

Shetland Islands Council

Council Chamber, Town Hall, Lerwick

Wednesday 31 March 2004

Present:

A J Cluness	L Angus
B J Cheyne	C B Eunson
R G Feather	F B Grains
B P Gregson	L G Groat
I J Hawkins	E Knight
J H Henry	W H Manson
G G Mitchell	J P Nicolson
W A Ratter	F A Robertson
J G Simpson	T W Stove
W N Stove	W Tait

Apologies:

J A Inkster	J C Irvine
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In attendance (Officers):

M H Goodlad, Chief Executive
G Spall, Executive Director Infrastructure Services
J Watt, Executive Director Community Services
C Ferguson, Community Care Manager
A Hamilton, Head of Service – Planning
S Cooper, Head of Service - Environment
D Irvine, Head of Business Development
I Halcrow, Head of Service - Roads
A Jamieson, Head of Education
G Johnston, Head of Finance
J R Riise, Head of Legal and Administration
G Smith, Head of Community Development
J Smith, Head of Organisational Development
D Bell, Personnel Manager
A Drummond-Hunt, Asset and Properties Manager
B Hendry, Planning Officer
M Holmes, Acting Coastal Zone Manager
A Jamieson, Service Manager – Housing Business Support
D E S Lamb, Senior Special Projects Manager
S Moncrieff, ICT Unit Manager
I Millar, Projects Manager
W Shannon, Economic Development Co-Ordinator
S Ward, Administration Officer
A Williamson, Service Manager – Community Care
A Cogle, Administration Manager

Chairperson

Mr A J Cluness, Convener of the Council, presided.

Circular

The circular calling the meeting was held as read.

26/04

Shetland Islands Council – 12 February 2004

The Minute of the Shetland Islands Council held on 12 February 2004 was confirmed, on the motion of Mr A J Cluness.

27/04

Members Attendance at External Meetings

The following Members advised of their attendance at external meetings since the last meeting of the Council:

R G Feather	-	SOTEAG - Aberdeen
F B Grains / J C Irvine	-	Highlands & Islands Convention - Arran
I J Hawkins / B P Gregson	-	NFLA - Glasgow
W N Stove	-	Conference: Countdown to October 2004 New Disability Laws – Inverness
J P Nicolson Day for Legalised	-	Conveners & Clerks Training Visiting Committee for Police Cells – Edinburgh
L Angus Project Spain	-	INTERREG Small Harbours - EU Funding – Asturias,
A J Cluness	-	North Sea Commission Executive Committee – Denmark

Mr B P Gregson stated that the outcome of those attendances reported today, highlighted the importance of Shetland keeping in touch with national and international issues. Members agreed.

28/04

Petitions

Mr J P Nicolson advised that a Petition had been received from some residents in Yell regarding the Playscheme budget, but that this would be reported to the next meeting of the Services Committee.

29/04 **Infrastructure Committee – 16 March 2004**

Except as undernoted, the Council confirmed the minute of the Infrastructure Committee held on 16 March 2004.

Min. Ref. 9/04 – Shetland Local Plan

Mr F A Robertson said that he was of the view that the recommendations of the Infrastructure Committee left the matter

of the Shetland Local Plan in an unsatisfactory position. He said the question of the requirement to have an adopted Plan, properly thought through, and the suggestion to leave bits out was, in his opinion, not very satisfactory, and would be like submitting a half-baked Plan. Mr Robertson said that the Council should be looking at this in more detail before coming to a decision to adopt the Plan. Mr Robertson said that people in Burra simply wanted the opportunity to build houses, and whilst he was sympathetic towards their concerns in certain respects, the adopted Plan had to be acceptable to everybody, although it had also to be accepted that there would have to be some compromises in reaching agreement. However, Mr Robertson said it was important that local people were generally satisfied with the Plan. Regarding the matter of a public meeting, Mr Robertson said that whilst his had been promised, he did not think it would solve any problems. As an alternative, Mr Robertson suggested that a small group be set up to oversee the consultative process and meet with various individuals, rather than in large groups, to look in detail at their particular concerns. In conclusion, Mr Robertson moved as an amendment that the Council refer the Plan back to Infrastructure Services to revisit the whole question of zoning in Burra, before submitting the Plan for adoption by the Scottish Executive. Mrs F B Grains seconded.

Mrs F B Grains said that she agreed that some agreement had to be reached before the Plan was submitted, and that it should be referred back to Infrastructure in its entirety.

Mr W A Ratter said that he would support Mr Robertson, provided that there was agreement to continuing with a public meeting. Mr Robertson said that the public meeting should only continue with the purpose of setting out the procedures and processes.

Capt G G Mitchell said that the problem he saw was that whilst the problems with Burra were being sorted out, the rest of Shetland was being held to ransom. He said that he had made the motion at the Committee for the Plan to go forward, with the exception of Burra, and implicit within that was that Burra would continue as at present, and would be added to the Plan at a later date once consultation is finished and agreement is reached.

Mrs I J Hawkins said that she understood the concerns, but was concerned about the timescales involved. She said that 17 areas had agreed their parts of the Plan, and these communities, the public and developers, wanted to see it going forward. She said that her motion at Committee had been to put forward the whole Plan and then reconsider Burra in July.

She said that it appeared that all the proposals today were not that far apart and the only concern was the timescales involved in holding off the Plan for perhaps another year and a half. However, she said she would support the recommendation of the Committee if a compromise could not be reached.

Mr W Tait said that he would support Mr Robertson, as Chairperson of the Planning Sub-Committee, as he saw no good reason for submitting a half-baked Plan.

Mr J P Nicolson said he also agreed with Mr Robertson, but was cautioned by remarks that the Council should honour the promise to hold a public meeting. Mr Nicolson also agreed that it should be possible for a compromise to be reached between the proposals being made today.

Mrs F B Grains said it would be much better if the Council got it right first time, instead of having to deal with third party objections and every planning application having to go through that procedure.

Mr W H Manson said there was no guarantee that the Council would get it right first time, but believed that the correct procedure now was to submit the Plan as it was now, and give reconsideration to Burra straight away. Mr Manson gave notice of a further amendment.

For clarification, the Head of Planning advised that once another set of modifications for Burra had been devised, these would need to be advertised. If there were objections, and if any of the objectors asked for a public inquiry, the process could end up taking as long again. However, he said that this was simply an explanation of the statutory processes which the Council had to consider.

After summing up, voting took place by a show of hands, and the result was as follows:

Amendment (F A Robertson)	7
Motion (G G Mitchell)	10

Mr W H Manson moved as a further amendment that the Council approve the Shetland Local Plan in its entirety, and start work immediately towards a public meeting and whatever else is required to lead to a satisfactory amendment in the Local Plan relating to Burra. Mr B P Gregson seconded.

Again, after summing up, voting took place by a show of hands, and the result was as follows:

Further Amendment (W H Manson)	10
Motion (G G Mitchell)	7

Accordingly, the amendment by Mr Manson was declared the finding of the meeting.

30/04

Services Committee – 18 March 2004

Except as undernoted, the Council confirmed the minute of the Services Committee held on 18 March 2004.

Min. Ref. 15/04 – Lerwick Town Centre Problem Solving Workshop – Presentation by Chief Inspector Andy Cowie

Mr L Angus said that this matter had also been considered by the Lerwick Community Council, and a public debate was being arranged for a future meeting. He suggested that the relevant Council officers who will be preparing a report to the Council on the proposals, should attend the meeting. The Council unanimously agreed.

31/04

Executive Committee – 23 March 2004

Subject to the following, the Council confirmed the minute of the Executive Committee held on 23 March 2004, on the motion of Mr A J Cluness.

Min. Ref. 31/04 – Shetland Development Trust Minutes

Mr W H Manson advised of his intention to raise this matter during exempt business.

32/04

Planning Sub-Committee – 18 March 2004

The Council confirmed the minute of the Planning Sub-Committee held on 18 March 2004, on the motion of Mr F A Robertson.

33/04

Marine Development Sub-Committee – 3 March 2004

The Council confirmed the minute of the Planning Sub-Committee held on 3 March 2004, on the motion of Mr F A Robertson.

34/04

Civic Government Licensing Sub-Committee – 24 February 2004

The Council confirmed the minute of the Civic Government Licensing Sub-Committee held on 24 February 2004, on the motion of Mr J P Nicolson.

35/04

Harbour Board – 2 March 2004

The Council confirmed the minute of the Harbour Board held on 2 March 2004, on the motion of Mr J G Simpson.

36/04

General Fund Revenue Estimates 2004/05

The Council considered a report by the Head of Finance (Appendix 1).

The Head of Finance introduced the report and said that this had been called for by the Council at its meeting in February. He said that Appendices A and B set out the proposals from Budget Responsible Officers, Executive Management Team and considered informally by Executive Committee members. He pointed out that the proposal for closure of Freefield had been incorrectly included in Appendix B, and should be included in Appendix E, along with items not coming forward with a recommendation from Executive Management Team and endorsed at an informal meeting of the Executive Committee.. The Head of Finance advised that officers were available at today's meeting to expand on any detail that Members may wish to discuss. He went on to say that, if following all the recommendations in the report, there still remained a deficit of £1.8m. He added that matters for consideration included proposals for funding transfers back from the Charitable Trust of £0.2m, and additional items for funding, detailed in Appendix D. For the record, the Head of Finance added that an item later on the agenda, for funding of a Udal Law Conference, would increase the deficit further. The Head of Finance went on to refer to Section 4 of the report, which detailed a range of measures that were still ongoing and other issues still to be looked at, which may help to improve the position over a period of time. He added that Appendix E detailed further ideas for savings, which were being put to the Council for further consideration if required, but were not recommended by Executive Management Team. Referring to Section 5, the Head of Finance pointed out that this recommended specific draw down amounts for various items, and was being recommended at this stage to prevent further separate reports being produced.

Mr W H Manson declared an interest in respect of items regarding the transfer of items from the Shetland Charitable Trust.

Mr W A Ratter said that it should be recognised that a lot of very good work had gone into this exercise. However, Mr Ratter questioned the continuing funding of some items, such as the SCSS and the New Shetlander, but recognised that such areas were difficult to discuss in a non-emotive fashion. He went on to say that there were one or two areas that were very expensive compared to anywhere else, and these needed to be addressed in more detail, such as Education and Ferries. However, Mr Ratter said that this whole exercise needed to be built on, rather than picking away at individual areas.

Mr J G Simpson expressed concern at the items listed in Appendix E and F, and said that these should not have been published, as they had caused some concern amongst the public, particularly for the Skerries School and the ferry users. Mr Simpson also expressed concern at the proposed cut in Community Council grant funding, but that the ASCC had not been mentioned.

The Chief Executive said that the processes required everything to be brought forward for Members consideration, and whilst those items in Appendices E and F had not been recommended by the Executive Management Team or endorsed by the Executive Committee, it was for Members to have the opportunity to sight the full list of proposals made by Heads of Service and debate and decide accordingly..

Mr B P Gregson supported Mr Simpson, saying that it was irresponsible to publish Appendix E, particularly in regard to Uyeasound Primary School. Mr Gregson asked that, as a matter of course, all those matters in Appendix B relating to ferries, be referred back to the Inter Island Ferries Board. He said that the proposed cuts had to be carefully considered by the Board, taking into account further issues such as safety implications and the law. Mr Gregson also questioned the prioritisation of items in Appendix B.

The Head of Finance explained that the priorities had been attached to each item by Budget Responsible Officers as they viewed them.. The Chief Executive advised that the prioritisation had been suggested and subsequently requested by the Council.

Mr L G Groat said that officers had been asked by the Council to do a job, and it was now up to Members to consider the proposals. However, Mr Groat said that there were a lot of questions to be asked, and he did not think there was time today to consider every item in detail. On the particular issue of Members' expenses, Mr Groat noted that there had been no proposal to cut that particular budget, and asked that the Chief Executive look closely at authorisations for Members' travel and expenses, to ensure that they could be justified.

Mr W Tait expressed concern, particularly in his role as Chairman of the Shetland Welfare Trust, regarding the proposed reduction in DSS Top Ups, as the only option the Trust would have in reaction to that would be a cut in services, and Mr Tait said he did not believe that was what the Council wanted. He said that the most vulnerable people were in these homes and he could not understand why such areas were being targeted. Mr Tait also referred to the proposals to cease fertiliser and lime

grants, and said that such matters should be discussed with those affected.

Mr W H Manson referred to the Summer playschemes organised by Islesburgh Trust in Lerwick, which were funded by the SCT, but that there was a recommendation not to fund rural playschemes. Mr Manson said that the policy on provision of playschemes should be Shetland-wide. Mr Manson moved that the small sum being recommended for this area is not cut.

Mrs F B Grains said that this report should be seen as the start of a process, not the end. She said that Members had to consider all these figures and agree and give justification for making these cuts, taking into account all factors. Mrs Grains said that this should be taken forward in a measured way, perhaps at a seminar with officers and Members, and that no decisions should be made today.

Mr Nicolson said that he understood the concerns being raised today. He said that the recommendations had been informally agreed by the Executive Committee, but were based upon recommendations in financial terms only. He went on to say that he believed too much time was spent administering the Council's affairs, and that many of the recommendations were in conflict with the Council's Corporate Plan, particularly areas relating to joined-up working. Mr Nicolson said that many of the cuts being recommended were fairly achievable by dealing with administrative matters, and he was of the view that the Chief Executive should be authorised to take the necessary actions to bring the General Fund into balance by improving managerial and administrative processes in a way which protects the delivery of services.

The Chief Executive said that if that was the outcome of today's meeting, he could take forward and implement efficiencies in these areas, but that the remaining matters would still require judgement and decisions, and would remain in place for a year before any later decisions are implemented.

Mrs B Cheyne said she would like to commend officers for the work that had gone into this exercise. However, she said that she agreed with Mrs Grains that more time was needed to go through the proposals in more detail. She said it was unfortunate that Appendices E and F had been published.

Mr L Angus said that the Council had developed methods of service delivery that were ridiculously expensive in some areas, and this report failed to deal with that.

Capt G G Mitchell said that more than one seminar would be required to deal with all the proposals in the report, and said that the only sensible way to deal with it would be to refer matters back to the relevant Committee or Board for further debate and to allow more informed proposals to be brought back to the Council at a later date.

Mr A J Cluness said that the administrative and staffing cuts could be approved today, but that further consideration should be given to proposals affecting individual service areas. He reiterated that the Chief Executive could be left to get on with affecting those administrative and staffing cuts as required, but that deferring all matters would not be useful.

Mrs F B Grains moved that “a seminar be arranged for Members and Officers, together and separately, in order to reach agreement on achieving a balanced budget using this report as a starting point.” Mr W Tait seconded.

Mr J P Nicolson moved as an amendment “that the Chief Executive be authorised to take the necessary actions to bring the General Fund into balance in line with Council policy and taking account of the views of elected members (using a seminar if appropriate and as agreed by the Convener) by continuing to improve efficiencies in managerial and administrative processes in a fashion which, as far as possible, protects our delivery of services together with the important work done by our partners in the voluntary sector.” Mr A J Cluness seconded.

Capt G G Mitchell gave notice of a further amendment.

In response to questions from Members, the Chief Executive advised that the effect of the motion would mean that no budget cuts would be made for next year. The effect of Mr Nicolson’s amendment would mean that he could continue to effect savings in administrative and managerial areas without influencing the services being delivered. However, he said that, for the avoidance of doubt, no decision under delegated authority would ever impinge upon a service without proper consultation in the Chamber.

After summing up, voting took place by a show of hands, and the result was as follows:

Amendment (J P Nicolson)	9
Motion (F B Grains)	10

Capt G G Mitchell moved as a further amendment that “the Chief Executive be authorised to carry out administrative savings within his own remit, and that all other matters relating to services should be referred to a seminar and the relevant Committees”. Mr B P Gregson seconded.

Again, voting took place by a show of hands, and the result was as follows:

Further Amendment (G G Mitchell)	7
Motion (F B Grains)	10

For the avoidance of doubt, the Chief Executive confirmed that the Council’s decision meant that the budget before Members today could not be implemented and could mean an overspend on budget of £4.5m for 2004/05.

Members agreed that it should be ensured that officers responsible for recommending the proposals in the report be present at the seminar in order to answer questions.

In conclusion, Mr J P Nicolson, seconded by Mr W N Stove, moved that the Council adopt recommendation 8.2, in relation to Section 5 of the report regarding the draw down amounts. The Council concurred.

37/04

Capital Programme 2004/05 – Revision – March 2004

The Council considered a report by the Head of Finance (Appendix 2).

Mr J P Nicolson moved that the Council adopt the recommendations in the report, including recommendation 8.4, to note and approve the work in progress at Mid Yell School. Mr B P Gregson seconded.

Mr W H Manson referred to paragraph 3.1.5 of Appendix 1, and moved as an amendment that the Council should resolve to utilise slippage in bigger projects in order to start this programme in 2004/05. Mr J P Nicolson, with the consent of his seconder, agreed and the Council concurred.

38/04

Capital Management Accounts 2003/04 – General Fund and Reserve Fund for the Period 1 April 2003 to 31 December 2003

The Council noted a report by the Head of Finance (Appendix 3).

39/04

General Fund Revenue Management Accounts 2003/04 for the Period 1 April 2003 to 31 December 2003

The Council noted a report by the Head of Finance (Appendix 4).

40/04

Carers Strategy Funding

The Council considered a report by the Community Care Manager (Appendix 5) and, on the motion of Mr L G Groat, seconded by Mr J P Nicolson, the Council adopted recommendations 7.1(b) and 7.2.

41/04

The Rural Rate Relief Scheme

The Council considered a report by the Head of Finance (Appendix 6).

Mrs B Cheyne declared an interest and took no part in the debate or decision.

Mr W A Ratter moved that the Council adopt the recommendations contained in the report. Mr B P Gregson seconded and the Council concurred.

Mrs I J Hawkins raised concern regarding the exclusion of Scalloway from the Scheme. However, the Head of Finance advised that all the official representations that could be made had been made, and that any further representations would not be worthwhile.

42/04

Irrecoverable Debt

The Council considered a report by the Head of Finance (Appendix 7) and adopted the recommendations contained therein, on the motion of Capt G G Mitchell, seconded by Mr J P Nicolson.

43/04

Quality of Life Initiative – 2004/05 Programme

The Council considered a report by the Head of Finance (Appendix 8) and adopted the recommendations contained therein, on the motion of Mr L Angus, seconded by Mr A J Cluness.

In response to questions from Members, the Executive Director Community Services advised that the allocation of this funding had been discussed with partners and the voluntary sector, and would result in some savings on the Council's budgets. She added that management were conscious of the fact that many of those posts fully funded by Scottish Executive had no time limit in some instances. However, the purpose of the funding in many instances was not intended to create posts, but to enable the Council to commission services through the voluntary sector.

44/04

Appointment of Member to the Shetland Islands Area Licensing Board

The Council considered a report by the Head of Legal and Administration (Appendix 9).

Mr T W Stove, seconded by Mr L G Groat, nominated Mr J G Simpson. Mr Simpson accepted, and was duly appointed to the Shetland Islands Area Licensing Board.

45/04

Udal Law Conference

The Council considered a report by the Head of Legal and Administration (Appendix 10).

Mrs B Cheyne moved that the Council adopt recommendation 6.1.2, on the basis that this conference was not a priority this year and resources should not be spent on hosting it. Mr B P Gregson seconded.

Mrs F B Grains moved as an amendment that the Council adopt recommendation 6.1.1, on the basis that Orkney Islands Council were very keen to see this proceed, and would be of an advantage to many people. Mr A J Cluness seconded.

Voting took place by a show of hands, and the result was as follows:

Amendment (F B Grains) 6
Motion (B Cheyne) 13

46/04

Redeployment and Preservation

The Council considered a report by the Head of Organisational Development (Appendix 11) and adopted the recommendations in the report, on the motion of Mr W A Ratter, seconded by Mr J P Nicolson.

47/04

Single Status Negotiating Forum

The Council considered a report by Personnel Manager (Appendix 12) and adopted the recommendations contained in the report, on the motion of Mr L Angus, seconded by Mr A J Cluness.

In order to avoid the disclosure of exempt information, the Council resolved, on the motion of Mr A J Cluness, seconded by Mr W N Stove, in terms of the relevant legislation, to exclude the public during consideration of the following items of business.

(Representatives of the public and media left the meeting.)

48/04

Employees Joint Consultative Committee – 24 February 2004

The Council noted the minute of the aforementioned meeting (Appendix 13).

49/04

Hardship Rates Relief for Harbours and Businesses Affected by the Reduction in Whitefish Catches

The Council considered a report by the Head of Finance (Appendix 14) and approved the recommendations contained therein, on the motion of Mr W A Ratter, seconded by Mr J P Nicolson.

50/04

Former Library, Hillhead – Fitting out as Council Offices

The Council considered a report by the Head of Legal and Administration (Appendix 15) and adopted the recommendations contained therein, on the motion of Mr A J Cluness, seconded by Mrs F B Grains.

51/04 **Community Services Department**

The Council considered a joint report by the Executive Director Community Services and the Economic Development Co-ordinator (Appendix 16) and adopted the recommendations contained therein, on the motion of Mr W A Ratter, seconded by Mr J P Nicolson.

52/04 **Executive Committee – 23 March 2004 – Min. Ref. 31/04 – Shetland Development Trust Minutes- SDT Min. Ref. 1/04**

Discussion took place regarding the recommendation from the Executive Committee, but in addition to the concerns, Members considered the statement with regard to the Corporate Plan relating to strengthening rural communities, and concluded that this type of development should be encouraged to the remoter areas.

After discussion, Mr W A Ratter moved that the Council acknowledged that the viability of the business case was not Members' concern, but re-affirmed its current policy to support development in remote areas, and accordingly to recommend to the SDT that consideration be given to locating such developments in rural areas, wherever possible. Mr A J Cluness seconded, and the Council agreed.

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A J Cluness
Convener