

MINUTE

B – PUBLIC

Special Development Committee
Council Chamber, Town Hall, Lerwick
Wednesday 11 November 2015 at 2.00pm

Present:

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

Apologies

F Robertson	A Westlake
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In Attendance (Officers):

C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
D Irvine, Executive Manager – Economic Development
J Belford, Executive Manager – Finance Services
S Msalila, Executive Manager - ICT
J Riise, Executive Manager – Governance and Law
S Keith, Project Manager
G Smith, Shetland Telecom Project Manager
P Sutherland, Solicitor
B Kerr, Communications Officer
L Gair, Committee Officer

Also in Attendance:

G Smith
G Cleaver
B Walker, Farrpoint
S Rowell, Farrpoint

Chair:

The Chair of the Committee, Mr A Cooper, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

None

44/15 Digital Connectivity Business Case

The Committee considered a report by the Director of Development Services (DV-62-15-F), which informed of progress in developing the Business Case for the Council's further intervention in digital connectivity.

The Director of Development Services introduced the report advising on progress and the next steps. He introduced Mr Rowell and Mr Walker, Farrpoint representatives, who would be delivering a workshop following this meeting. The Director of Development Services drew attention to the timeframe set out in

paragraph 3.5, and commented that although this demonstrated an elongation of the process there was now a better understanding of how matters should proceed.

A Member commented on the statement by the Prime Minister that all areas should have access to broadband as they do to electricity, and questioned what hope there is that this pledge will be possible in the timescale suggested. The Director of Development Services advised that the UK Government announced a universal service obligation of 10Mbps to all households by 2020, but that may be based around satellite connections in some areas. He said that the Government appears to be clear that they can deliver 10Mbps by 2020, however he advised that by 2020 Europe has committed to provide a minimum of 30Mbps. The Director of Development Services said that this project would target more than 10Mbps speeds but highlighted that Shetland is currently the worst connected area in the UK which was a barrier to people relocating or setting up businesses in Shetland.

During further discussions it was noted that a satellite connection is an entirely different option to was being discussed. A Member said that a satellite option would not close the digital gap, if there is to be fibre roll out plus 4G wireless connection to the end of the line. The Member added that there is likely to be no EU money for 10Mbps connections as EU funding is for 30Mbps superfast broadband.

The Chair referred to the frustration that it had taken 15 years to get broadband to Shetland, yet 10 years on some people still did not have access to Broadband, and yet there was still an area of doubt as to who will do what and when. In referring to the Council's Single Outcome Agreement and Corporate Plan, he stated that there was no point having markers but what was important was knowing how to progress and then for a strategy to be created so that decisions could be made on delivery and it was time to bring this to a head.

In response to a question, the Director of Development Services confirmed that the project would take account of and start with the assets already in the Council, BT and others. He said that all the evidence, knowledge and information gathered so far will be used when building a business case and will be a strong lobbying tool and would put this Council in the same position as other local authority areas, when seeking funding from BDUK.

The Director of Corporate Services responded to a question on what funding would be available from the Council should spending be required after the report to Committee in February. She explained that there were a number of funding options including the capital programme, where this project would compete with other non-committed projects. She explained that the spend to save option would be possible if the investment were to yield returns, alternatively there would be the possibility of borrowing on revenue costs. Although there are a number of options she confirmed that there was no unspent capital programme waiting for bids.

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

Decision:

The Development Committee **RESOLVED** to agree the next steps towards building the full Business Case to define the Council's further intervention in digital connectivity, as detailed in paragraph 3.5 of the report.

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

(Mr Stout attended the meeting)

45/15 **Proposal for Payment of Invoice**

The Committee considered a report by the Project Manager.

The Director of Development Services introduced the report.

Following a discussion, Mr Burgess moved that the Committee approve the recommendations contained in the report with the addition that this matter would not come before the Committee unless there is a material change.

In seconding Mr Burgess’ motion, Mr Cooper agreed that delegated authority be granted to the Director of Development Services, or his nominee, to reschedule payments as he considers necessary, and that Members of the Development Committee be advised in writing when any such rescheduling has taken place. This matter would come before the Committee if the Director was of the view that there was a significant change to the arrangements or information has come forward, which would trigger a review. Mr Burgess and the Committee concurred.

Decision:

The Development Committee **RESOLVED** to approve the recommendation in the report; and

Further **RESOLVED** that delegated authority is granted to the Director of Development Services, or his nominee, to reschedule payments as he considers necessary, and that Members of the Development Committee be advised in writing when any such rescheduling has taken place; but that this matter would come before the Committee if the Director was of the view that there was a significant change to the arrangements or information has come forward, which would trigger a review.

The meeting concluded at 2.45pm.

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Chair