on travel, subsistence, conference fees and mileage £17k.

1.3 Director of Corporate Services - outturn underspend £1k (1%)

- minor underspend on operating costs of £1k.

1.4 Capital Programmes - outturn overspend (£53k) (2%)

- a charge associated with the HIAL legal proceedings (£36k);

- rental income from Sellaness and disturbance payments on the Busta Estate (£42k) not realised;
- increased rent and maintenance costs on offices (£117k);
- offset by vacant posts £137k.

1.5 Finance - outturn underspend £270k (10%)

- delays in the implementation of Universal Credits (which is to roll out in May 2015) £143k;
- provision for bad debts not required £100k;
- interest on revenue balances £52k;
- staffing vacancies and unfilled maternities £130k;
- offset by increased costs for discretionary relief and statutory penalties for non-domestic rates (£155k).

1.6 Joint Valuation Board – outturn underspend £8k (3%)

- general underspend in operating costs for Electoral Registration, Non-Domestic Rate Property Valuation and Council Tax Property Valuations £8k.

1.7 Governance and Law - outturn underspend £164k (17%).

- underspend on employee costs in legal, administration and emergency planning services due to a restructure and maternity leave £109k;
- unbudgeted income for legal fees in the sale of council houses £43k.

1.8 Human Resources - outturn overspend (£84k) (6%).

- overspend on centralised recruitment costs for the Council mainly for the recruitment of the statutory post of Chief Social Work officer (£39k);
- unbudgeted ERVR costs (£33k)

1.9 ICT - outturn overspend (£74k) (5%).

- unexpected increase of licence fees £141k;
- a reduction in staffing cost savings including temporary vacancies £34k;
- a reduction in equipment purchased £31k.

1.10 Audit, Risk and Improvement - outturn underspend £16k (4%).

- reduced expenditure on external consultants costs due to alternative provision being identified for risk awareness training £12k.

1.11 Community Planning & Development (Community Council Grants) – outturn underspend £5k (3%).

- services provided in relation to this Committee relate to Community Council Grants and Community Safety which are underspent by £5k as a result of minor underspending on Community Safety repairs and maintenance £4k.

1.12 Fund Managers Fees - outturn overspend (£158k) (14%)

- Fund Managers fees are calculated as a percentage of the total funds invested. These costs have increased because the Council is now investing more funds than the budget was based upon. This cost is more than offset by increased investment returns from Fund Managers (£158k).

2. Policy and Resources Committee - Projected Capital Outturn Position 2014/15

Description	Annual Budget 2014/15 £000	Draft Outturn 2014/15 £000	Budget v Draft Outturn Variance (Adv)/ Pos £000
ICT	777	772	5
Total Costs	777	772	5

Explanation for the main variances by service:

2.1 ICT - outturn underspend of £5k (1%).

- minor underspending across the ICT rolling programme budgets.



**Policy & Resources Committee
Shetland Islands Council**

**27 May 2015
27 May 2015**

Shetland Islands Council 2014-15 Draft Outturn

F-030-F

Report Presented by Executive Manager – Finance

Corporate Services

1.0 Summary

- 1.1 The purpose of the 2014-15 Draft Outturn report is to present the actual spending position for Shetland Islands Council.
- 1.2 The 2014-15 actual spend will move the organisation towards achieving financial sustainability within the lifetime of the current Council.

2.0 Decision Required

The Policy & Resources Committee RECOMMENDS that the Council RESOLVES to:

- note the 2014-15 draft outturn position, and
- approve the 2014-15 proposed carry-forwards.

3.0 Detail

- 3.1 The detail of the 2014-15 draft outturn position is set out in Appendix 1 to this report.
- 3.2 This will be subject to final accounting and audit adjustments as part of the year end accounts preparation process.

4.0 Implications

Strategic

4.1 Delivery On Corporate Priorities

The 2014-15 draft outturn position will contribute towards delivering the Medium Term Financial Plan. The actual spend is within the budget agreed for 2014-15.

4.2 Community/Stakeholder Issues – None.

4.3 Policy And/Or Delegated Authority

The Chief Executive and Directors have delivered within the Council's budget in accordance with the Scheme of Delegations and Financial Regulations. As set out in paragraph 2.2 the Policy and Resources Committee has responsibility for securing the co-ordination, control and proper management of the Council's financial affairs, and for making recommendations to the Council as to its capital and revenue expenditure. The approval of final revenue and capital expenditure is reserved to the Council.

4.4 Risk Management – None.

4.5 Equalities, Health And Human Rights – None.

4.6 Environmental – None.

Resources

4.7 Financial

The total draw on reserves required to balance the budget in 2014-15 was £2.0m (unaudited figure) which is significantly lower than the £14.9m required in 2013-14 and the £21.5m required in 2012-13. Despite this progress the Council's reliance on reserves to balance its budget; in the medium term, it is forecast to remain at an unsustainable level and further work will be required, for example to identify savings, efficiencies and income generation, to ensure the Council can demonstrate its ability to live within its means year on year over the medium to long term.

4.8 Legal – None.

4.9 Human Resources – None.

4.10 Assets And Property – None.

5.0 Conclusions

- 5.1 The draft outturn position for 2014-15 will assist the Council in its progress towards achieving an ongoing financially sustainable position.

For further information please contact:
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List of Appendices

Appendix 1 – 2014-15 Draft Outturn Position

Background documents:

Report: F-021-F Management Accounts for Social Services Committee: 2014-15 – Draft Outturn Quarter 4

Report: F-022-F Management Accounts for Education & Families Committee: 2014-15 – Draft Outturn Quarter 4

Report: F-023-F Management Accounts for Environment & Transport Committee: 2014-15 – Draft Outturn Quarter 4

Report: F-024-F Management Accounts for Harbour Board: 2014-15 – Draft Outturn Quarter 4

Report: F-027-F Management Accounts for College Board : 2014-15 – Draft Outturn Quarter 4

Report: F-028-F Management Accounts for Development Committee: 2014-15 – Draft Outturn Quarter 4

Report: F-029-F Management Accounts for Policy & Resources Committee: 2014-15 – Draft Outturn Quarter 4

Shetland Islands Council



2014-15 Financial Review

The Council's Draft Outturn Position

Securing the Best for Shetland

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Executive Summary

- 1.01 The 2014-15 draft outturn report sets out the actual spending position for the Council.
- 1.02 The draft outturn position has exceeded the target set out in the Medium Term Financial Plan for the year and this successful management of the overall financial resources for 2014-15 is a crucial step to evidencing the organisation's ability to live within its means and aligning expenditure with available resources, a corporate objective.
- 1.03 All Council operating accounts have delivered an improved financial performance from that which was approved as the budget for 2014-15 and this has been done in an environment that was challenging for the public sector and in the face of increasing costs and changing needs and demands being placed upon it.
- 1.04 The total draw on reserves required to balance the budget in 2014-15 was £2.0m (unaudited figure) which is significantly lower than the £14.9m required in 2013-14 and the £21.5m required in 2012-13. Despite this progress the Council's current reliance on reserves to balance its budget is forecast to remain at an unsustainable level and further work will be required, for example to identify savings, efficiencies and income generation, to ensure that the Council can demonstrate its ability to live within its means year on year over the medium to long term.

2014-15 Draft Draw on Reserves Summary

- 1.05 The table shows that the draft draw on reserves is £2.0m against a target of £14.1m a reduction in the draw on reserves against the revised budget of £12.1m. Also shown is the carry-forwards requested of £5.4m which will result in an additional draw on reserves in 2015-16.

Spending Area	2014-15 Revised Budget £m	2014-15 Actual £m	2014-15 Variance £m	2014-15 Carry Forwards £m	2014-15 Revised Variance £m
General Fund	14.847	7.619	7.228	2.166	5.062
Harbour Account	(2.362)	(4.770)	2.408	0	2.408
Marine Fund	0.138	0.153	(0.015)	0	(0.015)
Housing Revenue Account	(0.192)	(0.363)	0.171	0	0.171
Asset Investment Plan (Capital Programme)	(407)	(1.102)	0.695	2.537	(1.842)
Spend to Save (Capital and Revenue)	2.125	0.487	1.638	0.655	0.983
TOTAL DRAW ON RESERVES	14.149	2.024	12.125	5.358	6.767

Reserves health check

- 1.06 The value of the externally invested reserves stood at £278.9m on 31 March 2015 (£203.4m 31 March 2014). The increase in their value is attributable to transfers to reserves of £46m and investment income of £29.2m. The income reflects a 14.3% return achieved during the financial year.
- 1.07 The level of reserves at 31 March 2015, achieved is the result of a temporary increase in funds invested from PWLB borrowing £31m, debt write-off from Westminster of £5m and £4m transferred from the Shetland Development Trust on winding up. There was no withdrawal from the fund manager portfolio reserves with close management of the cash in the bank sufficient to meet in year expenditure, alongside a better than average investment return.
- 1.08 This will be reflected in the updated Medium Term Financial Plan in June 2015. However, it is important to recognise that stock market values will fluctuate from year to year, and this should not form a basis for altering the current course if the Council still wishes to become financially sustainable by 2018. The additional investment return achieved will, once again, be set aside as part of the equalisation fund, which was established in 2012-13.

The 2014-15 General Fund

2.01 The 2014-15 General Fund budget and actual comparison is set out in the table below:

Line No.	Description	2014-15 Revised Budget £000s	2014-15 Actual £000s	2014-15 Variance £000s	Remove 2014-15 Carry Forwards £000s	2014-15 Revised Variance £000s
1	Chief Executive & Cost of Democracy	1,734	1,661	73	9	64
2	Children's Services	41,980	40,776	1,204	745	459
3	Community Care Services	20,728	19,310	1,418	545	873
4	Corporate Services	10,044	9,795	249	182	67
5	Development Services	13,978	12,661	1,317	460	857
6	Infrastructure Services	21,123	20,775	348	177	171
7	Fund Manager Fees	1,070	1,228	(158)	0	(158)
8	GENERAL FUND SERVICES NET EXPENDITURE (equals lines 1-7)	110,657	106,206	4,451	2,118	2,333
9	Cost Pressures & Contingency	1,821	91	1,730	48	1,682
10	Recharges Out (to Other Funds/External Bodies)	(2,106)	(3,167)	1,061	0	1,061
11	TOTAL NET GENERAL FUND EXPENDITURE (equals line 8 - 10)	(110,372)	(103,130)	7,242	2,166	5,076
12	Funded by:					
13	GRG/NNDR (Scottish Government Allocation)	(86,622)	(86,674)	52	0	52
14	Council Tax	(8,408)	(8,350)	(58)	0	(58)
15	TOTAL CORE FUNDING (equals lines 12-14)	(95,030)	(95,024)	(6)	0	(6)
16	Deficit to be funded from Reserves:					
17	Draw on Reserves – General Fund (Sustainable)	(6,353)	(6,353)	0	(2,166)	2,166
18	Draw on Reserves – General Fund (Unsustainable)	(8,494)	(1,266)	(7,228)	0	(7,228)
19	Draw on Reserves –Spend to Save	(495)	(487)	(8)	0	(8)
20	TOTAL FUNDING FROM RESERVES (equals lines 17-19)	(15,342)	(8,106)	(7,236)	(2,166)	(5,070)
21	TOTAL FUNDING (equals line 15 plus line 20)	(110,372)	(103,130)	(7,242)	(2,166)	(5,076)
22	Balanced budget (line 11+21)	0	0	0	0	0

Expenditure

- 2.02 The General Fund Services Net Expenditure was budgeted to be £110.6m in 2014-15 as shown at Line 8 in the table above, actual expenditure of £106.2m has been incurred resulting in an underspend for the year of £4.4m. This expenditure represents the spending on the day to day costs of Council services. Detailed variances are included in the individual committee reports. A high level summary is set out below:
- 2.03 Chief Executive & Cost of Democracy (**£0.1m or 4% underspend**)
- minor underspends from vacancies and on operating costs.
- 2.04 Children's Services (**£1.2m or 3% underspend**)
- mainly underspends on energy and maintenance £230k, supplies and services £323k and additional grant income £513k across the service.
- 2.05 Community Care Services (**£1.4m or 7% underspend**)
- mainly underspends on employee costs across the service £1.1m and additional boarding and accommodation income £411k.
- 2.06 Corporate Services (**£0.2m or 2% underspend**)
- mainly underspend on employee costs £348k offset by loss of income from rates discretionary relief £155k.
- 2.07 Development Services (**£1.3m or 9% underspend**)
- mainly underspends on grants £376k, increased income from Shetland Telecom £328k and fishing quota £197k and EU income £277k.
- 2.08 Infrastructure Services (**£0.3m or 2% underspend**)
- mainly increased waste income £320k and underspend on ferry fuel £420k offset by overspend on ferry employee costs and vessel breakdown (£642k)
- 2.09 Fund Managers Fees (**£0.1m or 15% overspend**)
- Fund Managers fees - these are calculated as a percentage of the total funds invested (£158k). These costs have increased because the Council is now investing more funds than the budget was based upon. This cost is more than offset by increased investment returns from Fund Managers.

Funding

- 2.10 The Scottish Government allocation is the Council's General Revenue Grant and the level of income that the Council will receive from the National Non-Domestic Rates Pool. There was additional income received of £52k which had not been budgeted. This related to late allocations of additional funding.
- 2.11 The decrease in Council Tax collected of £58k is due the budget for growth in properties estimated in the budget not being achieved.
- 2.12 The remainder of the funding required to balance the General Fund has to come from the Council's reserves. This was £8.1m in 2014-15 (Line 20 in the table at 2.01) against a budgeted draw of £15.3m, in line with the overall reductions in expenditure as explained in the previous section.

The 2014-15 Harbour Account

3.01 The 2014-15 Harbour Account budget and actual comparison is set out in the table below:

Line No.	Description	2014-15 Revised Budget £000s	2014-15 Actual £000s	2014-15 Variance £000s
1	Sullom Voe	12,830	11,921	909
2	Scalloway	643	627	16
3	Other Piers	581	329	252
4	Jetties & Spur Booms	3,419	4,636	(1,217)
5	Terminals	692	243	449
6	HARBOUR ACCOUNT SERVICES EXPENDITURE (equals lines 1-5)	18,165	17,756	409
	<u>Income</u>			
7	Income Generated from Harbours	(16,970)	(17,737)	767
8	Income Jetties & Spur Booms	(3,419)	(4,636)	1,217
9	TOTAL CORE FUNDING (equals lines 7-8)	(20,389)	(22,373)	1,984
10	TOTAL HARBOUR ACCOUNT NET INCOME (equals line 6 plus line 9)	(2,224)	(4,617)	2,393
	Contributions (from)/to Reserves			
11	Draw on Reserves – Marine Fund	(138)	(153)	15
12	Contribution to Reserves – Reserve Fund	2,362	4,770	(2,408)
13	TOTAL FUNDING FROM/(TO) RESERVES (equals lines 11-12)	2,224	4,617	(2,393)
14	Balanced budget (line 10 plus line 13)	0	0	0

3.02 The Harbour Account budgeted for a contribution to the Reserve Fund of £2.3m in 2014-15 and exceeded this by £2.4m to achieve £4.7m, comprising:

- underspending at Sullom Voe on fuel due to global low fuel price £384k, and support costs £554k; increased income on Scalloway and small piers £954k; reduced maintenance on the ferry terminals £448k; offset by 5 less tanker movements than anticipated resulting in 80 tanker movements in 2014/15 (£354k).
- Note the Jetties and Spur Booms expenditure is fully funded by Sullom Voe operators.

3.03 The increased contribution to the Reserve Fund includes a payment of £2m to the Pension Fund for Towage pension shortfall on the service transferring to the Council.

The 2014-15 Housing Revenue Account Budget

4.01 The 2014-15 Housing Revenue Account budget and actual comparison is set out in the table below:

Line No.	Description	2014-15 Revised Budget £000s	2014-15 Actual £000s	2014-15 Variance £000s	Remove 2014-15 Carry Forwards £000s	2014-15 Revised Variance £000s
	Expenditure:					
1	Supervision & Management	737	845	(108)	0	(108)
2	Repairs & Maintenance	2,369	2,598	(229)	0	(229)
3	Void Rents & Charges	207	126	81	0	81
4	Garages	25	19	6	0	6
5	Capital Funded from Current Revenue	1,338	986	352	0	352
6	Capital Charges – Dwellings	1,731	1,784	(53)	0	(53)
7	TOTAL EXPENDITURE (equals lines 1-6)	6,407	6,358	49	0	49
	Income:					
8	Interest on Revenue Balances	(4)	(3)	(1)	0	(1)
9	Rents – Dwellings	(6,471)	(6,539)	68	0	68
10	Rents – Other i.e. garages/sites etc	(124)	(179)	55	0	55
11	Contribution to Housing Repairs & Renewals Fund (Reserves)	(192)	(363)	(171)	0	(171)
12	TOTAL FUNDING (equals lines 8-11)	(6,407)	(6,358)	(49)	0	(49)
13	Balanced HRA budget (line 7 plus line 12)	0	0	0	0	0

4.02 The Housing Revenue Account (HRA) delivered against its 2014-15 budget. There was an increased contribution to the Housing Repairs and Renewals Fund of £171k.

- Increased costs on supervision, management and repairs and maintenance of £337k has been offset by a reduction in the need to fund capital from current revenue of £352k, due to increased capital receipts, and an increase in rents received of £123k.
- The net effect is an additional £171k contribution to the Housing Repairs and Renewals Fund.

The Asset Investment Plan (Capital Programme) Budget

5.01 The 2014-15 Asset Investment Plan budget and actual comparison is set out in the table below:

Description	2014-15 Revised Budget £000s	2014-15 Actual £000s	2014-15 Variance £000s	Remove 2014-15 Carry Forwards £000s	2014-15 Revised Variance £000s
Expenditure:					
New Developments - Contractually Committed Projects	6,049	4,554	1,494	2,383	(890)
Maintenance of Existing Assets	6,916	5,130	1,786	1,400	386
Spend to Save Projects	1,630	489	1,142	655	487
Housing Revenue Account Projects	2,087	2,286	(199)	0	(199)
TOTAL EXPENDITURE	16,683	12,461	4,222	4,437	(215)
Income:					
Capital Grants/External Funding	(9,754)	(9,373)	(380)	0	(380)
Capital Funded from Current Revenue (GF, Harbour and HRA)	(2,009)	(985)	(1,024)	0	(1,024)
Capital Receipts (General Fund and HRA)	(1,250)	(2,404)	1,154	0	1,154
TOTAL INCOME	(13,013)	(12,762)	(251)	0	(251)
Spend to Save – Draw on Reserves	(1,630)	0	(1,630)	(655)	(976)
Draw on Reserves	407	1,102	(695)	(2,537)	1,842
Borrowing – GF and Harbour	(2,447)	(801)	(1,646)	(1,246)	(400)
TOTAL DEFICIT FUNDING REQUIRED	(3,670)	301	(3,971)	(4,437)	466
TOTAL FINANCING	(16,683)	(12,461)	(4,222)	(4,437)	215
Balanced Asset Investment Plan	0	0	0	0	0

5.02 The Asset Investment Plan under-spent against its revised expenditure budget for 2014-15 by £4.2m. The most significant variances were as follows:

- There was accelerated spending on the new AHS project as a result of SFT guidance to pay fees which were not factored into the budget when it was set which resulted in an overspend (£1.3m). This was offset by slippage on the Scalloway School NHS Conversion £636k, Eric Gray Replacement £177k, Clickimin Roundabout/ Access Road £751k and the AHS Clickimin Path £700k; ET & Taing Ph2 £1.1m, ferry/terminal life extensions £580k, bridge replacements £484k and the Town Hall conservation project £396k.

Spend to Save Budget

6.01 The 2014-15 Spend to Save budget and actual comparison is set out in the table below:

Description	2014-15 Revised Budget £000s	2014-15 Actual £000s	2014-15 Variance £000s	Remove 2014-15 Carry Forwards £000s	2014-15 Revised Variance £000s
Expenditure:					
Revenue Projects	495	487	8	0	8
Capital Projects	1,630	488	1,142	655	486
TOTAL EXPENDITURE	2,125	975	1,150	655	495
Funded by:					
Draw on Reserves – Spend to Save	(2,125)	(487)	(1,638)	(655)	(983)
Capital Grant	0	(488)	488	0	488
TOTAL FUNDING	(2,125)	(975)	(1,150)	(655)	(495)
Balanced Spend to Save	0	0	0	0	0

6.02 The 2014-15 Spend to Save was underspent due to the reduced scope and slippage mainly on the ET & Taing House Phase 2 by £1.1m.

2014-15 Carry Forwards into 2015-16

7.01 The 2015-16 revenue budget did not include any carry-forward allocations. However, in line with the carry-forward scheme there are a number of carry-forward requests by Directorates into the new financial year. The table below sets these items out:

Directorate	Reason	2014-15 Carry-Forward Budget Request £000s	2015-16 Additions to Directorate Totals £000s
Executive & Corporate	External Funding Committed Expenditure 50% Underspend	112 4 75	191
Children's' Services	External Funding 50% Underspend	423 322	745
Community Care	External Funding 50% Underspend	37 508	545
Development	External Funding Committed Expenditure 50% Underspend	101 101 258	460
Infrastructure	External Funding 50% Underspend	5 172	177
Contingency & Cost Pressure	50% Underspend	48	48
TOTAL EXPENDITURE			2,166
<i>Funded by:</i>			
General Fund - Draw on Reserves in 2015-16			(2,166)
TOTAL FUNDING			(2,166)
Balanced Carry Forwards			0

7.02 The 2014-15 outturn has been adjusted so that the revised variances in this report exclude the items above so that they are budgeted in the correct year.

7.03 The 2015-16 capital budget did not include any carry-forward money. However, in line with the carry-forward scheme only committed project underspends can be carried forward. The carry-forward requests by Directorates into the new financial year are set out in the table below:

Directorate	Reason	2015-16 Requested Additions to Directorate Totals £000s
Children's' Services	Committed Projects	700
Community Care	Committed Projects	1,469
Development	Committed Projects	114
Infrastructure	Committed Projects	2,154
TOTAL EXPENDITURE		4,437
<i>Funded by:</i>		
General Fund-Draw on Reserves in 2015-16		(2,537)
Spend to Save-Draw on Reserves in 2015-16		(655)
Borrowing		(1,246)
TOTAL FUNDING		(4,437)
Balanced Carry Forwards		0

7.04 The 2014-15 outturn has been adjusted so that the revised variances in this report exclude the items above so that they are budgeted in the correct year.

**Policy and Resources Committee****27 May 2015****Management Accounts for the Pension Fund:
2014/15 – Draft Outturn at Quarter 4****F-025-F****Report Presented by Executive Manager -
Finance****Corporate Services****1. Summary**

- 1.1 The purpose of this report is to enable the Policy and Resources Committee to note the financial performance of the Pension Fund management accounts.
- 1.2 This report details the draft outturn position for the 2014/15 year, subject to final accounting and audit adjustments as part of the year end process.
- 1.3 The outturn position is a reduction in the contribution to the Pension Fund of £0.337m.

2. Decision Required

That the Policy and Resources Committee is asked to RESOLVE to:

- note the Management Accounts showing the draft outturn position.

3. Detail

- 3.1 On 11 December 2013 the Council approved the 2014/15 Pension Fund budget which showed a net income of £7.291m (Min Ref: 107/13).
- 3.2 The table below compares the annual budget against the draft outturn.

Description	2014-15 Annual Budget	2014-15 Draft Outturn	2014-15 Outturn Variance (Adv)/Pos
	£'000	£'000	£'000
Employee Costs	146	230	(84)
Pension System Costs	194	186	8
Administration Costs	9	9	0
Actuarial Fees	40	20	20
External Audit Fees	31	33	(2)
Investment Managers Fees	489	839	(350)
Benefits Payable	7,144	8,429	(1,285)
Lump sums	2,697	1,682	1,015
Individual Transfers Out	595	543	52
Death Benefits	320	578	(258)
Refunds to members leaving service	14	17	(3)
Payments for members joining state scheme	11	18	(7)
Total Expenditure	11,690	12,584	(894)
Contributions Received	(15,302)	(14,800)	(502)
Individual Transfers In	(762)	(353)	(409)
Towage Contribution	(2,000)	(2,000)	0
Cash holdings / Gains on re-organisation	(891)	(2,358)	1,467
Other Income	(27)	(28)	1
Total Income	(18,982)	(19,539)	557
Net Income	(7,292)	(6,955)	(337)

3.3 Employee costs shows an adverse variance of £84k which is due to additional time being spent by Treasury staff on the new pension fund strategy. Investment Managers Fees shows an adverse variance of £350k which is due to the introduction of a new pension fund strategy. Included in this variance is a one off consultants fee of £67k relating to the new pension fund strategy. The Fund Managers are now pursuing a more pro-active policy with regard to the pension investments which in turn should increase the value of the Fund.

Benefits Payable shows an adverse variance of £1.285m which is due to an increased number of pensioners. Death Benefits shows an adverse variance of £258k which is due to a small number of higher value payments.

Lump Sums shows a positive variance of £1.015m which is due to fewer retirements and early retirements than had been expected in 2014/15.

- 3.4 Contributions received shows an adverse variance of £502k which reflects the decrease in contributions expected following staffing reductions as a result of the Council's restructuring in 2013/14. At the time of setting the budget, the 2013/14 Council restructuring was not complete. Individual Transfers In shows an adverse variance of £409k which is due to a reduction in the number individuals/values of transfers, which may have been affected by the reduction in the timescale allowed for people to transfer their pension in when starting with the Council and other admitted bodies.

Cash holdings/Gains on re-organisation shows a positive variance of £1.467m. This is mainly due to one off gains as a result of the reorganisation of the Pension Fund, and income from unitised investments, which is very unpredictable. The remaining income relates to cash holdings and income received from certain property investments. It does not include any growth in the value of the funds, nor does it include income that is automatically reinvested into the funds.

- 3.5 The overall projected outturn is to reduce the contribution to the Pension Fund by £0.337m.

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". The key aim for the Pension Fund is to achieve a 100% funding position to ensure that the scheme remains affordable and sustainable in the future.

4.2 Community /Stakeholder Issues – None.

4.3 Policy And/Or Delegated Authority

The Pension Fund Consultative Panel has an overview of the management of the local government pension scheme. The Policy and Resources Committee has delegated authority to secure the co-ordination, control and proper management of the financial affairs of the Council (Section 2.2.1 of the Scheme of Administration and Delegations).

4.4 Risk Management

There is a risk to the Pension Fund as activities have not be delivered within the approved 2014/15 budget which reduces the contribution to the Pension Fund. The Council's reorganisation which has reduced staff numbers has had a direct negative impact on the Pension Fund.

4.5 Equalities, Health And Human Rights – None.

4.6 Environmental – None.

Resources

4.7 Financial

4.7.1 The Pension Fund outturn is a net shortfall which will reduce the contribution to the Pension Fund by £0.337m.

4.7.3 The recently approved Pension Fund Investment Strategy is seeking to address the situation of falling income and rising expenditure projections over the longer term.

4.8 Legal – None.

4.9 Human Resources – None.

4.10 Assets And Property – None.

5. Conclusions

5.1 There is a reduction in the contribution to the Pension Fund in 2014/15 by £0.337m.

For further information please contact:

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Background documents:

Pension Fund Budget 2014/15, SIC 11 December 2013

<http://www.shetland.gov.uk/coins/viewDoc.asp?c=e%97%9Dc%96ly%8B>



Policy and Resources Committee

27 May 2015

Corporate and Executive Services Directorates - Performance Report Overview 12 Month / 4th Quarter 2014/15

Report No: CRP-08-15-F

Director of Corporate Services

1.0 Summary

- 1.1 This report summarises the activity and performance of the Corporate Services and Executive Services Directorates for the reporting period above.

2.0 Decisions Required

- 2.1 The Policy and Resources Committee should discuss the contents of this report 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 Progress against those “**this year we will**” priorities from the **Council’s Corporate Plan 2014 Update** that are led by the Corporate Services and Executive Services Directorates, are set out in the table below.

Corporate Plan 2014 Update - Page 19 - "A properly led and well managed Council"

Lead Svs	“This Year” Action	Due Date	Progress as at the end of this reporting period	RAG
G&L	Conduct the Corporate Governance Review and implement its recommendations.	By December 2014	Completed - Governance review report submitted to Council and approved on 14 May 2014. New Policy Forum operational. Work ongoing in updating governance documents to reflect changes.	G
G&L	Support the Mid-Term Review of Senior Councillor appointments.	By December 2014	Completed – Appointments report submitted to Council and approved on 14 May 2014 and final appointments made at Council meeting on 2 July.	G
ARI	Introduce more effective ways to record, respond to	From April	Covalent Complaints system reviewed and appropriate training rolled out with	G

	and learn from complaints across the Council.	2014	Departmental Complaints Co-ordinators appointed. Further work to be undertaken in 2015/16.	
ARI	Ensure Strategic and Departmental Risk Registers are brought up to date and kept up to date.	From May 2014	Work continues in this area. A Corporate Risk register is now in place and work is ongoing to ensure Directorate and operational risk registers are up to date. An independent Risk Management review has been undertaken and an action plan agreed and is being progressed.	G
HR	Centralise employment support administration to streamline processes and reduce administration.	By September 2014	Work is on-going to streamline processes now that the service is centralised. A small re-organisation is planned before the summer to bring together two teams which provides an opportunity to review ways of working in order to accommodate the final stage of centralising recruitment administration.	A
HR EO	Implement a Continuing Professional Development framework for Elected Members.	By May 2014	The CPD Framework for Elected Members was launched in January 2014 and although a limited number of Elected Members signed up to participate in the Framework, all have been offered access to the Information Service on-line materials including masterclasses.	G
HR	Develop and implement a Workforce Strategy.	By December 2014	A workforce planning event took place in September 2014, bringing together senior managers from all departments. Information provided is now being reviewed and will form the basis of the Workforce Strategy. This has been delayed due to the urgent priority given to the industrial action by Ferries staff. An early draft is now in place to be submitted to the JCC in June.	A

Corporate Plan 2014 Update - Page 21 - "Dealing with challenges effectively"

Lead Svs	Description	Due Date	Progress as at the end of this reporting period	RAG
FIN + CP	Develop a Long Term Asset Investment Plan that covers all Directorates.	June 2015	Work is ongoing to produce this Plan. At present services are collating data on asset condition, suitability and life span in their areas and this will be the basis for the preparation of the Plan. This may slip past due date due to pressure of other work e.g. AHS project.	A
HR	Research options to improve employee engagement.	October 2014	The employee survey "Viewpoint" was issued on 29 January 2015 and closed on 22 February 2015. Team Action Plans are currently being developed to inform service and directorate plans and a steering group meeting is scheduled for the end of May to agree the next steps. Timescale to be revised for 2015/16.	G
HR	Conduct an Equal Pay audit across Shetland Islands Council	June 2014	This has been completed and the subsequent action plan has been included in the HR Service Plan for 2015/16.	G

	employees to identify any risks of equal pay claims and allow action to be taken to avoid these.			
EO	Develop the Council and Shetland Partnership's thinking on potential constitutional reform, through the Our Islands, Our Future campaign.	18 th September 2014	Constitutional Reform campaign refreshed. OIOF and Council submissions made to Smith Commission. Project will focus now on engaging with both Scottish and UK Governments to seek delivery of the proposals contained in their pre-referendum documents. UK Government Islands summit held on 19/3/15 in Lerwick. Scottish Government Island Areas Ministerial Working group reconvened on 24/2/15.	G

Corporate Plan 2014 Update - Page 23 - "Living within our means."

Lead Svs	Description	Date Due	Progress as at the end of this reporting period	
FIN	Support the delivery of the 2014/15 budget through the provision of high quality financial information.	Ongoing to March 2015	Quarter 4 budget monitoring reports have been produced for the current cycle of meetings. The Corporate Management Team will review the Q4 position ahead of the Committee cycle.	G
FIN	Re-refresh our Medium Term Financial Plan to reflect progress made, the changing financial environment and evolution of Our Corporate Plan.	September 2014	Completed. The updated Medium Term Financial Plan was approved by Council in July 2014. Work has started to gather information for the refresh of the Medium Term Financial Plan in 2015.	G
FIN	Lead on the development of the 2015/16 Council budget, in line with financial information in the Medium Term Financial Plan.	By December 2014	Completed. The 2015/16 budget was presented and approved at special meetings of the Committees, Policy & Resources and Council in November and December 2014.	G
FIN	Carry out a general review of charging policy	September 2014	A draft charging policy has been produced which is going through quality review. Revised timescale to be set in 2015/16.	A
CP	Develop options for future uses of the existing AHS site at the Knab	August 2017	Legal implications and visioning underway. Workshop held with Architecture and Design Scotland in late June 2014. Council taking the project forward through the multi Agency property and Building Maintenance Group.	G
FIN+ CP	Undertake a Long Term Financial Planning exercise including funding for key	March 2015	The Council received a report in December 2014 on the long-term financial planning for the authority. This outlined the requirement to maintain close financial management of	A

	infrastructure.		current reserves and has not yet achieved a position to successfully manage the financial challenges in the longer term. More information needs to be gathered in support of the development of this planning exercise. Timescale to be revised for 2015/16.	
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3.2 Progress against other **Directorate Plan** priorities for the Corporate Services and Executive Services Directorates.

Ref	Lead Svs	Proposed Action	Delivery Target	Progress as at the end of this reporting period	RAG
	CS	Ensure robust Governance, HR and Financial arrangements are in place to comply with Health and Social Care Integration requirements.	Through to March 2015 and beyond	Detailed work plans being followed through. Timescale to be revised once the Scottish Government have approved the Integration Scheme.	G
1	CP	Contract manage phase 2 of ET/Taing extension	March 2015	Scope of works reduced. To be tendered May 2015. Completion likely to be October 2015.	A
2	FIN	Achieve Financial Close on new Anderson High School	March 2015	Work on-going, Scottish Futures Trust has stated (early February) that it will not be in a position to achieve financial close prior to the end of the financial year. Target date July 15. Vigorous activity is being carried out by all parties to ensure financial close is achieved.	A
2.1	CP	Supported AHS project through a full time project manager	March 2015	In place and ongoing.	G
4.3	EO+ FIN	Participate in the Housing Debt Working Group, seeking a sustainable resolution to the historic housing debt problem in Shetland	June 2014	This exercise has been completed. Housing debt has been reduced to £16M and that debt has been externalised, which means that the HRA is on a sustainable footing.	G
	FIN	Develop a bridging finance scheme to address a gap in the financial market which will allow people to undertake self build projects.	March 2015	Completed – Feedback from the market is that financial institutions are now offering this	N/A

Ref	Lead Svs	Proposed Action	Delivery Target	Progress as at the end of this reporting period	RAG
				product meaning there is no unmet demand for this in the community.	
6.2	CS+ FIN	Map Shetland Partnership resources including financial and fixed assets & align budget setting processes and resource allocation	December 2014	This is being taken forward through Shetland Partnership Resources Group. SIC and NHS budget setting processes are aligned. Shetland Charitable Trust is undertaking budget setting processes independently.	A
6.3	CS	Revise the Commissioning and Procurement Strategy	December 2014	The work has been delegated to allow the revised strategy to include changes required to comply with new EU regulation that will be implemented in Scotland later this year.	A
7.1	FIN	Continue to implement statutory and regulatory changes required as part of the Welfare Reform agenda.	March 2015	The Finance Service has implemented all aspects of welfare reform that has been expected of it to date. Universal Credit began to rollout from April Continued work and attention will need to be given to this.	G
	EO	Develop regular opportunities for the assessment of a range of external reports, discussion of forthcoming issues, analysis of data, and opportunities to meet Directors and senior Members to plan and prepare for communicating.	June 2014	This has been embedded as part of our working practices.	G
	GL	Update Major Incident Plans	June 2014	Three of four plans complete, working on last plan which should be complete by April 2015.	R
	HR	Support Ports and Harbours outstanding Single Status project	July 2014	HR will support operational managers in taking this forward once the Council and Director of Infrastructure has decided the way forward.	R

Ref	Lead Svs	Proposed Action	Delivery Target	Progress as at the end of this reporting period	RAG
	HR	Streamline salary administration procedures	July 2014	This project has now been completed and a new streamlined process is now in place.	G
	HR	Implementation of Training Review outcomes	From April 2014	HR are working to deliver a Council-wide training function. A LEAN exercise is planned for later this year alongside developing a business case for implementing a new Learning & Development module on CHRIS. Significant improvements are needed to streamline workflow to achieve the review outcomes.	G
	HR	Review 5th tier job evaluation	By March 2015	The Council is about to participate in a pilot of the revised SJC JE Scheme led by COSLA which must be completed before any further action is taken using the existing scheme. This is likely to take place in summer 2015 following delays caused by lengthy consultation with trade unions at a national level.	A
8.3	ARI	Deliver internal audit activities in accordance with audit plan and investigations as required	By March 2015	94% of Internal audit plan was achieved.	G
	ARI	Ensure that all service areas perform effective BV2 self assessment to objectively identify improvement needs and then plan and deliver those improvements	March 2015	This has been further progressed in the final quarter of 2014/15 with some complete and others c/fwd to 2015/16.	A
	FIN	Seek to continue to retain debtor recovery rates at their current high level despite the current economic climate.	March 2015	Recovery rates remained very positive at year end.	G
	FIN	Ensure robust administration arrangements are in place to comply with the Pension Scheme Reforms which are effective from 1 April 2015	March 2015	The Pension Team has implemented the new system to deal with changes in pensions regulations.	G

Ref	Lead Svs	Proposed Action	Delivery Target	Progress as at the end of this reporting period	RAG
				Training has been provided to Members and Officers to explain the new scheme and the changes that will take place. The new pension system was fully implemented in October 2014. A new release incorporating the 2015 reforms has been delivered.	
	FIN	Ensure that creditors paid within 30 days improves by 3%	March 2015	2014/15 performance remained the same as 2013/14 at 85% of supplier invoices paid within 30 days. Actions are being taken to achieve 88% in 2015/16	R
	ICT	Deliver ICT Strategy, and maintain ICT Security Public Sector Network (PSN) Compliance	April 2014 August 2014	ICT Strategy 2014-19 prepared and approved. PSN Compliance achieved.	G
	ICT	Provide a responsive ICT help desk and ensure the Data Centre is fit for purpose and managed to industry standards of best practice.	March 2015	Software supplier now selected with a pilot now running with full implementation expected by July 2015.	A
	CP	Work with other Council Services to improve compliance with Standing Orders and EU legislation	March 2015	Numerous Standing Order awareness sessions complete. Work ongoing.	G
	GL	Ensure the proper conduct of all elections in Shetland, including the Independence Referendum on the basis that "The result must be the story, not the process".	All completed by end November 2014	European Elections 18 May 2014 concluded. Scottish Independence Referendum 18 September concluded. Community Council elections – 20 November complete. UK Elections May 2015 concluded.	G
10.4	ICT	Deliver ICT Projects, meeting objectives, on time within budget.		At least 80% of projects delivered to these criteria.	G
	FIN	Ensure effective streamlined administration arrangements are in place for the processing of expense claims following the	March 2015	Completed. New electronic forms are in place. We are currently listening to	G

Ref	Lead Svs	Proposed Action	Delivery Target	Progress as at the end of this reporting period	RAG
		introduction of the new policy.		feedback and will seek to iron out any early issues as soon as possible. The main teething problems have now been resolved but ongoing checks for compliance are still being carried out by Payroll and Internal Audit.	
	HR	Develop HR management information systems (CHRIS and HR21)	By March 2015	On target. On line Employee Reviews, extending accessibility of HR21 to book leave and enhancing CHRIS security within departments are all on target. Further work planned during 2015/16 includes significant CHRIS upgrade, implementing the Learning and Development module and enhancing sickness absence recording.	G
10.7	CP	Achieve target income from sale of surplus assets	March 2015	Target exceeded	G

3.3 Appendix 1 sets out the performance indicators from common Council measures and indicators from the Service Plans; and Appendix 2 sets out the Risk Management issues.

3.4 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 – Effective Planning and Performance Management are essential to the Council's priority of "*Being a properly led and well-managed Council, dealing with the challenges of the present and the future and doing that within our means.*"

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 Corporate Services and Chief Executive's Office Directorate Plan 2014/15.

For further information please contact:
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Date: 19 May 2015

List of Appendices

Appendix	1	–	Performance Indicators
Appendix	2	-	Risk Management

Links to Background Documents

Corporate Services & Chief Executive Directorate Plan

http://www.shetland.gov.uk/about_performance/documents/CoporateServicesandChiefExectuiveDirectoratePlan.pdf

Our Corporate Plan – 2014 Update

<http://www.shetland.gov.uk/documents/OurCorporatePlan-2014Update-Final.pdf>

Appendix 1 - Performance Indicators

Indicators from common Council measures

	Indicators / Measure	Target	Actual	Statement
1	Overtime Cost	13,500	Q4 15,206	Additional work streams, staff shortages, along with time critical work, has resulted in higher overtime costs.
2	Sickness Absence Rates (Corp & C. Ex)	4.00%	3.1%	
3	Energy Usage			Figures not available
4	Employee Review and Development (within period Mar-May)	100%	62%	
4 b	Employee Review and Development in last 12 months (at Jan 2015)	100%	78%	Further work required to ensure these are being completed timeously.
5	Return to Work Interviews	100%	87.65%	
6	Freedom of Information Requests - % responded to within 20 working days	100%	88%	% request responses within 20 working days, 86-90% = Good. [All figures include local authority Licensing Board, Valuation Boards and Transport Partnership figures.]

Indicators from Service Plans

	Indicator	Target	Actual	Performance Statement
1	Achievement of Internal Audit Plan.	90% +	94%	Target met
2	% of press releases featured in the local media.	95%	100%	Target met
3	Number of unique visits to the Council's internet site.	12,000 unique visits per month	178,069 Average 14,839 p/month	On target
4	Number of Twitter followers.	1200 by March 2015	2,080	Target met
5	Number of complaints resolved within the timescales set out in the Complaints Procedure.	100%	Not available	Further work is needed to make sure complaints are recorded accurately on covalent so that quality management information can be provided.

	Indicator	Target	Actual	Performance Statement
6	No. of Audit Qualification on Statement of Accounts.	0	0	Audit Scotland issued unqualified opinion in September 2014.
7	% of employees paid on time.	100%	100%	Performance remains at 100%, however, further ICT support will be required in future to ensure system failure does not impact upon this performance indicator.
8	Percentage of ICT projects which meet objective, on time, within budget.	80%	91%	Plan to maintain and continue to manage projects effectively.
9	ICT Customer Satisfaction Survey.	80%		We have not carried out a customer satisfaction survey this year, due to operational changes for example new helpdesk software. We plan to do the survey in late autumn, when the new processes have had a chance to bed in.
10	Average days per full-time equivalent employee per year invested in learning and development.			The current lack of systematic data collection and reporting resources means that this performance measurement remains an aspiration for the Council. Plans are now in place for a systems thinking exercise that will begin the process of developing this.
11	Leavers in the last year as a percentage of the average total staff.		17.9%	<i>Average over both services</i>
12	% of Asset Investment Plan updates presented on schedule.	Maintain 100%	100%	Reports taken to every performance management cycle.
13	% of property valuations carried out for Asset Register.	At least 20%	20%	5 year rolling programme, 20% proportion completed each year.
14	% of Agendas issued within 7 days/3 days.	100%	100%	100%
15	Data Subject Requests - % responded to within 40 days.	100%	96.3%	100% statutory Further work required

	Indicator	Target	Actual	Performance Statement
16	Registration Accuracy.	97%	Shetland 96% Lerwick 98% [2014 figures]	96% accuracy [NRS national average 2014].

Corporate Services - Directorate risks

Risk & Details	Residual		Severity	Risk Profile		Residual and Planned Control Measures		Target Severity	Frequency		Risk Profile		Assigned To		
Category	Directorate														
Corporate Plan	08. A properly led and well-managed council														
B0001 - Partnership working failure - Council commitment to partnership working. In particularly Health & Social Care Integration - Health & Social Care Integration is being politically driven at a national level and is expected to be legislated for and effective by April 2015.	Possible	3	Major	4	High	12	• Series of seminars, briefings and reports, led by Dir of Corporate Services, awareness of national developments	Major	4	Unlikely	2	Medium	8	Christine Ferguson	
B0002 - Legal / Compliance - Other - Lack of compliance with standing orders on procurement - Internal Audit has identified widespread non-compliance issues, including potential breach of EU procurement regs. This issue is	Likely	4	Major	4	High	16	• Updated standing orders, monitoring, training and information	Major	4	Possible	3	High	12	Robert Sinclair	
Corporate Plan	09. Dealing with challenges effectively														
B0003 - Customer / Citizen - Other - Recruitment and retention of staff in some areas - The distant and remote nature of Shetland, and relatively small population, mean that there is a small labour pool and therefore limited skills locally. There is competing demand for the skills that are available. This is acute at present as a result of opportunities in the Oil and Gas sector in the North Mainland. The Council is constrained in its ability to provide competitive salaries due to the pay frameworks in place.	Almost Certain	5	Significant	3	High	15	• Recruitment and Selection policy and associated policies and procedures are currently under review and will include Market Force • Use of market forces to supplement core salaries	Significant	3	Possible	3	Medium	9	Denise Bell	
B0004 - Customer / Citizen - Other - Failure of the main provider of arts development in Shetland - Shetland Arts Development Agency (SADA).	Possible	3	Major	4	High	12	• Major project to mitigate the risks completed. Work on-going through Development Department	Major	4	Unlikely	2	Medium	8	Neil Grant	
B0005 - Legal - Other - Issues with HIAL/Sumburgh Airport Runway - The Council is being challenged in Court by HIAL as to its role in the Sumburgh Airport runway extension.	Possible	3	Major	4	High	12	• The Council's legal team is working to ensure a strong defence case	Significant	3	Possible	3	Medium	9	Neil Grant	
Corporate Plan	10. Living Within Our Means														

B0006 - Economic / Financial - Other - Failure to deliver on Medium term Financial Plan - The Council's reserves have decreased by 60% since the turn of the century due to an over reliance on them to meet the funding gap between income and expenditure.	Possible	3	Extreme	5	High	15	• MTFP, budget monitoring and authority to take action in place	Major	4	Unlikely	2	Medium	8	Steve Whyte
B0007 - Economic - Other - Lack of Investment in Shetland's infrastructure, pressure for capital for infrastructure investment - The Council invested heavily in Shetland's infrastructure in the 1980s, and funded those investments from income generated from the oil industry. That infrastructure is now aging and will eventually need to be replaced. However, the financial situation is now tighter which means that it will be challenging to finance this.	Possible	3	Extreme	5	High	15	• maintenance of existing assets, Borrowing Policy, Long Term Infrastructure Plan	Major	4	Unlikely	2	Medium	8	Steve Whyte



Education and Families Committee	25 May 2015
Social Services Committee	25 May 2015
Development Committee	25 May 2015
Environment and Transport Committee	25 May 2015
Policy and Resources Committee	27 May 2015
Shetland College Board	28 May 2015

Development Services Directorate Performance Report 12 Month/4th Quarter 2014/15

Report No: DV-15-15-F

Director of Development Services

Development Services Department

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 Appendix 1. Further detail on Actions, Indicators and Risks are contained in appendices to this report.
- 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 2014/15.

For further information please contact:
Neil Grant, Director of Development Services
01595 744968, nrj.grant@shetland.gov.uk
18 May 2015

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

CP Ref	Dev Ref	Dir /Svs	Committee	Priority / by the end of this plan we will have.....	Proposed Action	Progress at end March 2015	March RAG	Target Outcome	Delivery Target
5				Strong Communities					
5.1	19	CP&D	Policy & Resources	Stronger, more resilient communities	CHANGE PROJECT Fully implement the findings of the Community Planning & Development Service Review, recognising that 2014/2015 will be a transitional year for community funding.	New structure established from April 2014. SOA monitoring now fully embedded. Stronger links with community councils being developed. Community grant review not yet complete, with a further transitional year of grant schemes. Evening class review nearing completion. Community Safety transferred to CP&D in Aug 2014, resulting in a need for additional staff resource.	G	Workforce development and delivery of an efficient and effective service	Mar-15
5.1	20	CP&D	Policy & Resources	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	This project interlinks with a number of other projects such as Health & Social Care localities work, and national initiatives such as the Commission on Strengthening Local Democracy. Work to establish area forums will begin shortly in partnership with NHS Shetland.	A	Increased participative democracy and community involvement in Community Planning	Mar-15
6				Working with Partners					
6.1	22	CP&D	Policy & Resources	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. SIC & NHS budget setting timetables were more closely aligned during 2014/15.	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	Mar-15
6.2	23	CP&D	Policy & Resources	Participated in the Improvement Service project	Participate in the Improvement Service work around improving the impact of Third Sector Interfaces on Community Planning	Shetland not selected as an area for the pilot – no further action as this stage, other than monitoring progress re pilot and considering findings	G	Effective partnership working at a strategic level	Mar-15
6.3	24	CP&D	Policy & Resources	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, with well established processes in place. Work is ongoing to develop a business plan, which will set the business for regular, policy and summit meetings.	G	Effective partnership working at a strategic level	Mar-15

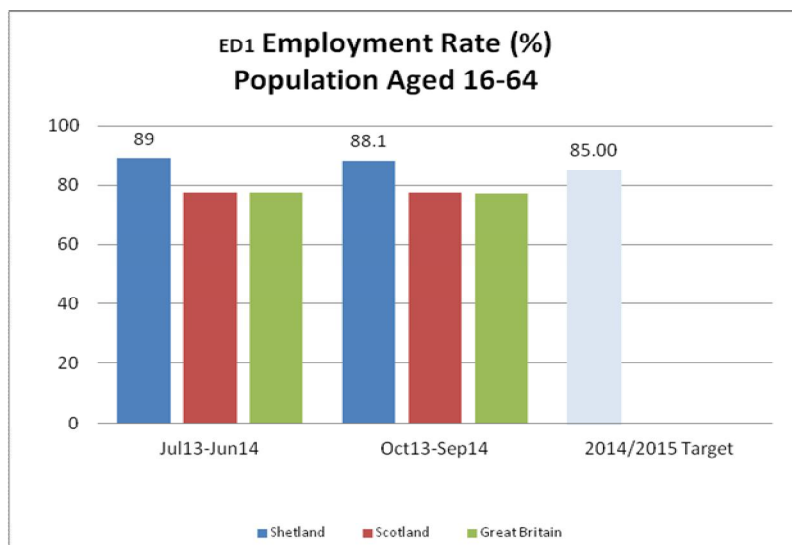
Development Services Directorate Plan 2014/15
Policy and Resources Committee

Policy and Resources Committee - Appendix 1
Q4 Performance Report - May 2015

CP Ref	Dev Ref	Dir /Svs	Committee	Priority / by the end of this plan we will have.....	Proposed Action	Progress at end March 2015	March RAG	Target Outcome	Delivery Target
6.4	25	CP&D	Policy & Resources	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	Improvement Service are supporting a self-assessment of the Partnership, with an Improvement Plan to be developed during May/June 2015.	G	Demonstrate continuous improvement	Mar-15
6.5	26	CP&D	Policy & Resources	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. Regular performance reporting has been implemented within the Partnership.	G	Demonstrate commitment to deliver a high quality SOA which reflects local priorities and needs	Mar-15
6.6	27	CP&D	Policy & Resources	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.	NA	Best value service delivery	Mar-15
9				Dealing with Challenges Effectively					
9.1	35	Finance/CP&D	Policy & Resources	Dealt with pressures, issues and problems within existing budgets	Investigate participatory budgeting and associated community engagement.	Scottish Government funding was awarded in March to support development of PB in Shetland. This will include Building Budgets 2015 and a pilot project with Community Councils. Introductory sessions with PB Partners scheduled for April.	G	Present proposal paper to Members.	Jul-15
10				Living Within Our Means					
10	37	Directorate	SIC	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.	Services delivered within budget for Development Directorate	G	Balanced budget.	Mar-15
					This will be delivered by:				
					CP&D implement review, £486k	Budget reductions achieved, carry forward to 2015/16 to enable transitional year for community grants.	G		
					Economic Development, reduction in development grants, £408k.	Budget reductions achieved, and further significant contribution of £200k from Shetland Telecom	G		

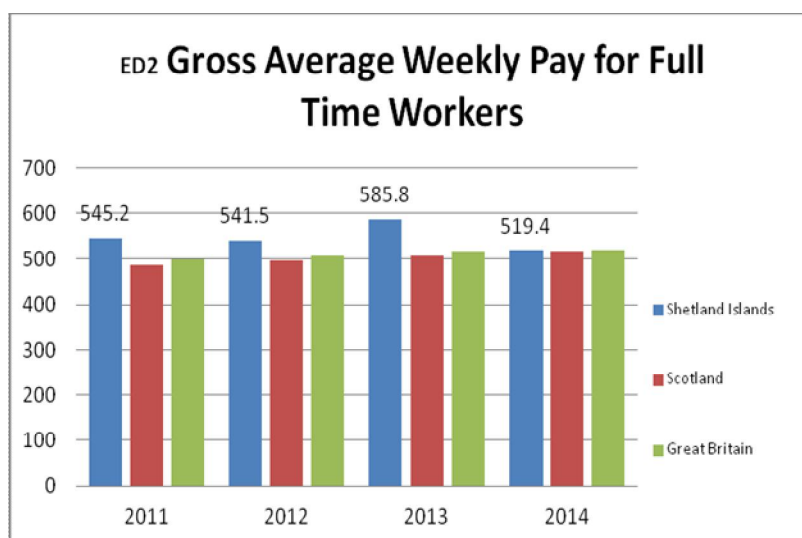
CP Ref	Dev Ref	Dir /Svs	Committee	Priority / by the end of this plan we will have.....	Proposed Action	Progress at end March 2015	March RAG	Target Outcome	Delivery Target
					Review and retendering of School, public transport and review of ASN and social care transport, £738k	Budget reductions achieved within directorate.	G		
					Housing support service review, including charges and removal of furnished tenancy project, £207k	Budget reductions achieved within service	G		
					Train Shetland, £41k	Budget reductions achieved.	G		
2				The Best Possible Start for Every Child					
2.9	2	Directorate	SIC	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.	Aggregated Business Model for Tertiary Education, due diligence process, and implementation plan presented to April & May Committee cycle and stakeholders for decision.	G	Detailed business model and implementation plan for single governance model for Tertiary Education Research and Training agreed with stakeholders.	Sep-16
	9			Dealing with Challenges Effectively					
9.4	36	Directorate	SIC	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.	OIOF Statement of Collective Priorities agreed at Shetland summit in March, and actions including; Fuel Poverty, Oil & Gas Forum, Crown Estate, being followed up.	G	Achieve meaningful and achievable commitments for the islands from Scottish and UK Governments	Apr-15

Service Area – Economic Development



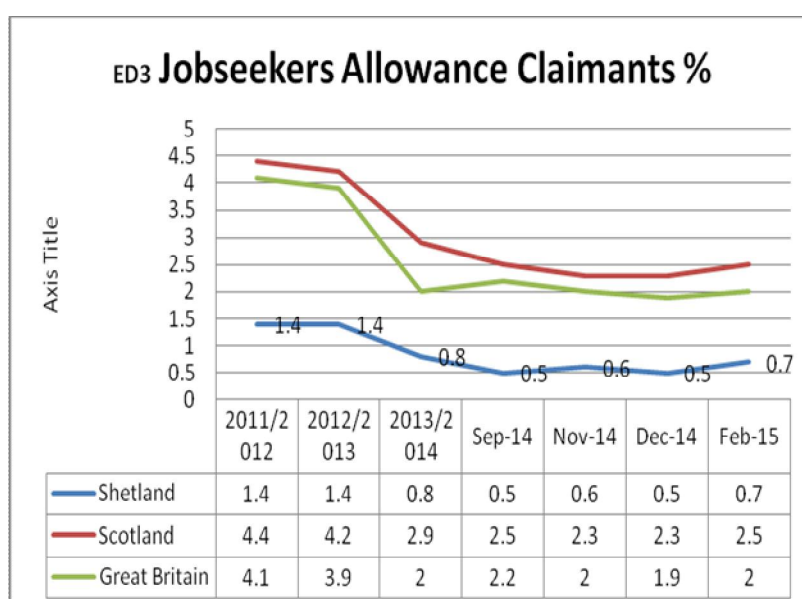
Trend Comment: Shetland's employment rate continues to be significantly higher than the Scottish or UK average, and has been relatively stable, with only minor fluctuations in the measured rate since Jan 2013, which reflects the high degree of private sector activity in the local economy.

Source: Office for National Statistics
Information Gathered: Annually



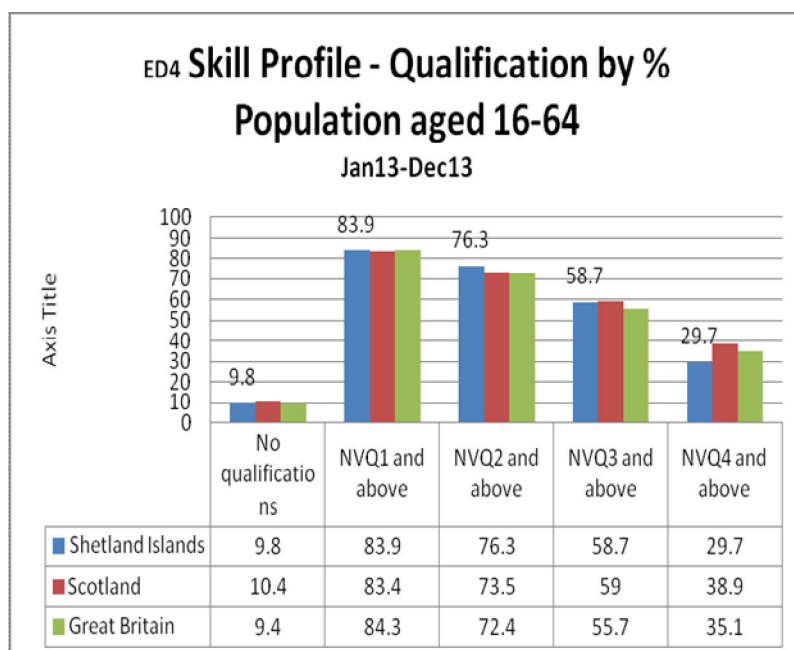
Trend Comment: The latest figures show a significant decline in gross average pay. It is possible that the apparent regression in these figures is due to inflated figures from 2013 due to sharp increases in demand in certain areas of the private sector. It is also possible that the survey has picked up an unrepresentative sample of workers' earnings.

Source: Office for National Statistics
Information Gathered: Annually



Trend Comment: The claimant count remains very low and has been stable at this level for the last 12 months (at or around 0.5%) and this remains to be the lowest in Scotland. This reflects the current strong performance of the private sector, and suggests that previous fluctuations in the JSA count caused by seasonal or temporary employment are not currently being experienced.

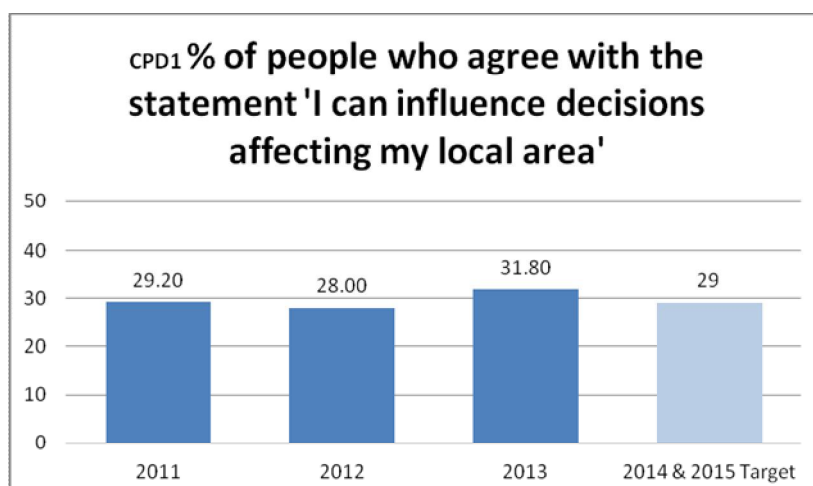
Source: Office for National Statistics
Information Gathered: Monthly



Trent Comment: The local skills profile continues to show a degree of attainment at NVQ1 level which is higher than the Scottish average (83.9% in Shetland against 83.4% nationally), but which is significantly lower at NVQ4 level (29.7% in Shetland against 38.9% nationally). It can be inferred from these figures that Shetland continues to have high educational attainment (also reflected in a lower percentage of those with no qualifications) but the structure of the local economy provides limited opportunities for graduates to return or relocate.

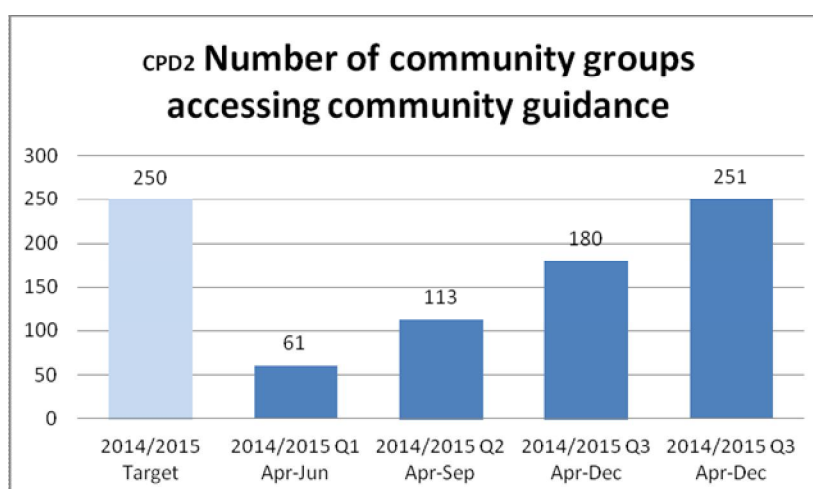
Source: Office for National Statistics
Information Gathered: Annually

Service Area – Community Planning & Development



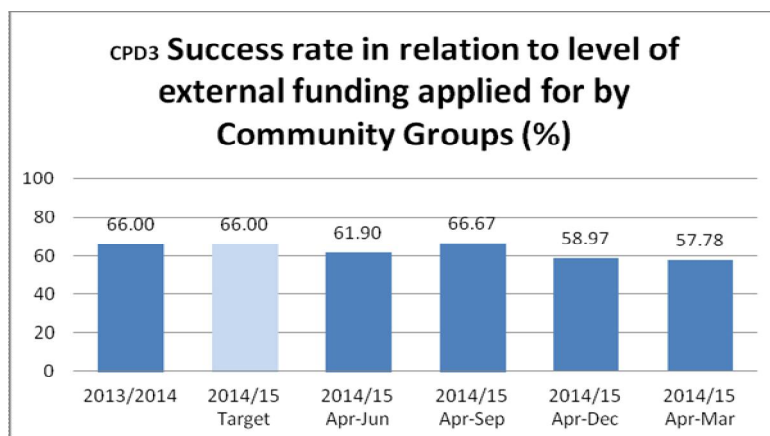
Trend Comment: Slightly above target showing a positive improvement in trend. We are above the national average of 22%.


Source: Scottish Household Survey
Information Gathered: Annual



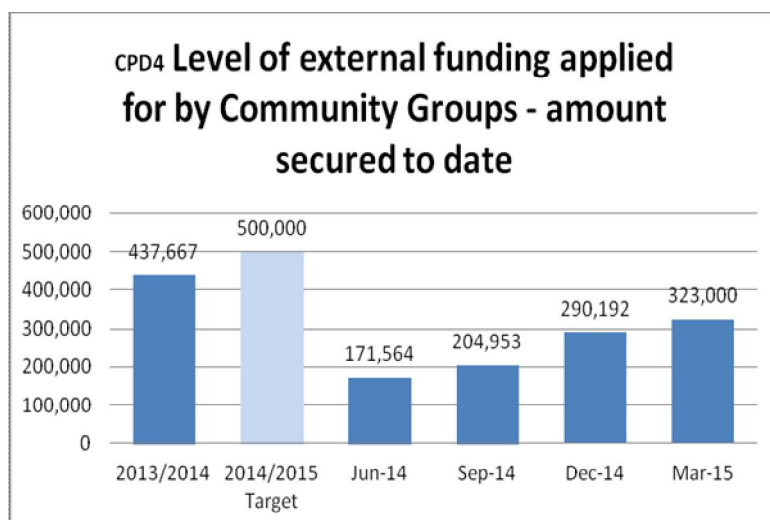
Trend Comment: New indicator, the baseline will be 251 based on 2015/16 data. First and one off contacts with CP&D being counted to determine service level provision as part of the implementation of the CP&D review. Intend to develop monitoring system to consider how best to record and monitor outcome of contact during 2015/16.


Source: Community Planning & Development
Information Gathered: Quarterly



 Trend Comment: There are 10 external funding bids totalling £690K submitted still pending but decision not received before the end of March. If they'd been successful then target would have been fully met.

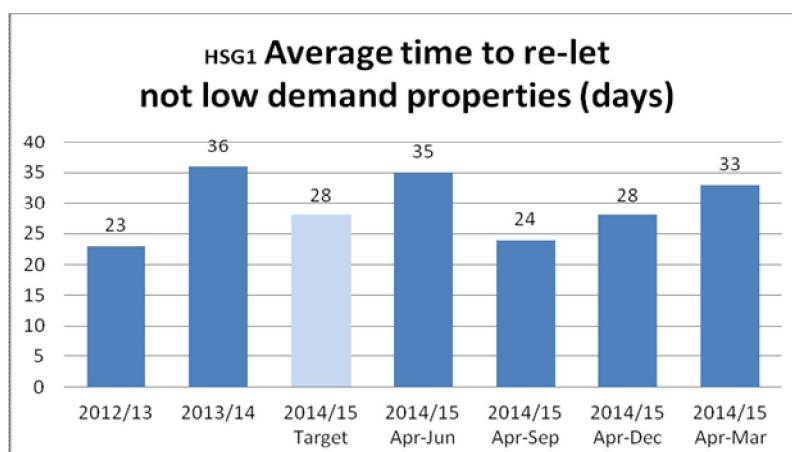
Source: Community Planning & Development
Information Gathered: Quarterly



 Trend Comment: There are 10 external funding bids totalling £690K submitted still pending but decision not received before the end of March. If they'd been successful then target would have been fully met.

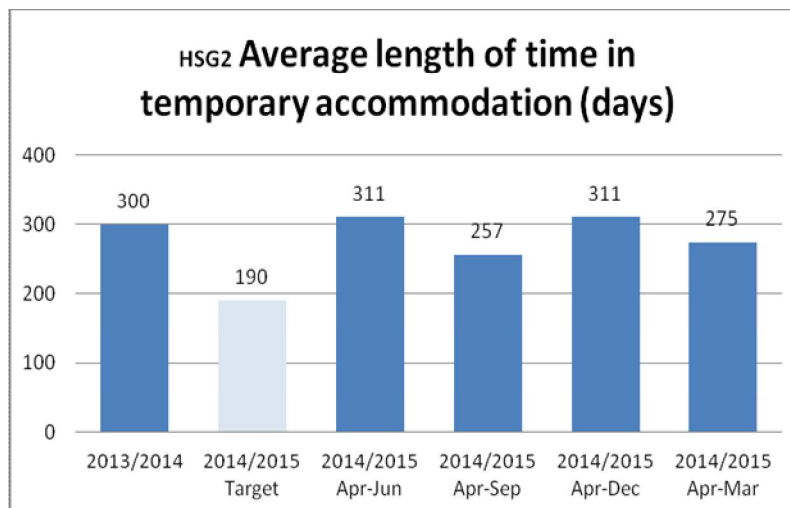
Source: Community Planning & Development
Information Gathered: Quarterly

Service Area – Housing Service



 Trend Comment: Housing void policy review, together with continuing demand, has led to some improvement in time taken to re-let properties. The target for 2014/15 has not been met but this is being monitored regularly.

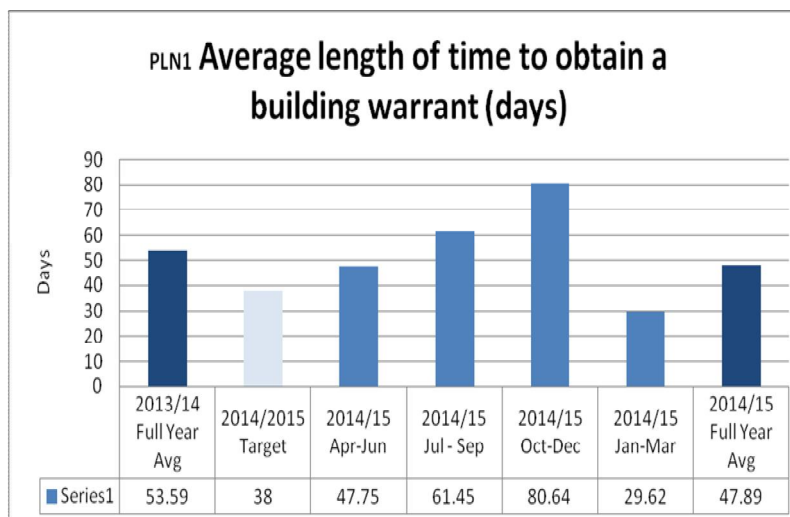
Source: Housing Service
Information Gathered: Quarterly



Trend Comment: Still well above target due to pressure on housing stock/supply.

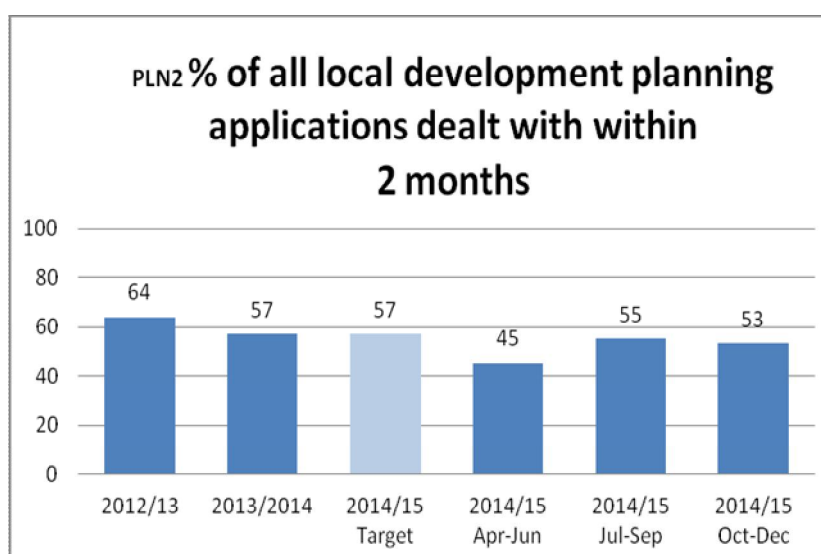
Source: Housing Service
Information Gathered: Quarterly

Service Area – Planning



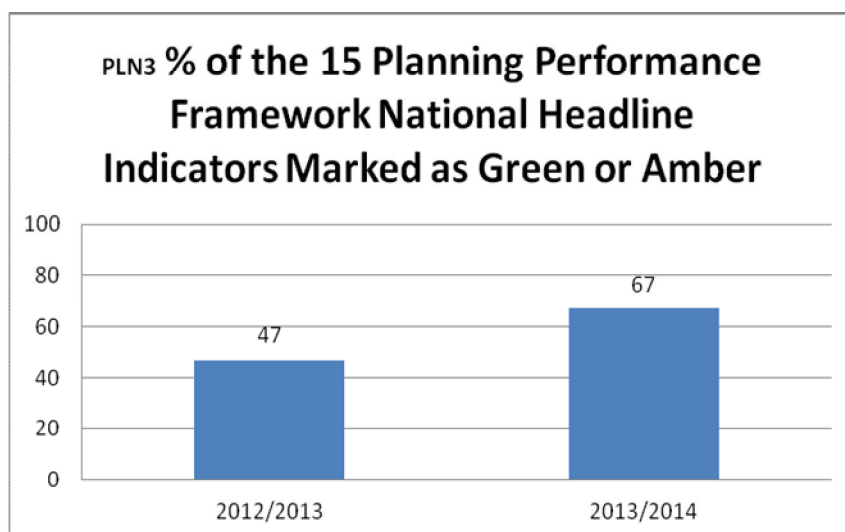
Trend Comment: Ongoing staffing issues in service and business support but an overall improvement now being shown.

Source: Planning Service
Information Gathered: Quarterly



Trend Comment: Standstill as anticipated due to the scale of developments. Ongoing staffing issues impacting on service delivery.

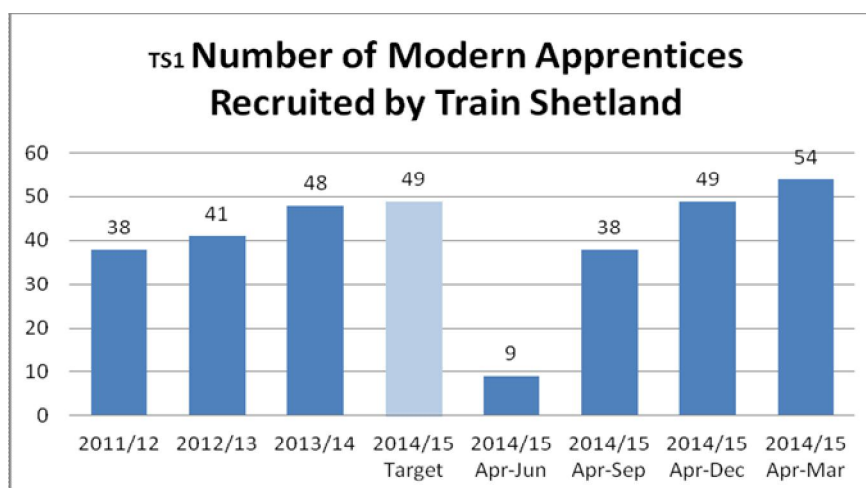
Source: Planning Service
Information Gathered: Quarterly



Trend Comment:
Improvement made in the national framework. The next submission will be available in July 2015.

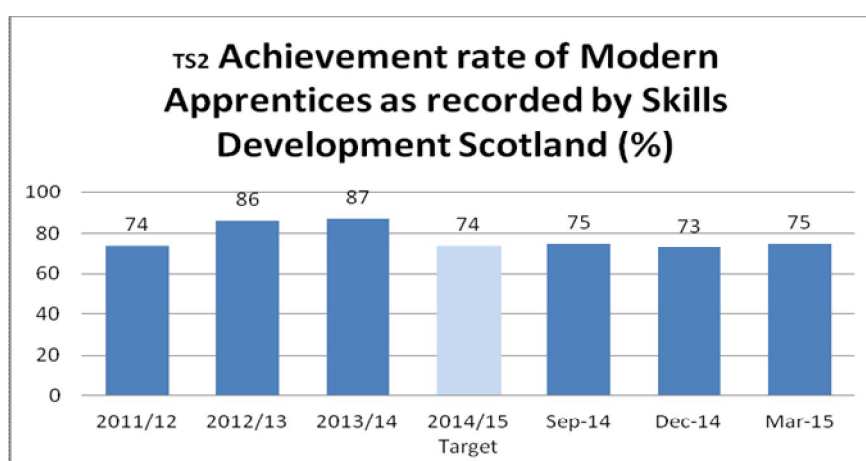
Source: Planning Service
Information Gathered: Annually

Service Area – Train Shetland



Trend Comment: Over the 2014/2015 target. With a total of 54 new Modern Apprentices.

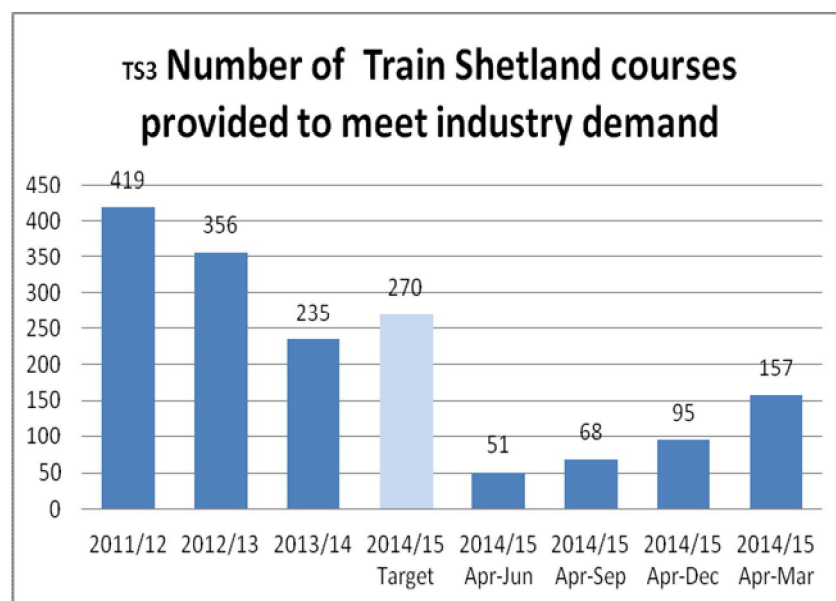
Source: Train Shetland
Information Gathered: Quarterly



Trend Comment: Overall rate is 75%, broken down further by age group : 16-19yrs 70%, 20-24 year 100%, 25+ 75%.

The trend looks downward since 2013, but this is in-line with the national average

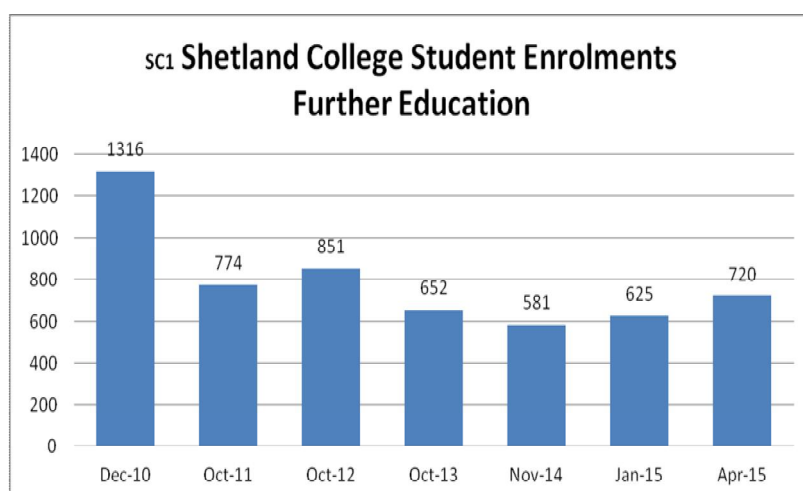
Source: Train Shetland
Information Gathered: Quarterly



The number of courses delivered was 157 for the year, lower than target. However the delivery matched demand with our course fee income totalling £192,667. Income was budgeted at £162,000, which included £50,000 anticipated from within SIC. Actual SIC internal income was £29,93, so private sector business has increased

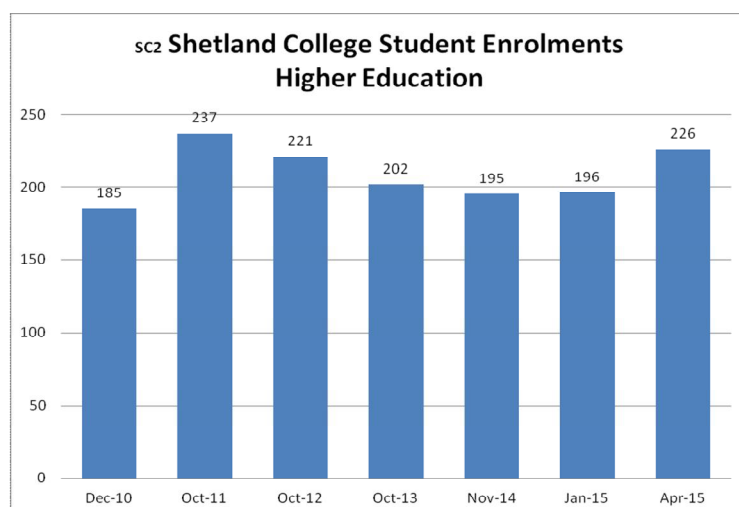
Source: Train Shetland
Information Gathered: Quarterly

Service Area – Shetland College



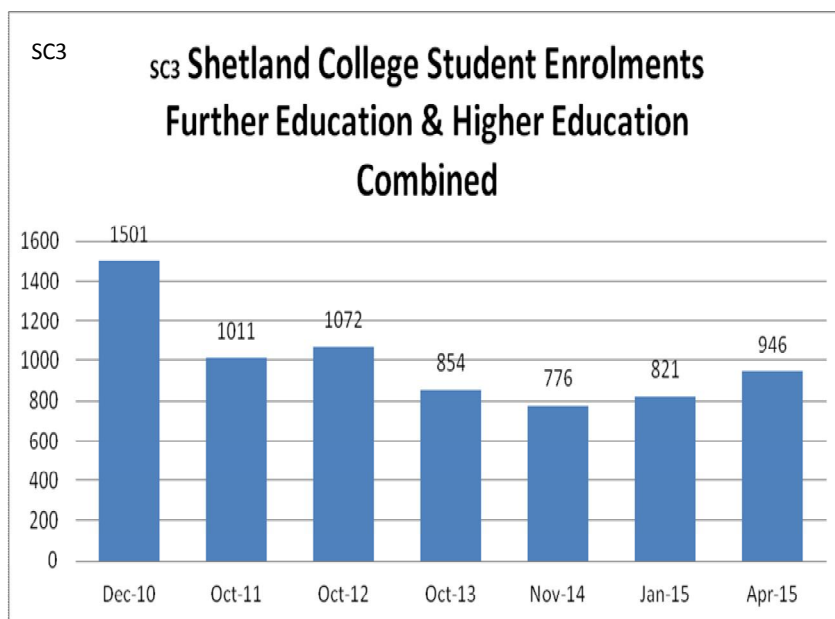
Trend Comment: Figures are shown as head counts for full-time and part-time further education students. Figures continue to show a downward trend due to high levels of employment locally, and reduced numbers of part-time students, particularly from Council employees.

Source: Shetland College
Information Gathered: Quarterly



Trend Comment: Figures are shown as head counts for full-time and part-time higher education students. Full-time higher education student numbers continue to increase but part-time student numbers continue to show a downward trend due to high levels of employment locally, and reduced numbers of part-time students, particularly Council employees.

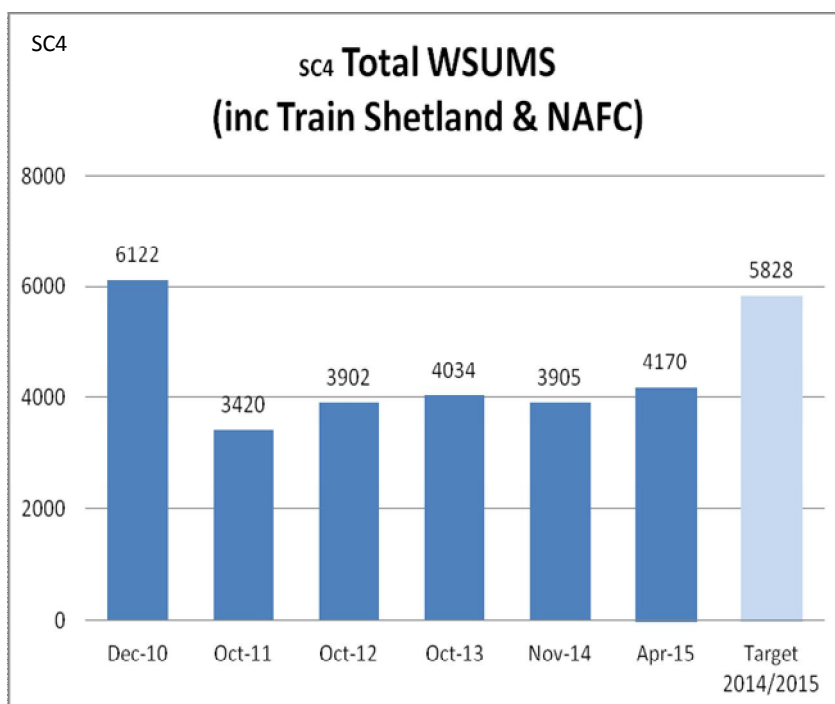
Source: Shetland College
Information Gathered: Quarterly



Trend Comment: Figures are shown as combined head counts for full-time and part-time further and higher education students. Only full-time higher education student numbers continue to increase, and the downward trends in full-time and part-time further education, and also in part-time higher education student numbers continue due to high levels of employment locally, and reduced of students, particularly Council employees.

Source: Shetland College

Information Gathered: Quarterly

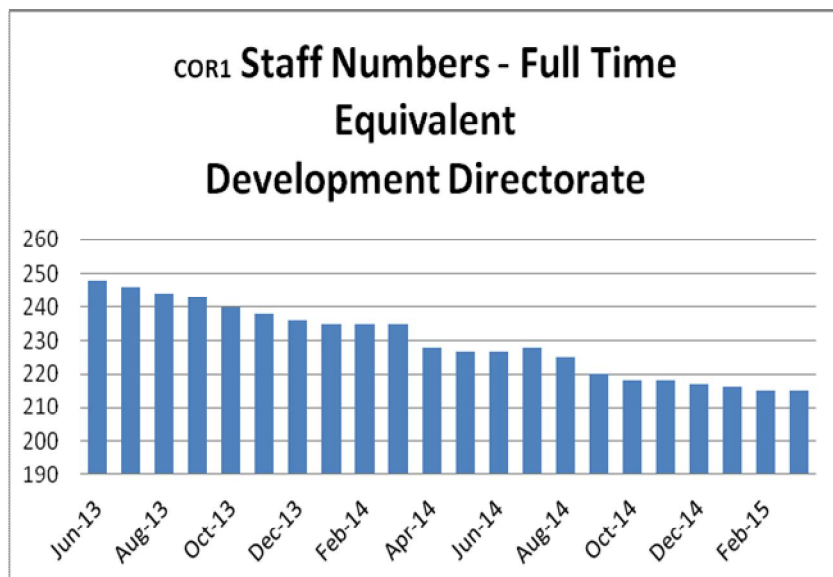


Trend Comment: WSUMs (Weighted Student Units of Measurement) is the funding term used by the Scottish Funding Council for further education. The funding carries different weightings for individual subject areas. For every notional 40 hours of study, a further education student generates a WSUM which translates into funding. The overall funding allocation for Shetland in AY 2014/15 is 5,828 WSUMs (540 allocated specifically to NAFC and 5,288 to Shetland College). As in AY 2013/14, the challenge for Shetland College is to enrol sufficient student numbers to generate sufficient WSUMs activity to meet the target of 5,288.

Source: Shetland College

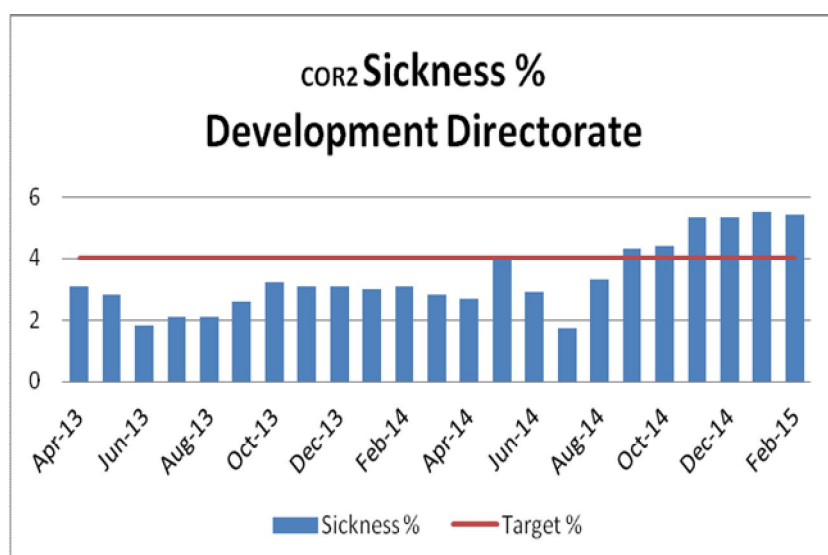
Information Gathered: Quarterly

Development Dept - Corporate Indicators



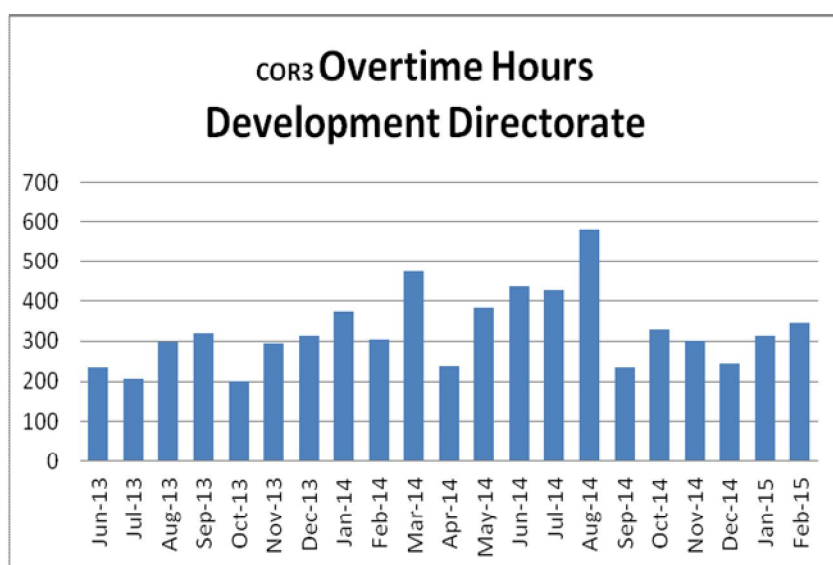
Trend Comment: The staffing number continues to decrease. As at March 2015, these figures include 22.6 FTE staff on Temporary Contracts.

Source: SIC
Information Gathered: Monthly



Trend Comment: Long Term sickness in Shetland College, and Transport Planning have caused an overall rise above target in the last quarter.

Source: SIC
Information Gathered: Monthly



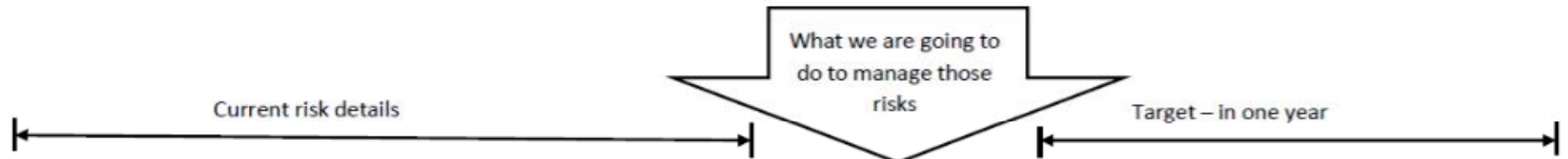
Trend Comment: Resourcing continues to be an issue in Transport Planning, but service restructure now agreed and staffing process underway.

Source: SIC
Information Gathered: Monthly

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



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)

	on Council reputation		local public or press interest		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.			
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)	STERT Review and Economic Development Reviews are currently ongoing but plans are now in place for these to complete and come to a conclusion. Corporate wide staff survey planned to be carried out this year, which will help to identify staff concerns.	Possible (3)	Significant (3) Impact on a local community	Medium (9)

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: ASN & Social Care Transport review, Review of internal and External ferry provision, A better lending system for commercial development projects, Digital Shetland Strategy & projects, Tertiary Education Review,, Review of Community Grants, Participatory budgeting, Strengthening Community Involvement in democratic process, Redesign of Housing Support Service,	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 identified in the Directorate Plan. Progress on project plans is monitored at directorate level and reported to committee as part of performance reporting.	Unlikely (2)	Significant (3)	Medium (6)

	Local Development Plan, Deliver on 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)

February 2015



**Policy and Resources Committee
Shetland Islands Council**

27 May 2015

27 May 2015

Progress Report – Asset Investment Plan

CPS-09-15-F

Executive Manager – Capital Programme

Capital Programme Service

1.0 Summary

- 1.1 The 5-year Asset Investment Plan (AIP) detailing budgets listed in Appendix A was approved on 3 December 2014 (Min. Ref, 96/14). This report advises the Council on the progress on the projects contained within the AIP.
- 1.2 It includes a summary of the financial status and predicted outturn for the full life of each project.

2.0 Decision Required

- 2.1 That the Policy and Resources Committee RECOMMENDS that the Council notes the progress on the projects within the AIP.

3.0 Detail

- 3.1 This report provides an overview of the full life of each project, based on the revised budget and the predicted outturn.
- 3.2 Where projects take place over a number of financial years, this report summarises the position from the beginning to completion of the project. Rolling programmes are not included in this report.
- 3.3 Quarterly monitoring reports on capital expenditure are now provided by the Executive Manager - Finance, detailing the progress of capital projects within the current financial year. These reports include information on rolling programmes.
- 3.4 The detailed project information is attached as Appendix A.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities – This report forms part of the annual performance reporting arrangements on financial matters in support of the Financial Strategy, Reserves Policy and Budget Strategy.
- 4.2 Community/ Stakeholder Issues – None
- 4.3 Policy and/ or Delegated Authority – Approval of the financial strategy and budget framework is a matter reserved for the Council having taken advice from the Policy and Resources Committee.
- 4.4 Risk Management – The main areas of risk are financial in terms of over or under-spend. Regular progress reports to Committee and the Council enable Members to monitor the investment plan.
- 4.5 Equalities, Health And Human Rights – None
- 4.6 Environmental – None

Resources

- 4.7 Financial – This report shows that the full life predicted outturn cost of the projects in the Asset Investment Plan totals £104.3m, of which £40.1m is externally funded (38%), resulting in a total estimated cost to the Council of £64.2m. The expenditure to date on these projects is £46.3m with £58m spend outstanding.
- 4.8 Legal – None
- 4.9 Human Resources – None
- 4.10 Assets And Property – None

5.0 Conclusions

- 5.1 This report provides an update on progress in delivering the Asset Investment Plan and summarises the full life financial position for each project.

For further information please contact:

Robert Sinclair, Executive Manager Capital Programme 01595 744144

robert.sinclair@shetland.gov.uk

List of Appendices: Appendix A - Progress Report - Asset Investment Plan

Background documents: None

END

Capital Projects - Full Life Project Costs

CPS-09-14 Appendix A

Directorate	Service Area	Budget				Funding		Expenditure	
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to Date £	Project Cost Outstanding £
Childrens Services	Schools	48,974,402	0	48,973,628	773	31,813,247	17,160,381	3,126,221	45,847,407
		48,974,402	0	48,973,628	773	31,813,247	17,160,381	3,126,221	45,847,407
Community Care Services	Adult Service	4,657,083	0	4,206,228	450,855	2,000,000	2,206,228	2,849,940	1,356,288
	Occupational Therapy	8,790,449	0	8,786,801	3,649	1,534,000	7,252,801	3,210,208	5,576,593
		13,447,532	0	12,993,029	454,504	3,534,000	9,459,029	6,060,148	6,932,881
Development Services	Economic Development	2,414,219	0	2,443,523	(29,303)	287,220	2,156,303	2,443,523	0
	Housing	8,226,299	0	8,395,086	(168,787)	1,060,000	7,335,086	8,395,086	0
	Shetland College	5,036,186	0	5,139,789	(103,603)	2,309,000	2,830,789	5,134,789	5,000
		15,676,704	0	15,978,398	(301,694)	3,656,220	12,322,178	15,973,398	5,000
Infrastructure Services	Environmental Services	711,949	0	686,292	25,657	0	686,292	366,291	320,000
	Estate Operations	3,675,000	928,540	3,293,644	381,356	1,002,500	2,291,144	158,027	3,135,617
	Ferry Operations	1,243,978	0	1,188,640	55,338	0	1,188,640	1,021,784	166,856
	Roads	2,344,769	0	1,981,115	363,653	0	1,981,115	801,271	1,179,845
	Ports & Harbours	19,130,463	0	19,201,241	(70,779)	95,398	19,105,843	18,795,179	406,062
		27,106,158	928,540	26,350,932	755,226	1,097,898	25,253,034	21,142,552	5,208,380
	Total All Funds	105,204,796	928,540	104,295,986	908,810	40,101,365	64,194,621	46,302,319	57,993,667

Code	Project Name	Budget				Funding		Expenditure		Update
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	
GCE1221	Happyhansel PS Extension	509,657	0	508,884	773	322,366	186,518	508,884	0	Within budget and contract practical completion issued end March 2014 with some additional works completed summer 2014. Final account paid in March 2015.
GCE1304	Anderson High School Replacement	47,449,744		47,449,744	0	30,995,881	16,453,863	2,326,966	45,122,778	The project has progressed to detailed design stage and work is ongoing to finalise the project cost and programme.
GCE1305	Anderson High Clickimin Path Upgrade	1,015,000	0	1,015,000	0	495,000	520,000	290,372	724,628	SIC/Sustrans funded project. The west path and link to Staneyhill are complete and in use, works to the east path ongoing. Rugby pitch path complete but will not be in use until the roundabout is complete.
Total		48,974,402	0	48,973,628	773	31,813,247	17,160,381	3,126,221	45,847,407	

Code	Project Name	Budget				Funding		Expenditure		Update
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	
GCA0241	Extensions to ET & Taing Houses - Spend to Save Project	2,657,083	0	2,206,228	450,856	0	2,206,228	1,486,228	720,000	Phase 1 complete, but Final A/C not yet settled. Phase 2 - scope of project reduced with anticipated underspend against set budget. Budget slippage to 15/16 required.
GCA0242	NHS Conversion Scalloway School	2,000,000	0	2,000,000	(0)	2,000,000	0	1,363,712	636,288	NHS funded project, works programme commenced August 2014. Upgrade to 'old' secondary premises complete and Primary School moved in December 2014. The Health Centre works are ongoing with completion estimate of August 2015.
GCA0237	Eric Gary Replacement	5,705,312	0	5,705,312	0	0	5,705,312	128,719	5,576,593	Detailed design ongoing with planning permission agreed in principal, full planning anticipated May 2015. Building Warrant to be submitted during May 2015. Anticipate tenders will be issued October 2015.
GCA0233	Occupational Therapy Resource Centre	3,085,137	0	3,081,489	3,649	1,534,000	1,547,489	3,081,489	0	Building officially opened on 24 July, 2013 with NHS jointly funding this project. Final account agreed less than anticipated.
Total		13,447,532	0	12,993,029	454,504	3,534,000	9,459,029	6,060,148	6,932,881	

Code	Project Name	Budget				Funding		Expenditure		Update
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	
GCY5141	Landfill Capping	711,949	0	686,292	25,657	0	686,292	366,291	320,000	Phase 1 Project complete with anticipated saving of £26k in 14/15. The budget shown includes further phases due to start in 15/16 and 17/18.
GCY5507	Town Hall and Lystina Conservation Project	2,115,000	928,540	1,758,617	356,383	0	1,758,617	78,617	1,680,000	Only £79K spent in 14/15 financial year as efforts to secure external funding are ongoing. A members seminar is being planned to explain options.
GCY5512	Bells Brae PS Refurbishment	875,000	0	875,000	0	586,000	289,000	7,037	867,963	Bells Brae PS reroof at design stage with consultant appointments made. The main contract works are phased over two financial years - 15/16 & 16/17.
GCY5513	Sound PS Refurbishment	625,000	0	625,000	0	416,500	208,500	41,846	583,154	Sound PS reroof, main contract works onsite and phased over two financial years 15/16 & 16/17.
GCY6139	Clickimin Roundabout Works	872,000	0	872,000	0	0	872,000	121,330	750,670	Earthworks and culvert works progressing with services works commencing soon; this will be followed by kerbing and tarring. Slippage required to 15/16 to complete works.
GCY6205	Laxaburn Bridge Replacement	252,324	0	219,863	32,461	0	219,863	212,863	7,000	Bridge works complete and safety barrier installed at end October 2014. Fencing and reseeding still to be completed with carry forward required to next financial year for these works.
GCY6208	Effirth Bridge	214,455	0	209,045	5,410	0	209,045	209,045	0	Contract works complete with retention paid in 14/15.
GCY6209	Burra Bridge Bearings	385,989	0	210,207	175,782	0	210,207	120,288	89,919	Bearings installed and walkway under construction. Saving of 120K on this project previously transferred to cover Foula Bridge emergency works.
GCY6210	Trondra Bridge Bearings	500,000	0	350,000	150,000	0	350,000	17,745	332,255	Contract awarded with 10 week lead in time - anticipate start August 2015.
GCY6211	Foula Bridge	120,000	0	120,000	0	0	120,000	120,000	0	Project Complete - budget for emergency repairs created from savings on Burra Bridge following heavy rainstorm which rendered bridge unusable.

Code	Project Name	Budget				Funding		Expenditure		Update
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	
GCY7216	Viking Bus Terminus/Shelters	60,000	0	35,027	24,973	0	35,027	30,527	4,500	Main works complete but still to progress additional storage to COPE, a small carry forward will be required.
GCY7634	Ticket Machines - Spend to Save	159,978	0	106,793	53,185	0	106,793	106,793	0	BRO advises this project is complete and under budget.
GCY7635	Bigga Life Extension	900,000	0	900,000	0	0	900,000	783,144	116,856	New propellers fitted, shot blasting and re-engine completed in 14/15. BRO has requested balance to be carry forward to 2015/16 to complete works as retention is still to be paid and spare propellers are to be purchased.
GCY7636	Yell Ferries Monitoring System	134,000	0	131,847	2,153	0	131,847	131,847	0	Additional budget created from savings within Ferry Operations to enable purchase of enhanced monitoring system. Project completed in November 2014.
GCY7637	Linga Conversion	50,000	0	50,000	0	0	50,000	0	50,000	Design fees for propulsion and control systems upgrade delayed, carry forward of budget to 15/16 required.
GCM2313	Tugs for Sellaness	15,239,149	0	15,242,339	(3,190)	0	15,242,339	15,242,339	0	Final works completed summer 2014 - overspend relates to legal fees.
GCM2316	Walls Pier	3,205,314	0	3,225,893	(20,579)	95,398	3,130,494	3,224,743	1,150	Practical completion reached and the pier opened at end of May 2014. Overspend relates to final commissioning report, additional officer time & recharge. External funding less than originally anticipated. Final account and related officer time will not be processed until 2015/16.
PCM2141	Lerwick Terminal Life Extension	75,000	0	75,000	0	0	75,000	0	75,000	Works to linkspan deck plating and hydraulics delayed due to staffing changes, slippage required to 15/16.
PCM2142	Bressay Terminal Life Extension	75,000	0	75,000	0	0	75,000	0	75,000	Works to linkspan deck plating and hydraulics delayed due to staffing changes, slippage required to 15/16.

		Budget				Funding		Expenditure		
Code	Project Name	Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	Update
PCM2143	Belmont Terminal Life Extension	135,000	0	135,000	0	0	135,000	64,007	70,993	Refendering completed in 14/15. Works to linkspan deck plating and hydraulics delayed due to staffing changes, slippage required to 15/16.
PCM2144	Gutcher Terminal Life Extension	250,000	0	250,000	0	0	250,000	67,079	182,921	Refendering completed in 14/15. Works to linkspan deck plating and hydraulics delayed due to staffing changes, slippage required to 15/16.
PCM2146	Toft Terminal Life Extension	1,000	0	1,000	0	0	1,000	0	1,000	Dive survey funding
PCM2147	Vidlin Terminal Life Extension	50,000	0	61,068	(11,068)	0	61,068	61,068	0	Rubber D fendering replaced at Terminal.
PCM2148	Laxo Terminal Life Extension	50,000	0	68,061	(18,061)	0	68,061	68,061	0	Rubber D fendering replaced at Terminal.
PCM2149	Symbister Terminal Life Extension	50,000	0	67,881	(17,881)	0	67,881	67,881	0	Rubber D fendering replaced at Terminal.
Total		27,106,158	928,540	26,350,932	755,226	1,097,898	25,253,034	21,142,552	5,208,380	

Code	Project Name	Budget				Funding		Expenditure		Update
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	
GCD1576	Fibre Optic Project Phases I, II & III	1,312,370	0	1,340,854	(28,484)	287,220	1,053,634	1,340,854	0	Contract phases 1, 2 & 3 complete. Phase 3 originally delayed by consent approvals and amended to landward route. Landowner / tenant compensation payments accrued at year end. Final splicing and testing being carried out by Council engineers.
GCD1577	Fibre Optic Project - Phases IV, V & VI	1,101,850	0	1,102,669	(819)	0	1,102,669	1,102,669	0	Works complete but retention accrual slightly less than actual payment. Remedial road works carried out by Roads Service £639.
UCL5203	Shetland College Extension	5,036,186	0	5,139,789	(103,603)	2,309,000	2,830,789	5,134,789	5,000	Practical completion issued end March 2014, with some further works carried out during summer holidays 2014. The final A/C has not yet been agreed with contractor but estimated costs have been accrued. Officer time will be required in 15/16 to complete final A/C.
Total		7,450,405	0	7,583,312	(132,907)	2,596,220	4,987,092	7,578,312	5,000	

Code	Project Name	Budget				Funding		Expenditure		Update
		Approved Budget £	Provisional Earmarked Funding £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	
HCH3304	Brae New Housing	1,800,276	0	1,854,664	(54,388)	460,000	1,394,664	1,854,664	0	Contract works practically complete at end July 2014, with retention to be paid in 2015/16.
HCH3305	Hoofields New Housing	3,763,535	0	3,740,736	22,799	600,000	3,140,736	3,740,736	0	Project complete with final account agreed £4.3K less than anticipated. £9.2K refund also received from Scottish Water following commissioning works.
HCH3706	Heating Replacement Programme	300,000	0	369,201	(69,201)	0	369,201	369,201	0	Rolling programme of works with the budget and spend identified here for financial year 14/15 only.
HCH3711	Retentions/ Final Accounts	20,000	0	0	20,000	0	0	0	0	Budget held for outstanding final A/Cs
HCH3712	Housing Quality Standard	1,407,249	0	1,511,553	(104,304)	0	1,511,553	1,511,553	0	Numerous contractual appointments made (Kitchens / Windows / Insulation / Roofing etc.). Rolling programme of works with the budget and spend identified here for financial year 14/15 only.
HCH3715	Landward Crudens (Voe / Whalsay)	935,239	0	918,933	16,306	0	918,933	918,933	0	Project complete - snagging works and final accounts agreed less than anticipated. Internal recharge posted at financial year end.
Total HRA		8,226,299	0	8,395,086	(168,787)	1,060,000	7,335,086	8,395,086	0	

**Policy and Resources Committee****27 May 2015**

Policy and Resources Committee Business Programme – 2015/16	
GL-17-15-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 for the financial year to 31 March 2016 and discuss with Officers any changes or additions required to that programme.

2.0 Decision Required

- 2.1 That the Policy and Resources Committee considers its business planned for the financial year to 31 March 2016 and RESOLVES 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 2015/16 at its meeting on 17 December 2014 (Min Ref: 108/14).
- 3.2 It was agreed that the Business Programme 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 may be 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, and if required according to the circumstances, the time, date, venue and location of any meeting may be changed, or special meetings added.
- 3.4 The Business Programme for 2015/16 will be presented by Committee Services to the Council and each Committee, on a quarterly basis, for discussion and approval, particularly in relation to the remaining projects and reports which are listed at the end of the business programme page for each Committee, as still to be scheduled.

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 Risk Management – 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 Equalities, Health And Human Rights – None.
- 4.6 Environmental – None.

Resources

- 4.7 Financial – There are no direct financial implications in this report, but indirect costs may be avoided by optimising Member and officer time.
- 4.8 Legal – None.
- 4.9 Human Resources – None.
- 4.10 Assets And Property – None.

5.0 Conclusions

- 5.1 The presentation of the Business Programme 2015/16 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

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20 May 2015

List of Appendices

Appendix 1 – Policy and Resources Committee Meeting Dates and Business Programme 2015/16

Background documents:

Report GL-20-F: SIC Business Programme and Diary of Meetings 2015/16

<http://www.shetland.gov.uk/coins/Agenda.asp?meetingid=4382>



**Policy and Resources Committee - Meeting Dates and Business Programme 2015/16
as at Wednesday, 20 May 2015**

Policy and Resources Committee			
			<i>D= Delegated R=Referred</i>
Quarter 1 1 April 2015 to 30 June 2015	Date of Meeting	Business	
	<i>Special 15 April 2015 11am</i>	Ferry Mates Industrial Action – Update	D
		Shetland Islands Council Provision of Subordinate Debt	R - Sp SIC 15 April
	<i>Ordinary 4 May 2015 10 a.m.</i>	Shetland Islands Council Carbon Management Plan 2015-2020	R SIC 27 May
		Review of Transport for Children with Additional Support Needs and Social Care Service Users	R SIC 27 May
		Joint Chair's Report – Development Committee and Environment and Transport Committee – 22 April: Transport Planning Service Restructuring Proposals	D
		Review of Tertiary Education in Shetland – Aggregated Business Model	R SIC 27 May
		Review of Tertiary Education in Shetland – Option Appraisal and Implementation Plan	R SIC 27 May
		Shetland's Broadband Provision: Business Case	D
		Community Councils – Financial Position	D
		Relocation Policy	D
		Redeployment Policy	D
		Job Evaluation – Refuse Drivers and ASN/Social Care PCV Drivers	D
		Ports for the Future Legacy – Marine Pilots Pensions	D
		Proposed Lease	D
	<i>PPMF 27 May 2015 10 a.m.</i>	Policy and Resources Committee Management Accounts – Quarter 4	D
		Shetland Islands Council 2014-15 Draft Outturn	R SIC 27 May
		Management Accounts for Pension Fund: 2014/15 – Draft Outturn at Quarter 4	D
		Corporate and Chief Executive Services Departments – Performance Overview – Quarter 4	D
		Development Services Directorate Performance Report: 12 Month/4 th Quarter 2014/15	D
		Asset Investment Plan – Progress Report – Quarter 4	R SIC 27 May
		Committee Business Programme 2015/16	D



**Policy and Resources Committee - Meeting Dates and Business Programme 2015/16
as at Wednesday, 20 May 2015**

	<i>Ordinary</i> 22 June 2015 10 a.m.	Chair's Report – Shetland College Board – 28 May: Shetland College Fees 2015/16	R SIC 30 June
		Risk Management Policy and Strategy	R SIC 30 June
		Medium Term Financial Plan – General Fund	R SIC 30 June
		Medium Term Financial Plan – HRA	R SIC 30 June
		Programme and Timetable for Business Case for Broadband in Shetland	D
Quarter 2 1 July 2015 to 30 September 2015	Date of Meeting	Business	
	<i>PPMF</i> 19 August 2015 10 a.m.	Policy and Resources Committee Management Accounts – Quarter 1	D
		Management Accounts for the Pension Fund: 2015/16 – Projected Outturn at Quarter 1	D
		Overall SIC Management Accounts – Quarter 1	R SIC 19 Aug
		Asset Investment Plan – Progress Report – Quarter 1	R SIC 19 Aug
		Corporate and Chief Executive Services Departments – Performance Overview – Quarter 1	D
		Committee Business Programme 2015/16	D
Quarter 3 1 October 2015 to 31 December 2015	Date of Meeting	Business	
	<i>Ordinary</i> 26 October 2015 10 a.m.	Annual Report - Complaints	D
		Draft Workforce Strategy	D
		Performance Management Strategy and Policy	R SIC 4 Nov
	<i>PPMF</i> 18 November 2015 10 a.m.	Pension Fund – 2015-16 Mid Year Investments Performance Review Report	R SIC 18 Nov
		Council Reserves – 2015-16 Mid Year Investments Performance Review Report	R SIC 18 Nov
		Corporate and Chief Executive Services Departments – Performance Overview – Quarter 2	D
		Committee Business Programme 2015/16	D
Quarter 3 1 October 2015 to 31 December 2015 <i>continued</i>	Date of Meeting	Business	
	<i>Budget</i> 25 November 2015 2 p.m.	Corporate and Chief Executive Services Departments Directorate Plan 2016-17	D
		Policy and Resources Committee Management Accounts – Quarter 2	D
		Management Accounts for the Pension Fund – Quarter 2	D
		Overall SIC Management Accounts – Quarter 2	R SIC 2 Dec
		Asset Investment Plan – Progress Report – Quarter 2	R SIC 2 Dec
		2016-17 Policy and Resources Committee Budget and Charging Proposals	



**Policy and Resources Committee - Meeting Dates and Business Programme 2015/16
as at Wednesday, 20 May 2015**

		2016-17 HRA Budget and Charging Proposals	R SIC 2 Dec
		Chair's Reports on 2016-17 Budget and Charging Proposals <i>(from each of the Committees/Harbour Board/College)</i>	
		Proposed Five-Year Asset Investment Plan 2016/21	
		2016-17 SIC Budget Book	R SIC 2 Dec
	Ordinary 7 December 2015 10 a.m.	TBC	
Quarter 4 1 January 2016 to 31 March 2016	Date of Meeting	Business	
	Ordinary 15 February 2016 10 a.m.	Irrecoverable Debt 2014/15	D
		Annual Investment and Treasury Strategy 2016/17	R SIC 24 Feb
	PPMF 2 March 2016 10 a.m.	Policy and Resources Committee Management Accounts – Quarter 3	D
		Management Accounts for the Pension Fund – Quarter 3	D
		Corporate and Chief Executive Services Departments - Performance Overview Q3	D
		Overall SIC Management Accounts – Quarter 3	R SIC 2 March
		Asset Investment Plan – Progress Report – Quarter 3	R SIC 2 March
		Council Wide – Performance Overview – Quarter 3	R SIC 2 March
		Annual Investment and Treasury Strategy 2016/17	R SIC 2 March
		Committee Business Programme 2016/17	D

Planned Committee business still to be scheduled - as at Wednesday, 20 May 2015

- Governance Review – Asset and Treasury Sub-Committee
- Single Outcome Agreement Annual Report 2014/15
- Single Outcome Agreement 2015/16
- Community Grants
- Community Council – Financial Position (annual report)
- Quarterly Fund Management Investment Report

tbc = to be confirmed

PPMF = Planning and Performance Management Framework meetings – no other business to be added

Budget = Budget setting meetings – other items can be added if time permits

Ordinary = Ordinary meetings – other items can be added

Special = Special meetings arranged for particular item(s) – other items can be added if time permits

END OF BUSINESS PROGRAMME as at Wednesday, 20 May 2015