



MINUTES

B - PUBLIC

Policy and Resources Committee
Room 10, Islesburgh Community Centre, Lerwick
Monday 24 October 2016 at 10am

Present:

G Robinson	A Cooper
G Smith	T Smith
M Stout	V Wishart

Apologies:

G Cleaver	S Coutts
C Smith	

In Attendance:

M Boden Chief Executive
C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
J Belford, Executive Manager – Finance
D Bell, Executive Manager – Human Resources
S Hunter, Executive Manager – Children's Resources
A Jamison, Executive Manager – Housing
D Irvine, Executive Manager – Economic Development
R Sinclair, Executive Manager – Capital Programme
J Smith, Acting Executive Manager – Ports and Harbours
W Spence, Executive Manager – Environmental Services
N Hutchison, Team Leader – Asset and Network
S Brunton, Solicitor
B Kerr, Communications Officer
L Adamson, Committee Officer

Also in Attendance:

R Henderson

Chairperson

Mr Robinson, Leader, as Chair of the Committee presided.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

Mr Cooper declared an interest in Item 9, "Management of Existing Investment".

Minutes

The minutes of the meeting held on 28 June 2016 were approved on the motion of Mr Stout, seconded by Ms Wishart.

The minutes of the meeting held on 30 August 2016 were approved on the motion of Mr Stout, seconded by Mr Cooper.

73/16 **Joint Chairs' Report – Environment and Transport Committee – 3 October 2016 and Development Committee – 4 October 2016**
Fuel Affordability Survey – Survey Results and Analysis

The Committee considered a report by the Chairs of Environment and Transport Committee and Development Committee (P&R-1024-EO-05-F) having noted the findings of the Fuel Affordability Survey, sought approval of the Fuel Poverty Action Plan.

Mr Cooper introduced the report, and advised from the discussion at Development Committee. Mr Stout advised from the discussion on the report at Environment and Transport Committee.

On the motion of Mr Robinson, seconded by Mr Stout, the Committee approved the recommendation contained therein.

Decision:

The Committee **RESOLVED** to adopt the recommendations from the Environment and Transport Committee and Development Committee, namely to approve the implementation of the Fuel Poverty Action Plan.

74/16 **Chair's Report – Development Committee – 4 October 2016**
Economic Development Lending Service

The Committee considered a report by the Chair of Development Committee (P&R-1024-DV-48-F) which presented the Lending Policy and Guidelines, for approval.

Mr Cooper introduced the report.

Mr G Smith referred to the discussion at Environment and Transport Committee on the previous report, the Fuel Affordability Study, and in particular to No 23 in the Action Plan, namely "to encourage local employers to pay the full living wage and ensure that appropriate sick pay is available to all employees". He also referred to Section 4.4 of the report, which listed the "Secondary Outcomes" where applicants must demonstrate which of the outcomes will be achieved by their project in order to be considered for loan assistance. In that regards, Mr G Smith moved that an additional condition of the lending scheme should be that the employer pays the full living wage and appropriate sick pay to its employees. Mr Smith added that this would demonstrate cross departmental working and joined up thinking within the Council.

In response to a question, the Solicitor advised that she would require some research to be undertaken to ascertain any legal implications from such a condition. During the discussion, it was reported that the condition would be difficult to apply in certain cases, for example, to the fishing industry, where wages are paid in accordance to the boat's earnings. In acknowledging that there would have to be

exceptions to the condition being applied, Mr G Smith said that he was content for the research to be undertaken as advised by the Solicitor.

Mr Stout said that while he supported the research work to be undertaken, he referred to the implications of paying the living wage on new business start-ups, and questioned whether research could also determine whether an initial period could be agreed where the additional condition in terms of paying the living wage would not apply.

There was some discussion on whether the Lending Scheme as presented would be approved, or whether to await the outcome of the research on how the living wage aspiration could be reflected. In response to questions, it was advised that there were potential applicants for the lending scheme at this time, and that the Development Service are currently lending through the existing loan scheme.

In referring to the proposal from the Solicitor that the legal research would take approximately six weeks, Mr G Smith proposed deferring a decision on the lending scheme for one cycle to ascertain the possibility of making the payment of the living wage and sick pay a loan condition. The Chief Executive questioned whether the additional research sought by Mr Stout would have a similar timeframe, and he suggested that the further research could follow an alternative timescale. In that regard, Mr Stout said that he was happy to withdraw his request for the research to be undertaken, however he had some concern that the requirement to pay the living wage could potentially hinder new businesses from applying for loan assistance.

Mr Cooper said that he was content with the proposal to defer the decision for one cycle, in the knowledge that any applications for loan assistance would be processed under the existing loan scheme. He said that in terms of paying the living wage, that there will be exceptions that would need to be recognised. In seconding Mr Smith's motion, Mr Cooper requested that the report is also presented to Development Committee.

Decision:

The Committee **RESOLVED** to defer approval of the Lending Policy Guidelines and the Interest Rate Calculation Guidelines; subject to a further report on the possibility of making the payment of the living wage and sick pay a loan condition, and the possibility of exceptions thereto in specific instances.

75/16

Chair's Report – Education and Families Committee – 3 October 2016
Children's Resources – Family Placement Services – Fee Paid Carer Proposal
and Fostering Allowances 2017/18

The Committee considered a report by Chair of Education and Families Committee (P&R-1024-CS-26-F) which presented a proposal to introduce a new tiered Fee Paid Carer Scheme for Shetland Foster Carers and to extend the Scheme to include all foster carers who provide full-time care for children requiring to live away from home.

Ms Wishart introduced the report, and moved that the Committee approve the recommendations contained therein. Mr G Smith seconded. Mr Stout advised on his support to the proposals in the report, which he said highlights to the community of Shetland the rewarding opportunities to take up fostering.

Decision:

The Committee **RESOLVED** to adopt the recommendations of Education and Families Committee, namely to

- Approve the introduction of the new tiered Fee Scheme for Foster Carers when existing contracts are due for renewal, and immediately for all new contracts
- Implement the proposed allowances for Foster Carers and Kinship Carers for financial year 2017/18

76/16

Charging Framework

The Committee considered a report by the Executive Manager – Finance (F-062-F), which presented a revised Charging Framework for the Council following the Audit Scotland Report on “Charging for Services: Are You Getting it Right?”.

The Executive Manager – Finance summarised the main terms of the report.

Mr G Smith sought assurance in terms of a consistent approach to charging within and across the Council, particularly when budgets are tight and Services have to make ongoing savings. In that regard, the Director of Corporate Services advised on an outstanding piece of work, together with the Executive Manager – Finance, to review areas of cross-charging within the Council, and to ensure these are consistently applied.

There was some discussion in terms of the definition of the word ‘equitable’, where it was acknowledged that in the context of the Charging Framework related more to being fair and reasonable as to how the process is approached.

In response to comments, the Executive Manager – Finance advised that the Framework will explore charging options. He referred Members to the Sections at 2.12 and 2.15 of the Framework, which he said are legitimate means to consider pricing structures are captured.

During the discussion reference was made to the first paragraph of the Framework, namely, the “framework establishes the Council’s charging principles which should feature in setting fees and charges for services provided by the Council”, where comment was made that the Framework has to be equitable in terms of charging both outwith and within the Council.

During the discussion, the Director of Corporate Services advised that this was an accounting issue, rather than a charging issue, and she confirmed the reconciliation of charges against each Service area at the year end. She confirmed however that work would be done to reduce the number of transactions within the Council and a report would be prepared to Members. In response to a request, it was confirmed that the presentation of the report would be in line with the 2017/18 budget considerations. The Chief Executive cautioned against reintroducing expensive processes for increasing recharges internally.

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

Decision:

The Committee **RESOLVED** to approve the Charging Framework.

77/16

Annual Leave and Public Holidays Policy

The Committee considered a report by the Executive Manager – Human Resources (HR-13-16-F), which sought approval of a revised Annual Leave and Public Holidays Policy to apply to all staff except teachers, instructors and lecturers.

The Executive Manager – Human Resources summarised the main terms of the report.

In commenting that the Policy had been well discussed at the Employees Joint Consultative Committee, Mr Stout moved that the Committee approve the recommendation in the report. Mr Robinson seconded.

Reference was made to the list of recognised public holiday dates, at Section 11.1 of the Policy, where comment was made in terms of staff being compelled to take the day after the Lerwick Up Helly Aa, rather than the day after the Up Helly Aa in their own area.

Decision:

The Committee **RESOLVED** to adopt the revised Annual Leave and Public Holidays Policy.

78/16

Overtime and Time Off In Lieu (TOIL) Policy and Procedure

The Committee considered a report by the Executive Manager - Human Resources (HR-12-16-F), which sought approval for an Overtime and Time Off in Lieu (TOIL) Policy and Procedure.

The Executive Manager – Human Resources summarised the main terms of the report.

In response to a question, the Executive Manager – Human Resources advised on the consultation on the Policy that took place prior to, and following, Employees Joint Consultative Committee. In that regard, she advised that dialogue will take place with all Directors and Executive Managers to ensure any issues are addressed prior to the implementation date of 1 December 2016. Comments were made on the need for a practical approach, and for the Policy to be workable and be advantageous to both managers and employees.

In response to questions, the Executive Manager – Human Resources advised on the considerable focus in reviewing the Policy in terms of holiday pay and supplements, and the dialogue undertaken with Services where overtime is worked regularly, to ensure these areas are fully addressed.

The Executive Manager – Human Resources confirmed that this Policy is consistent with other Local Authorities in Scotland in terms of the management and operation of overtime and TOIL.

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

Decision:

The Committee **RESOLVED** to approve the Overtime and Time Off in Lieu (TOIL) Policy and Procedure.

79/16

Asset Investment Plan, Gateway Process – Business Cases

The Committee considered a report by the Executive Manager – Capital Programme (CPS-13-16-F), which presented four projects that have been considered by the Council's Asset Investment Group (AIG) based on the submission of Business Case documentation. One project already sits provisionally within the Council's Asset Investment Plan (AIP) 2016-21, subject to the gateway process, with the remaining three being new schemes.

In introducing the report, the Executive Manager – Capital Programme informed the Committee on the projects as listed in Section 3.4 and 3.7.

In response to questions, the Acting Executive Manager – Ports and Harbours advised on the timescale and process to pursue the European funding for the Scalloway Fishmarket project. He added that should the European funding bid be unsuccessful, with the Council having issued tenders the Council's position would be protected by the inclusion of an exit clause. It was advised that the cost of developing the full business case for the project will be met from revenue.

In response to a request, the Executive Manager – Capital Programme confirmed that he would liaise with the Lerwick Community Council on the Business Case Justification for the Hillhead Railings project.

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

Decision:

The Committee **RECOMMENDED** that the Council resolves to:

- approve the projects as described in Section 3.4 of this report. Their inclusion and scheduling in the Council's Asset Investment Plan will be subject to the availability of funding, except in the case of the project described at Section 3.4.3 of this report where inclusion in the Council's Asset Investment Plan has already been approved; and,
- agree that the project described in Section 3.8 of this report can proceed to the Full Business Case stage and to the appointment of such specialist professional services as may be required to do so.

80/16

Road Asset Management Plan and Road Maintenance Manual

The Committee considered a report by the Executive Manager – Roads (RD-05-16-F), which presented the Road Asset Management Plan (RAMP) for Shetland's public road network and the Road Maintenance Manual (RMM).

The Team Leader – Asset and Network summarised the main terms of the report, and in referring to the figures listed in the RAMP he advised that these are not a commitment but an estimate to allow long-term prediction of road condition.

During debate, comments were made that the RAMP had been well received at Environment and Transport Committee. The RAMP will provide a framework for officers and Members in terms of outcomes and budgets, and is a national approach to give structure to allow Members to take better informed political decisions. Mr Stout moved that the Committee approve the recommendation in the report.

Reference was made to Section 5.5 of the report where the Budget Allocation was set out, and concern was raised at the issues to face the Council in terms of the amount of resources to undertake projects into the future. In that regard, an update was sought on the completion of the Long-Term Asset Investment Plan. The Executive Manager – Capital Programme reported that a preliminary report had been presented to Members in 2015. He advised that the Plan will be presented to Committee once there is some clarity from the Scottish Government in terms of the ferry service, which he said was expected before the end of the year. In response to a question, the Executive Manager – Capital Programme advised that the Plan would be reported within the lifetime of this Council.

Mr Robinson seconded.

Decision:

The Committee **RECOMMENDED** that having taken account of any comments from the Environment and Transport Committee, that the Shetland Islands Council **RESOLVES** to approve the Road Asset Management Plan as part of the Council's Strategic framework documents, as set out in Part A of the Council's Constitution, to be managed by the Environment and Transport Committee.

Mr Robinson moved that in order to avoid the disclosure of exempt information, the Committee resolve to exclude the public in terms of the relevant legislation during consideration of the following items of business. Mr Stout seconded.

(Mr Cooper advised of his interest in the following item. Mr Cooper left the meeting).

81/16 **Chair's Report – Development Committee – 4 October 2016**
Management of Existing Investment

The Committee considered a report by the Chair of Development Committee.

Mr T Smith introduced the report and moved that the Committee approve the recommendations contained therein. Mr Stout seconded.

Decision:

The Committee **RESOLVED** to approve the recommendation in the report.

(Mr Cooper returned to the meeting).

82/16

Ports and Harbours – Team Leader Harbourmaster – Market Forces Supplement

The Committee considered a joint report by the Director of Infrastructure Services and the Acting Executive Manager – Ports and Harbours.

The Acting Executive Manager – Ports and Harbours summarised the main terms of the report.

Following discussion, Mr Cooper moved that the full range of market forces supplement, as outlined in the report, be applied to the Team Leader – Harbourmaster, and that the successful candidate's salary will be determined by the individual's experience and ability. Ms Wishart seconded.

Decision:

The Committee **RESOLVED** to approve:

- the full range of market forces supplement be applied to the Team Leader – Harbourmaster, and that the successful candidate's salary will be determined by the individual's experience and ability; and,
- as a departure from current policy, that the decision to apply a market forces supplement be reviewed three years following the date of the first appointment to the post of Team Leader – Harbourmaster.

83/16

National Bargaining (National Recognition Procedures Agreement) – Shetland College

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

The Director of Development Services summarised the main terms of the report.

The Committee approved the recommendation in the report on the motion of Mr Robinson, seconded by Mr G Smith.

Decision:

The Committee **RESOLVED** to approve the recommendation in the report.

The meeting concluded at 11.30am.

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Chair