

MINUTE

B - Public

Development Committee
Council Chamber, Town Hall, Lerwick
Monday 17 August 2015 at 2.00pm

Present:

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

Apologies

F Robertson

In Attendance (Officers):

N Grant, Director of Development Services
J Belford, Executive Manager – Finance
M Craigie, Executive Manager – Transport Planning
I McDiarmid, Executive Manager – Planning
J Riise, Executive Manager – Governance and Law
W Grant, Project Manager
S Keith, Project Manager
M Mulla, Performance and Improvement Officer
K Adam, Solicitor
K Marshall, Solicitor
L Adamson, Committee Officer

Chair:

Mr A Cooper, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

Mr Burgess declared a financial interest in Item 1 “Development Services Directorate Performance Report: 3 Month/1st Quarter 2015/16”, as a supplier of services to the Shetland College, where he would leave the Chamber should there be any specific discussion of a financial nature. He also declared a non-financial interest as a Board Member of the Shetland Fisheries Training Centre Trust.

32/15

Development Services Directorate Performance Report
3 Month/1st Quarter 2015/16

The Committee considered a report by the Director of Development Services (DV-43-15-F), which summarised the activity and performance of the Development Services Directorate for the reporting period above.

In introducing the report, the Director of Development Services provided Members with an update on a number of the main strategic actions as listed at Appendix 1. In regard to the Review of the Economic Development Service, he advised on the work undertaken by the Project Board to date and confirmed that a report would be presented to the October Development Committee.

In reporting on progress being made to develop a business case for the Council's involvement in broadband, he advised on the recent appointment of a company to facilitate the process and assist to establish working groups at a local level. He said that stakeholder involvement may be quite significant to ensure all services of the Council feed into the process. He went on to advise that the strategic business case would be presented to Committee in October, with options and investment decisions reported in November. The Director of Development Services assured Members on the support that is being provided to the Shetland Telecom team in the meantime. A Member highlighted the importance that stakeholder representation includes individuals who have enthusiasm and knowledge to take this important project forward. The Director of Development Services confirmed that this would be the case, and said that the aim was to improve the current provision of services in Shetland, and also to look ahead at the requirements for the next 10-15 years. In response to a question, the Director of Development Services advised on the projects which can achieve broadband solutions to more remote communities, where he hoped that this project could help the Council's ability to challenge barriers.

The Director of Development Services advised on the good work to date on the new Local Development Plan (LDP), however he reported that recent resignations from the Development Plan team could impact on the ability to meet the programme as approved. He went on to advise the Committee on the steps being taken within the Service to attract applicants to the vacant posts. In response to questions from a Member, the Director of Development Services informed on the current difficulties to recruit and retain professional planning officers in Shetland, where he advised that career grade progression would appear to be the best way to retain staff locally. The Executive Manager – Planning advised that there would appear to be a number of factors that impact on the ability to recruit and retain staff, including further promotion and experience, increased salary, personal reasons, and the cost and availability of housing outwith Shetland. He went on to advise that three staff recruited through the Council's graduate scheme have now left the Service and it is hoped that the approach being taken to reduce the bottom level of the career grade will encourage applicants into the Planning Service at the start of their career.

In response to comments from a Member in regard to the reference in the Risk Management appendix to the "Five year plan to attract people to live and work in Shetland", the Director of Development Services advised that the Plan contains an extensive list of actions to be taken forward within the community, which includes initiatives to encourage students to stay and live in Shetland. He then referred to the annual report on school leavers in Shetland, citing that more students are now going directly into employment rather than into further education. During a discussion where a Member questioned the current level of engagement within schools to inform on the potential skills shortages in Shetland into the future, to ensure pupils consider all options for their professional careers, the Director of Development Services acknowledged that this was an area where further focus should be given. The Chair advised that as the Council's overall recruitment process is driven by the Human Resources Service, he would raise the need for increased dialogue with schools at Policy and Resources Committee. He added that the focus for the Economic Development Service is that of the wider economy, with the role to assist the business community. In referring to the Member's comments, the Leader advised on the work of the Shetland Learning Partnership to get young people into work, and confirmed that a graduate placement scheme will be looked at as part of the Workforce Development Strategy.

The Director of Development Services advised that a project officer has been appointed to the Shetland Tertiary Education project, which will be due for reporting to Committee in November.

A Member made reference to the Risk Management Appendix, to Risk “C0026 – Economic Climate – One or more communities fail to be sustainable”, where he questioned whether the risk register should be updated to better fit changing circumstances. He also suggested that this particular risk should be addressed through a more holistic approach rather than purely economic development, and for engagement to take place with the communities to find solutions. The Director of Development Services advised that he would raise this as a matter for discussion at CMT.

A Member enquired on the report that at April 2015, 24.6 FTE within the Development Service are on temporary contracts. The Director of Development Services explained that these temporary appointments were mainly at the College, and with the impending decisions to be made in regard to tertiary education, the temporary arrangements will be reviewed in the near future.

The Director of Development Services referred Members to page 14, where he provided updates in regard to the reducing trends on staff numbers, overtime costs and the improvements in terms of long-term sickness.

During the discussion, the Leader highlighted a number of positive outcomes in the report, including the increase in the amount of external funding that has been applied for and the success rate from applications of 67%. He was also pleased to note the while coping with reduced staffing, the Planning Service had dealt with 57.1% of planning applications within 2 months. A Member noted the positive trend whereby the percentage of people who agree with the statement “I Can influence decisions affecting my local area” was above the national average.

Decision:

The Development Committee noted the contents of the report.

33/15

Management Accounts for Development Committee: 2015/16 – Projected Outturn at Quarter 1

The Committee considered a report by the Executive Manager – Finance (F-039-F), which enabled the monitoring of the financial performance of services within its remit to ensure that Members are aware of the forecast income and expenditure and the impact that this will have with regard to delivering the approved budget.

The Executive Manager – Finance introduced the report, where he acknowledged that Quarter 1 is clearly an early stage to make projections however he assured Members that projections will be rigorously reviewed and reporting will continue on a quarterly basis. He then advised on the projected underspend of £434k on revenue and the budget was on target for capital. He added that at this time Development Services have confirmed no recurring savings have been identified.

(Mr T Smith left the meeting).

In response to questions, the Executive Manager – Finance drew Members’ attention to Appendix 1, where he advised on a number of areas where the

projections could alter as a result of changing circumstances. He explained that judgements are made in the budget process and these projections are continually monitored and reviewed in discussion with managers, with a greater degree of certainty as the year progresses.

During the discussion, the Director of Development Services advised that work has started on the 2016/17 budgets in the context of the 2016 Corporate Plan, which he said will be very helpful to focus priorities. In that regard, he reported that for next year economic development's limited resources will be directed towards the Council's priorities and there will be a need to de-commit from some other areas.

Decision:

The Development Committee **RESOLVED** to review the Management Accounts showing the projected outturn position at Quarter 1.

34/15

Development Committee Business Programme – 2015/16

The Committee considered a report by the Team Leader – Administration (GL-29-15-F), which informed of the planned business to be presented to Committee for the financial year to 31 March 2016 and sought discussion with Officers regarding any changes or additions required to that Programme.

The Executive Manager – Governance and Law introduced the report.

During the discussion, it was agreed that a report on the Business Case for the Council's Role in Broadband Development would be added to the Business Programme for Committee in October. It was noted that with the proposal to report on the options appraisal and investment decisions in November, there may be a requirement for a special meeting to be arranged.

Reference was made to the list of reports still to be scheduled to a specific meeting of the Committee, where it was questioned whether the report "Options for Housing in the Central Mainland" could form part of the reporting on the Housing Needs Demand Assessment (HNDA). The Chair undertook to follow this up with the Executive Manager – Housing, and advise Members accordingly.

Decision:

The Development Committee considered its business planned for the financial year to 31 March 2016 and **RESOLVED** to approve the Business Programme, as amended.

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

35/15

Shetland Investment Portfolio Update

The Committee considered a report by the Project Manager which presented an update on the portfolio of local investments and provided information on specific investments, by exception.

In introducing the report, the Director of Development Services reported on the two investments that the Council has made in the fishing industry, which have brought significant value and support to Shetland's main industry sector.

In referring to Section 3 of the report, the Project Manager (W Grant) confirmed that the report on the establishment of the Shetland Investment Portfolio, Fund and Lending Service for the Economic Development Service will be reported to Committee in October.

During the discussion, and in response to questions from Members, updates were provided on a number of the investments.

Decision:

The Development Committee noted the contents of the report.

The meeting concluded at 3.20pm.

.....
Chair