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If calling please ask for
Lynne Geddes
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Date: 1 March 2018

Dear Sir/Madam

You are invited to the following meeting:

Shetland College Board
Council Chamber, Town Hall, Lerwick
Thursday 8 March 2018 at 10.00am

Apologies for absence should be notified to Lynne Geddes at the above number.

Yours faithfully

Executive Manager – Governance and Law

Chair: Mr P Campbell
Vice-Chair: Mr T Smith

AGENDA

- (a) Hold circular calling meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of Interest – Members are asked to consider whether they have an interest to declare in relation to any item on the agenda for this meeting. Any Member making a declaration of interest should indicate whether it is a financial or non-financial interest and include some information on the nature of the interest. Advice may be sought from Officers prior to the meeting taking place.
- (d) Confirm minutes of meeting held on 8 February 2018 (enclosed).

ITEM

1. Development Services Directorate Performance Report – 9
Month/3rd Quarter 2017/18
DV-02-18
2. Development Services Directorate Plan 2018-2021
DV-04-18
3. Management Accounts for Shetland College Board: 2017/18 –
Projected Outturn at Quarter 3
F-19-18
4. Review of Textile Facilitation Unit and Charging Proposal
F-31-18



Shetland Islands Council

Agenda Item

1

Meeting(s):	Development Committee Environment and Transport Committee Shetland College Board	5 March 2018 5 March 2018 8 March 2018
Report Title:	Development Services Directorate Performance Report – 9 Month/3rd Quarter 2017/18	
Reference Number:	DV-02-18-F	
Author / Job Title:	Neil Grant - Director of Development Services	

1.0 Decisions/Action Required:

- 1.1 The Committee/Board 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.

2.0 High Level Summary:

- 2.1 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.
- 2.2 The Committee/Board is invited to comment on any issues which they see as significant to sustaining and improving service delivery.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council's Corporate Priorities are set out in "Our Plan". This report reviews progress against these.

4.0 Key Issues:

- 4.1 The three priority outcomes identified in Our Plan, which the Development Directorate leads on are:

- Increasing Supply of Housing of all Tenures in Shetland
- Improve High Speed Broadband and Mobile Coverage
- Improve Transport Connections Internally and Externally

Progress in achieving outcomes in these areas are detailed in the attached appendices.

4.2	The draft LOIP 'Shetland's Partnership Plan 2018-2028' has been prepared by the Shetland Partnership and is undergoing consultation with target finalisation of the plan in April. A copy of the draft consultation document is available here .
4.3	We are progressing a '10 Year Plan to Attract People to Live, Study, Work and Invest in Shetland' along with other community partners to increase the number of economically active people in Shetland. This also forms the key strand of the developing Islands Deal, which is progressing, with a joint shared Project Manager recently appointed.
4.4	Lack of access to skilled workforce remains one of the biggest issues being experienced by businesses and public sector in Shetland, ref Shetland Employment Survey 2017 . The Promote Shetland project, information here , is currently targeting audiences around the nationally popular 'Islands Medics' and 'Shetland' television programmes.
4.5	The Council has agreed a Strategic Housing Investment Plan with a target of 316 new affordable homes built during the next 5 years. There are currently 27 units underway on site and a further 2 projects totalling 51 units are about to start. Finding means to support more rural communities to develop housing solutions and retain and attract young people, is being piloted in Walls & Sandness and Northmavine supported by resources from the Scottish Government Rural and Islands housing fund.
4.6	Engagement with the Scottish Government and Transport Scotland on Specification and Fair Funding of Inter-Island Transport continues to be a priority for the Council and ZetTrans and structured dialogue is continuing with the Scottish Government. A single year funding award of £5m has been agreed by the Government along with a commitment to future years revenue and capital funding.
4.7	The Council and ZetTrans are engaging with Scottish Government and Transport Scotland on specification, fares and charging and on the procurement of external ferry services for passengers and freight.
4.8	The University of Highlands and Islands (UHI) is leading on the project to evaluate a merger of the local tertiary education and research organisations. An early stage draft Business Case report has been received for comment.
4.9	The Council has submitted a funding bid to the UK Government's 'Full Fibre Network Challenge Fund' to extend a fibre network into Unst and Yell.
5.0 Exempt and/or Confidential Information:	
5.1	None.
6.0 Implications :	
6.1 Service Users, Patients and Communities:	Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public.

6.2 Human Resources and Organisational Development:	<p>Recruitment of professional staff particularly in the Planning Service remains challenging.</p> <p>Workforce development, attracting people to live work and study in Shetland and skills development plans are noted in the appendices to this report.</p>
6.3 Equality, Diversity and Human Rights:	<p>The Development Service, through Community Planning and Development, has a role in supporting all Council services and partner organisations to promote Equalities, Diversity and Human Rights, as well as ensuring the Government's drive to reduce inequalities is forefront in service planning and delivery. All projects within the Development Service are monitored and assessed to understand and ensure negative impacts are mitigated and positive impacts are optimised.</p>
6.4 Legal:	<p>There are a number of projects and key actions within the Performance Report that have legal implications. Legal advice will be sought as matters progress to ensure that Shetland Islands Council complies with all statutory requirements.</p>
6.5 Finance:	<p>There are no direct financial implications arising from this report. The actions, measures and risk management described in this report are projected to be delivered within existing approved budgets, further details of the projected outturn position are detailed in the Quarter 3 Management Accounts reports for Development Committee, Environment & Transport Committee, Children & Families Committee and Shetland College Board, also presented this cycle.</p>
6.6 Assets and Property:	<p>The Business Case for the Council investing further in broadband infrastructure is noted in this report.</p>
6.7 ICT and New Technologies:	<p>None.</p>
6.8 Environmental:	<p>None.</p>
6.9 Risk Management:	<p>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.</p>
6.10 Policy and Delegated Authority:	<p>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;</p> <p>“Monitor and review achievement of key outcomes in the Service Plans within their functional area by ensuring –</p>

	<p>(a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework.</p> <p>(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.”</p>	
6.11 Previously Considered by:	N/A	

Contact Details:

Neil Grant, Director of Development Services
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23 February 2018

Appendices:

- Appendix A - Progress on the Directorate Projects and Actions (Development Committee, Environment and Transport Committee, Shetland College Board)
- Appendix B - Key Directorate Indicators and Council Wide Indicators (Development Committee, Environment and Transport Committee, Shetland College Board)
- Appendix C - Complaints Summary (Development Committee Only)
- Appendix D - Risk Register (Development Committee Only)
- Appendix E - Investment Update (Development Committee Only)

Background Documents:

[Our Plan 2016-20](#)

Appendix A - Projects and Actions - Development ->Shetland College Board



Generated on: 22 February 2018

OUR PLAN 2016-2020

C) ECONOMY & HOUSING

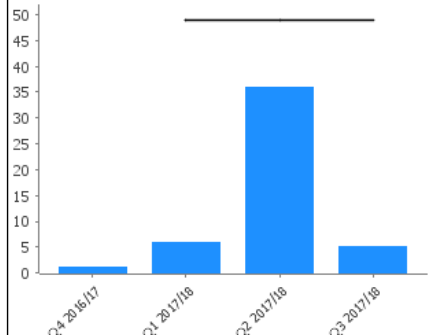
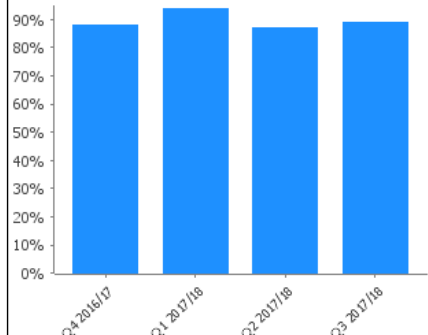
1) Promote enterprise

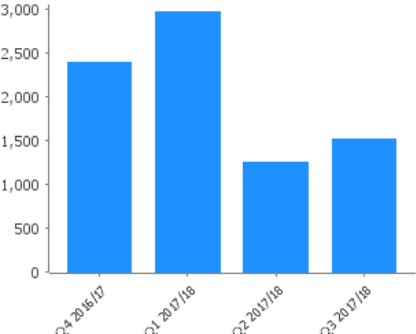
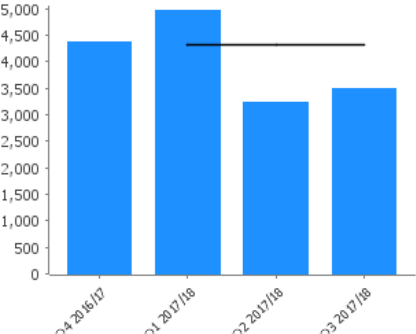
We will have an economy that promotes enterprise and is based on making full use of local resources, skills and a desire to investigate new commercial ideas.

Code & Title	Description	Desired Outcome	Dates		Progress	Progress statement	Lead
DP203 Support for local businesses and entrepreneurs	Development of a skilled workforce to match industry requirements, and other direct and indirect support to businesses. Sustainable integrated delivery model for Tertiary Education and Research is in place for August 2018.	Sustainable economy with access to skilled workforce	Planned Start	01-Apr-2017		The Islands Deal project is being progressed along with Orkney and Western Isles. The deal will have a key focus on increasing Shetland's economically active population.	Development Services Directorate
			Actual Start	17-Aug-2017	<div><div>25%</div></div>		
			Original Due Date	01-Apr-2020	Expected success		
			Due Date	01-Apr-2020			
			Completed Date		Experiencing issues, risk of failure to meet target	Effective and efficient tertiary education provision: UHI are now leading the project to develop the business case for merger of NAFC, Shetland College and Train Shetland with the original target date for implementation of August 2018, subject to business case being presented to Council and Trust board in March 2018. The Council is currently assessing the associated pension and property implications. The implementation date has been revised to January 2019.	

Appendix B Performance Indicators (Quarterly)- Development Directorate -> Shetland College Board

Generated on: 22 February 2018

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GC-01 Number of modern apprentices recruited by Train Shetland	49	44	47	1	6	36	5	49		<p>Train Shetland recruited 5 new starts in Q3, bringing the cumulative total of new starts for 2017/18 so far to 47. The total contracted volume of new starts for 2017/18 is 65. As well as this, to date there have also been 9 "progressions" ie MAs who have finished their first qualification and then move up a level and start another qualification.</p>
GC-02 % Achievement rate of Modern Apprentices recorded by Skills Dev Scotland		85.75%	89%	88%	94%	87%	89%			<p>This indicator is based on Skills Development Scotland measurements of MA achievements in Shetland.</p>

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GC-04 Shetland College Student Enrolments Further & Higher Education Combined	1,820	2,380		2,380	2,964	1,245	1,520			Latest figures show the number of FE Students studying full-time as 63 and part time 498 (including ESOL). HE is 83 full time and 147 part time. These figures are for Shetland College only but the overall Q3 total includes part time FE figures for Train Shetland (short courses). When NAFC is included the total enrolment at this stage of the academic year totals 2070.
GC-05 Total Credits (inc Train Shetland & NAFC)	3,334	4,362		4,362	4,971	3,231	3,488	4,332		The Shetland target for FE credits (the fundable units the SFC pay college for courses that do not make full cost recovery) for 1718 is 4332. The current number of credits still to be achieved stands at 844. We anticipate that the target will be achieved, but it is still too early to estimate how much we will exceed target by. Note that each quarter is illustrating the cumulative credits, from the start of the academic year in Q2.



Shetland Islands Council

Agenda Item

2

Meeting(s):	Development Committee Environment and Transport Committee Shetland College Board	5 March 2018 5 March 2018 8 March 2018
Report Title:	Development Services Directorate Plan 2018-2021	
Reference Number:	DV-04-18-F	
Author / Job Title:	Neil Grant, Director of Development Services	

1.0 Decisions / Action Required:

1.1 That the Committee/Board:

- 1.1 REVIEW and COMMENT on the contents of the Directorate Plan; and
- 1.2 ENDORSE the Directorate Plan, recognising that the Director of Development Services will make any adjustments required to ensure it is fully aligned to the Council's Corporate Plan.

2.0 High Level Summary:

2.1 This report presents the Development Services Directorate Plan for 2018-21, which sets out the strategic action to be taken to deliver the Council's Corporate Plan, and Medium Term Financial Plan. The Directorate Plan also sets out strategic actions to deliver on the following cross cutting themes:

- Workforce development and customer service.
- Shetland Partnership 10 year plan to attract people to Shetland to live, study, work and invest in Shetland.
- Tackling Inequality action plan.
- New financial restrictions, and planning for further Council savings of £20m by 2021.
- Developing more effective community engagement.

2.2 Quarterly Progress Reports will be submitted to the relevant Committee/Board in line with the Council's Planning and Performance Management Framework (PPMF) to allow Members to monitor and scrutinise the delivery and progress of the plan.

3.0 Corporate Priorities and Joint Working:

3.1 Effective Planning and Performance Management are key aspects of Best Value and features of "Our Plan", the Council's Corporate Plan 2016-2020.

- Our performance as an organisation will be managed effectively, with high standards being applied to the performance of staff and services. Poor performance will be dealt with, and good service performance will be highlighted and shared.

4.0 Key Issues:

4.1	The Directorate Plan sets out the actions to be taken by the Directorate between 2018-2021. The plan is designed to give strategic focus to the activities that will be required to deliver the Corporate Plan outcomes, rather than focusing on the day to day business of the Services in the Directorate. Services operational activities are delivered and monitored through Service Plans.
4.2	The Plan provides the Committee/Board with a suite of performance indicators to that show whether or not targets for service delivery are being met. This should provide Members with the assurance that operational service performance is on target, or that action is being taken to address performance.
4.3	The measurable Performance Indicators are currently being completed and will be reported during the 2018/19 performance meeting cycle.
4.4	The Risk Register sets out the strategic risks within the Directorate that could impact on the Council's performance.
5.0 Exempt and/or Confidential Information:	
5.1	None.
6.0 Implications:	
6.1 Service Users, Patients and Communities:	Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public
6.2 Human Resources and Organisational Development:	Workforce development is key to this plan, to address recruitment and retention of staff, skills and re-skilling requirements, and delivering services with fewer resources.
6.3 Equality, Diversity and Human Rights:	The Council is required to make sure systems are monitored and assessed for any implications in this regard.
6.4 Legal:	None.
6.5 Finance:	There are no direct financial implications arising from this report. The actions, measures and risk management described in this report have been developed within the Target Operating Budgets for 2018/19 as set out in the Medium Term Financial Plan for Development Services Directorate, and actions to deliver transformational change required to achieve £20m of savings across the Council by 2021.
6.6 Assets and Property:	The costs of the estate and buildings currently utilised by the Development Directorate is not sustainable in the medium term. This is particularly the case for the Colleges estate.

6.7 ICT and New Technologies:	The transformational change noted in this report will require ICT and new technologies, which will be identified in a Council wide Digital Strategy.	
6.8 Environmental:	None.	
6.9 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 negative external scrutiny.	
6.10 Policy and Delegated Authority:	<p>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;</p> <p>“Monitor and review achievement of key outcomes in the Directorate and Service Plans within their functional area by ensuring –</p> <ul style="list-style-type: none"> (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.” 	
6.11 Previously Considered by:	N/A	

Contact Details:

Neil Grant, Director of Development Services
01595 744968, nrj.grant@shetland.gov.uk
26 February 2018

Appendices:

Appendix 1 - Development Services Directorate Plan 2018-21
Appendix A - Projects and Actions – Development Directorate
Appendix B - Performance Indicators (Quarterly) – Development Directorate
Appendix 2 - Risk Register

Background Documents:

[Our Plan](#)

Medium Term Financial Plan

Development
2018-21 Directorate Plan

“Enabling our communities to develop their potential”

Introduction

Every year, each Directorate within the Council produces a Directorate Plan for the following year. This Directorate Plan provides an overview of the Development Directorate for 2018-21. This plan contains information on major activities, aims, objectives, actions, targets, performance indicators and risks. Detailed activities for each Service within the Directorate are included in their individual Service Plans.

Directorate plans are approved at Service Committees and Council as part of the budget setting process.

Drivers for Change - What we must do in 2018-21:

Shetland Partnership

- Enable a 10 year plan to attract people to Shetland to live, work, study and invest in Shetland
(We will work with Community Partners to influence a net in-migration of 700 people in the 16-40 age group by 2028)
 - Target support for industry growth sectors and entrepreneurship
 - Raise Shetland's global profile
 - Provide better support to incoming families and workers

Shetland Islands Council Corporate Plan “Our Plan” 2016-2020

Community

- Support communities to reach their full potential
 - Develop policy and support implementation of all parts of the Community Empowerment Act. In relation to Part 2 – Community Planning, the following three priority areas have been identified:
 - ‘Shetland’s Partnership Plan 2018-28’ (LOIP), including governance arrangements and locality plan agreed by community planning partners.

- Project delivery groups are formed to identify actions and resources required to achieve the high level outcomes and priorities in the plan.
 - Community Participation – how will the community be involved in community planning?
- Develop a shared policy approach and working arrangements in relation to resilient rural communities, and in particular islands with small populations
- Continue to develop the Council's approach to Community Choices (PB) and community commissioning as a means of engaging residents in service planning and financial decision making
- Enable development to happen
 - Consider policy implications in response to the National Review of Planning, which covers the following four themes:
 - Making plans for the future: by simplifying and strengthening development planning
 - Empowering people to make the system work: by improving the way people are involved in the planning process.
 - Building more homes and delivering infrastructure: by using planning to actively enable and co-ordinate development
 - Promoting stronger leadership and smarter resourcing: by removing processes that fail to add value, and by strengthening leadership, resources and skills
 - Develop a new Local Development Plan which reflects community aspirations and provides priority infrastructure across local boundaries
 - Assist in the development of Master Plans for the Staney Hill and Knab sites which, when complete, will form planning policy for these areas.
- Increase the supply of housing across all tenures
 - Develop refreshed Local Housing Strategy
 - Continue to deliver supply target of affordable housing in the Local Housing Strategy (LHS) through the Strategic Housing Investment Plan (SHIP)
 - Investigate incentives and initiatives to increase the supply of affordable housing
 - Assist communities to develop bespoke housing solutions
 - Encourage appropriate private development
 - Work in partnership with developers, builders and allied trades and utilities to deliver new build housing targets

Economy & Skills

- Support for local businesses and entrepreneurs
 - Work with Corporate Services, Government and Our Islands Our Future (OIOF) Partners to achieve a strong Islands Deal and to secure external funding and support.
 - Proactively research Brexit opportunities, risks and scenarios
 - Provide commercial lending and grant support funding to local businesses

- Develop Shetland's Skilled Workforce
 - Work with UHI and Scottish Funding Council to deliver a sustainable model for HE, FE, Research and Training in Shetland, which is more effective in providing the skilled workforce requirements of the local economy
 - Establish Shetland's Unique Selling Points for attracting Students to study in Shetland
 - Influence UHI provision of Student and Key Worker Accommodation in Shetland
 - Work with Children's Services to increase the level of pupil interest in STEM subjects and entrepreneurship to effect career choices and gender balance of Shetlands Young Workforce
 - Further increase the number of Modern Apprentices and Work with Children's Services to develop and grow the Academies in Engineering, Care and Construction at the Shetland College and NAFC Marine Centre
 - Engage with the Scottish Government and Skills Development Scotland to access funding programmes and opportunities brought about by the Modern Apprenticeship levy

Connectivity

- Achieve High Speed Broadband and full mobile coverage to all Shetland settlements
 - Work with the Scottish Government to effect the Roll out of High Speed broadband and Mobile Coverage, under the Reaching 100% by 2021 (R100) Plan, prioritising early delivery in Shetland.
 - Progress opportunities such as the UK Government Full Fibre Network challenge fund to extend high speed networks to augment and expedite the Government's R100 plan.

- Achieve sustainable and affordable internal and external transport links
 - Work with Scottish Government and Transport Scotland to achieve appropriate level of Inter-Island transport service provision and Fair Funding of Ferries and Internal Air Services.
 - Continue to work with Scottish Government and Transport Scotland to influence External Transport provision, new North Isles Ferry Contracts, fares and charging structures.
 - Develop and promote internal transport networks, including the new public bus services, increasing usage and ticket income, and manage revenue security.
 - Work with stakeholders to identify a system of fares within internal transport services which helps to address inequalities

How we will do it ('20 By '20')

- Development Services workforce development and recruitment, making more use of Career Grading, Retraining, Modern Apprenticeship and Graduate opportunities.
- Continue to improve workforce engagement by delivering the 'Viewpoint Employee Engagement Action Plan 2016/18' and refreshed Viewpoint staff survey 2017.
- Improve Customer Service and Service Efficiency by engagement with the Corporate Business Transformation Programme, 2017-20
- Contribute to the development of a Digital Strategy for the Council which is also a key strand in the Business Transformation Programme.

New Financial Restrictions

The Council's General Revenue Grant has been reduced and it is projected that the Council must save £20m by 2020 to deliver a sustainable budget. It is therefore necessary to review the services we provide, identify ways to provide services with less resources and secure additional income sources. The priorities identified for the Development Directorate are intended to form part of a Corporate Wide plan to save £20m by 2021 and are as follows:

- Achieve fair funding from Scottish Government for Internal Ferries Services
- Achieve benefits from Colleges Integration and progress external funding and Scottish Funding Council funding opportunities. Also reduce cost of Colleges Estate 2018-2021
- Achieve fair funding for Internal Air Service 2018/19
- Explore opportunities to share service with community partners and other local authorities, 2018-2021
- Review funding of external organisations, 2018-2021

- Workforce Review – establish requirements for level of service by Development Services by 2021 and develop a workforce plan to meet future skills gaps, considering retirements, redeployments, extended use of career grades and Modern Apprentice placements and maximise opportunities from Apprenticeship Levy project funding, 2018-2019

New Legislation

Community Empowerment (Scotland) Act 2015.

Review of Scottish Planning System

National Transport Strategy

Islands Bill

Contact Details

Shetland College Gremista Lerwick ZE1 0PX 01595 771000 Train Shetland Gremista Lerwick ZE1 0PX 01595744744	Community Planning & Development Solarhus 3 North Ness Business Park Lerwick ZE1 0LZ 01595 743888	Economic Development Solarhus 3 North Ness Business Park Lerwick ZE1 0LZ 01595 744940	Housing 6 North Ness Business Park Lerwick ZE1 0LZ 01595 744360	Planning Train Shetland Gremista Lerwick ZE1 0PX 01595 744840	Transport Planning 6 North Ness Business Park Lerwick ZE1 0LZ 01595 744868
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Risk Register - Development Services

Risk & Details	Likelihood	Current Impact	Risk Profile	Current and Planned Control Measures	Probability	Target Impact	Risk Profile	Responsible Officer
Category	Directorate							
Corporate Plan	C1. Economy and Housing - Promote Enterprise							
Service reviews completed, Planning suffers from acute national shortage of qualified staff, general climate (v low unemployment) continues to impact to some extent. Key posts in some areas are difficult to recruit to, and exacerbated by national and local competition and limited local housing options. Trigger : Resignation, retirement, Consequences : Impact on service delivery, workload on staff and consequent impact. Risk type : Key staff - loss of Reference - C0017	Almost Certain	Significant	High	<ul style="list-style-type: none"> • Corporate wide Staff Survey (Viewpoint) - progressing Action Plan to address staff views raised in corporate wide 2017 staff survey (Viewpoint); *A corporate workforce development plan is progressing - HR workforce strategy has been approved. *Management to ensure that exit interviews are always completed, and to track exit interview statistics; *Ten year plan to attract people to live, work and study in Shetland has been adopted by the Shetland Partnership *Management to look to extending the 'grow your own/' trainee posts; *Careful monitoring of the impact of policy interventions such as market forces; *Consideration to be given to wider use of adjusted posts to 'fill gaps' on a 	Possible	Significant	Medium	Neil Grant Development Services
Development Service operates within a complex legislative environment and is expected to be an exemplar. Current controls include, e.g. ICT security policy, ICT automatic encryption of all laptops and USBs are auto-encrypted before any data can be downloaded. Trigger : Lack of training or understanding could lead to a breach of, for example, HSE/ Data protection/ human Rights/ employment practice, etc. Consequences : Investigation, censure/ prohibition notice/criminal prosecution/ fine, impact on workload, impact on staff, stress, bad publicity Risk type : Breach of Legislation - Data Protection, Human Rights, Employment Practice, Health and Safety etc Reference - C0018	Likely	Significant	High	<ul style="list-style-type: none"> • Ensure projects are a priority activity in achieving the Outcomes identified in the Corporate plan 2016-20, "Our Plan 2016-2020" and ensure proper process for identifying and allocating project resource; Train staff and adhere to standing orders, on-going staff training on employment practices, H & S, ensure risk assessments are current, communicated and complied with; All staff to make themselves aware of the ICT security policy - http://intranet2/Policy/Shared%20Documents/ICT%20SecurityPolicy%20v2_10.pdf (Exec summary on page 5). 	Unlikely	Minor	Low	Neil Grant Development Services
Corporate Plan	E1. Connection and Access - Community transport solutions							
C0027 - Central Govt Funding Issues - Central Govt Funding Issues - Provision of Air and Ferry Services, Revenue and Capital Funding - subject to Inter-island Transport review, and work ongoing with Scottish Government and Transport Scotland. Trigger : Scottish Government decision not to support Revenue and Capital cost of service. Delay in Scottish Government's decision beyond next year. Islands Deal. Brexit also can affect this risk. Consequences : Council cannot afford current service levels or replacement of aging infrastructure, financial risk sits with Infrastructure for ferries and Development for air contract. Risk type : Central Govt Funding Issues	Possible	Minor	Medium	<ul style="list-style-type: none"> • *The Council has worked with the Scottish Government using Transport Methodology and Business Case planning to identify specification for inter island transport. *A joint statement on Fair Funding has been prepared by Shetland and Orkney Islands Councils to clarify funding amounts and timescales with Scottish Government Ministers. *Funding request for 2018/19 revenue budget and capital costs. 	Possible	Extreme	High	Neil Grant Development Services

Corporate Plan		F1. Our "20 by '20" - Leadership & Management						
Council commitment to partnership working. This became a statutory requirement following implementation of the Community Empowerment Act 2015. Trigger : There is a risk that the Council as lead for Shetland's Community Planning Partnership fails to engage effectively with all partners to develop a coherent Partnership Plan Consequences : Censure/ action against the Council for failing to comply with legislation, Failure to achieve the best outcomes for the community. Risk type : Partnership working failure Reference - C0030	Possible	Major	High	• Community Planning is supported by the Community Planning and Development Team in the Development Department. Seminars and wider engagement activities were delivered, including collaboration regarding locality working which informs strategic planning for Health & Social Care Services *A project board has been set up to progress Community Empowerment (Part 2) workstreams of Governance, Locality Planning and Engagement. *Target date for implementation of new Partnership Plan, Locality Plan and Governance arrangements is April 2018.	Unlikely	Major	Medium	Neil Grant Development Services
Failure to deliver the College merger would result in an unsustainable tertiary sector. The timeframe and responsibilities for the project have been revised with the UHI tasked with leading the business case development of a merged, single governance organisation for tertiary education, research and training. Business case to be complete by 29 January 2018 with targeted implementation in August 2018. Trigger : Project management failure, partner failure, project resources. Consequences : Failure to deliver a sustainable and affordable model for tertiary education, training and research. Risk type : Professional - Other	Unlikely	Significant	Medium	• UHI has been fundedby SFC to lead the business case development of a merged, single governance organisation for tertiary education, research and training. Business case to be complete by 29 January 2018	Unlikely	Minor	Low	Neil Grant Development Services
Corporate Plan		F5. Our "20 by '20" - Standards of Governance						
Development Directorate is managing a number of significant projects of strategic importance, including Community Empowerment Act, Part 2, Colleges Review; Internal and External Ferries; Outer Isles Transport; Economic Development Service, Commercial Lending; Participatory Budgeting; Strengthening Community Involvement; High Speed Broadband; Local Housing Strategy; Local Development Plan; Transport Strategy; Economic Development Strategy; Energy Strategy; LOIP (Local Outcome Improvement Plan) 2018-2028 Trigger : Focus or priority could be wrong Consequences : Wasted resources, negative impact on wider community, Financial cost, bad publicity Risk type : Strategic priorities wrong Reference - C0019	Possible	Major	High	• Ensure projects are a priority activity in achieving the Outcomes identified in the Corporate Plan Ensure projects are a priority activity in achieving the Outcomes identified in the Corporate plan 2016-20 and ensure proper process for identifying and allocating project resource.	Unlikely	Significant	Medium	Neil Grant Development Services

<p>Development Service delivers a service with reducing resources and constraints including the MTFP.</p> <p>Trigger : Reduced and reducing budget, fewer staff - requirement to accommodate and work within 20% / (£20 million reduction across the organisation) in resources over 4 years</p> <p>Consequences : Impact on service, workload has to be managed by fewer staff, stress, impact on service users & communities</p> <p>Risk type : Economic / Financial - Other</p> <p>Reference - C0021</p>	Likely	Significant	High	<ul style="list-style-type: none"> • Restructure implemented, strategic planning continuing, awareness of issues 	Possible	Significant	Medium	Neil Grant Development Services
<p>Development Service / the Council works in a number of areas and necessarily publishes information on its activities</p> <p>Trigger : Failure to share information, poor management of communications/ poor communication with service users/ members of the public/ media, or mis-perception by media.</p> <p>Consequences : Bad publicity, communities miss opportunities, finite resources spent on rectifying misunderstandings, staff morale impact, service users/ partners lose trust in services.</p> <p>Risk type : Communications poor</p> <p>Reference - C0022</p>	Unlikely	Major	Medium	<ul style="list-style-type: none"> • Link to risk around corporate priorities ☐Adhere to corporate communications policy, Management team are aware of the issues and risks that fall to Dev MT and CMT. 	Rare	Significant	Low	Neil Grant Development Services
<p>One or more communities fail to be sustainable</p> <p>Trigger : Demographic and socio-economic problems on remote communities</p> <p>Consequences : Depopulation of remote areas, sudden impact on development services</p> <p>Risk type : Economic climate</p> <p>Reference - C0026</p>	Possible	Significant	Medium	<ul style="list-style-type: none"> • Impact of connectivity from broadband and transport links, working with communities to develop sustainable plans <p>Progressing 'Islands with small populations' project</p>	Unlikely	Significant	Medium	Neil Grant Development Services

Appendix A - Projects and Actions - Development Directorate



Generated on: 22 February 2018

OUR PLAN 2016-2020

C) ECONOMY & HOUSING


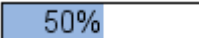

1) Promote enterprise

We will have an economy that promotes enterprise and is based on making full use of local resources, skills and a desire to investigate new commercial ideas.

Code & Title	Description	Desired Outcome	Dates		Progress	Progress statement	Lead
DP203 Support for local businesses and entrepreneurs	Development of a skilled workforce to match industry requirements, and other direct and indirect support to businesses. Sustainable integrated delivery model for Tertiary Education and Research is in place for August 2018.	Sustainable economy with access to skilled workforce	Planned Start	01-Apr-2017		The Islands Deal project is being progressed along with Orkney and Western Isles. The deal will have a key focus on increasing Shetland's economically active population.	Development Services Directorate
			Actual Start	17-Aug-2017	<div><div>25%</div></div>		
			Original Due Date	01-Apr-2020	Expected success		
			Due Date	01-Apr-2020			
			Completed Date		Experiencing issues, risk of failure to meet target		
						Effective and efficient tertiary education provision: UHI are now leading the project to develop the business case for merger of NAFC, Shetland College and Train Shetland with a target date for implementation of August 2018, subject to business case being presented to Council and Trust board in February 2018. The Council is currently assessing the associated pension and property implications. The implementation date has	

					been revised to January 2019.	
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7) Housing supply	We will have increased the number of houses in Shetland, with a range of options that are affordable and achievable for all.
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Code & Title	Description	Desired Outcome	Dates		Progress	Progress statement	Lead
DP200 Increase supply of housing across all tenures	Deliver refreshed Local Housing Strategy and Local Development Plan Main Issues Report in 2017, and increase confidence and engagement of developers to build in Shetland	Housing supply is facilitating an increased population	Planned Start	01-Apr-2017		Housing Needs and Demand Assessment (HNDA), and other evidence bases e.g. Place Standard are close to being finalised. Local Housing Strategy refresh will commence once HNDA evidence base has been confirmed, and will address housing stock across all tenures, looking at capacity in the local building industry, and take account of the additional Government commitment of £14.3m. Five year Strategic Housing Investment Plan, for 250 housing units in next 5 years being delivered Local Development Plan, Vision and Spatial strategy are being worked on and Call for sites is being prepared and will be informed by HNDA evidence. Scottish Government Rural and Island Housing Fund has been accessed for pilots in Northmavine and Sandness & Walls areas. Knab Site and Staney Hill Master Plans are	Development Services Directorate
			Actual Start	17-Aug-2017			
			Original Due Date	01-Apr-2020	Expected success		
			Due Date	01-Apr-2020			
			Completed Date		Likely to meet target		

						<p>progressing and undergoing public engagement processes. A meeting with the builders and allied trades is being arranged to discuss housing build plans and local construction capacity. In 2017/18 we have had 25 completions and further 27 on site/under construction. Two projects about to start with combined 51 units. LHS current target is between 53 and 72 units per annum.</p>	
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D) COMMUNITY STRENGTH

1) Community support


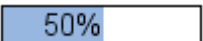

Communities will be supported to find local solutions to issues they face.

Code & Title	Description	Desired Outcome	Dates		Progress	Progress statement	Lead
DP201 Support communities to reach their full potential	Work with the Shetland Partnership to develop policy and support implementation of the Community Empowerment Act, and embed new ways of working.	Communities feel engaged in local decision making	Planned Start	01-Apr-2017		The LOIP (Shetland's Partnership Plan 2018-28) draft is currently out for consultation with partners and stakeholders.	Development Services Directorate
			Actual Start	17-Aug-2017	<div><div>40%</div></div>		
			Original Due Date	01-Apr-2020	Expected success	Timescales for finalisation of the LOIP is by end March 2018.	
			Due Date	01-Apr-2020	 Likely to meet target		
			Completed Date				

E) CONNECTION & ACCESS


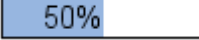

1) Community transport solutions

There will be transport arrangements in place that meet people's needs and that we can afford to maintain in the medium term.

Code & Title	Description	Desired Outcome	Dates		Progress	Progress statement	Lead
DP205 Achieve sustainable and affordable internal and external transport links	Work with Scottish Government and Transport Scotland to achieve appropriate level of internal and external transport, and achieve fair funding for inter-island transport services, by 2017/2018.	Sustainable and affordable transport services	Planned Start	01-Apr-2017		The ferries fair funding project has been successful in getting a single year settlement of £5m and commitment to fair funding from Scottish Government. Work is progressing on future years and capital funding commitment, with government meetings already set ng of internal ferries has been put to Scottish Government. Business case analysis will be undertaken on each of the 9 island routes, commencing with Fair isle and Whalsay. Business case analysis of internal air service options has commenced. Consultation response is being prepared for Scottish Government consultation on procurement of external ferry services. Shetland Transport Strategy, consultation draft has been issued.	Development Services Directorate
			Actual Start	17-Aug-2017			
			Original Due Date	01-Apr-2020	Expected success		
			Due Date	01-Apr-2020			
			Completed Date		Experiencing issues, risk of failure to meet target		

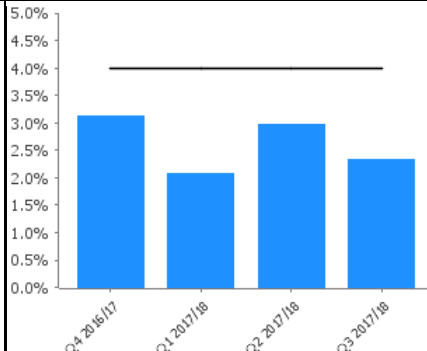
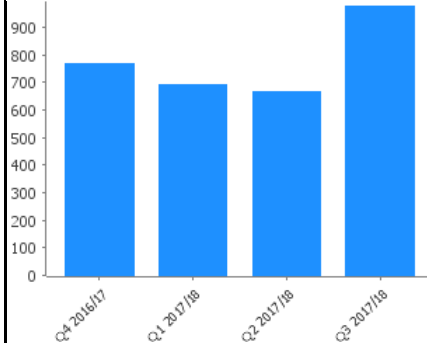
2) Broadband

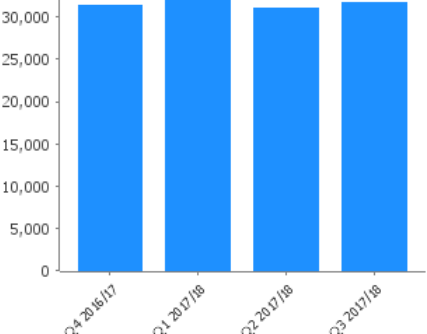
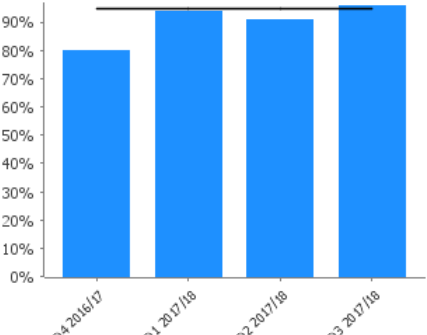
More people will have access to high-speed broadband and reliable mobile connections, helping to connect people, communities and businesses throughout Shetland.

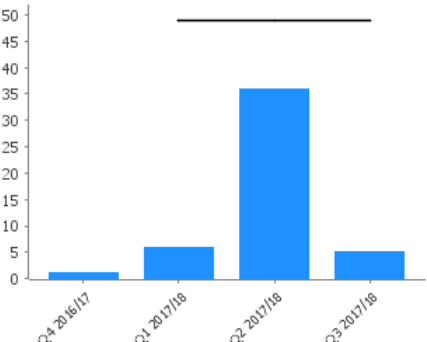
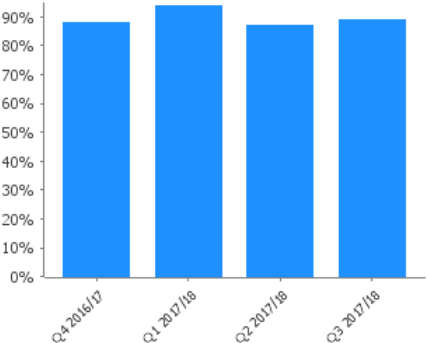
Code & Title	Description	Desired Outcome	Dates		Progress	Progress statement	Lead
DP204 Digital and mobile connectivity	Work with Scottish Government to influence rollout of broadband and mobile services in Shetland under the Government R100 plan, and identify where there are business cases for council engagement in provision of services and infrastructure.	Achieve 100% high speed broadband and mobile coverage throughout Shetland	Planned Start	01-Apr-2017		<p>Work on Shetland Islands Council Digital Strategy has commenced with Care and Education services.</p> <p>Broadband and Mobile Coverage: Scottish Government R100 (Reach 100% by 2021) discussions have been held with the R100 project team.</p> <p>A full business case for a fibre network to Unst and Yell has been submitted to the UK Government Fibre challenge fund and we hope to hear whether our bid has been successful in March.</p> <p>The full business case for ICT and Shetland Telecoms Fibre optic assets has been approved and the structure is currently being implemented.</p>	Development Services Directorate
			Actual Start	17-Aug-2017			
			Original Due Date	01-Apr-2021	Expected success		
			Due Date	01-Apr-2021			
			Completed Date		Experiencing issues, risk of failure to meet target		

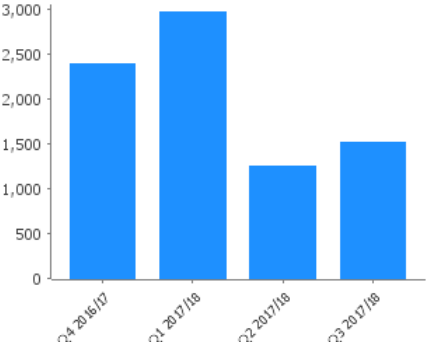
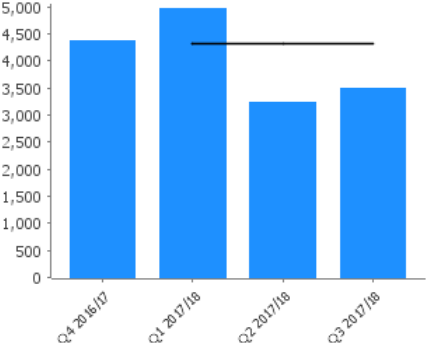
Appendix B Performance Indicators (Quarterly)- Development Directorate

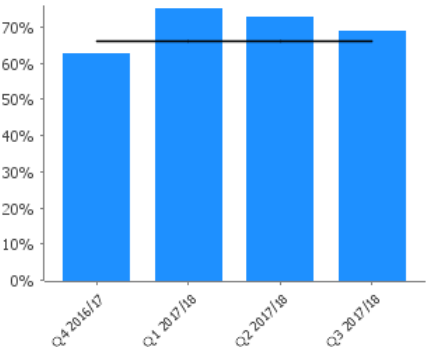
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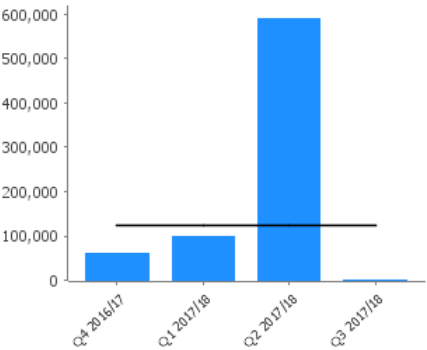
Code & Short Name	Previous Years		Current year (to date)	Quarters				Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18			
	Value	Value	Value	Value	Value	Value	Value	Target		
OPI-4C-G Sick %age - Development Directorate	3.5%	2.9%	2.5%	3.1%	2.1%	3.0%	2.3%	4.0%		<p>Performance The % of sickness across the Development Directorate has decreased and well below the target of 4.0%.</p> <p>Improvement Continued focus on Council's Maximising Attendance Policy.</p>
OPI-4E-G Overtime Hours - Development Directorate	3,886	3,366	2,337	767	693	666	978			<p>Performance The number of overtime hours across the Development Directorate has increased for Q3, but this is similar to the trend in previous years.</p> <p>Improvement Overtime continues to be managed on a pre-authorisation basis.</p>

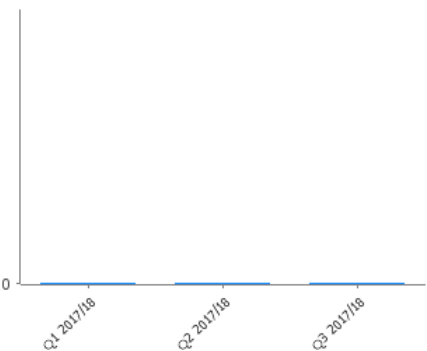
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
OPI-4G-G Employee Miles Claimed - Development Directorate	111,952	112,437	95,096	31,313	32,390	31,017	31,689			<p>Performance Miles claimed has remained quite steady.</p> <p>Improvement Managed within budget.</p>
G01 FOISA responded to within 20 day limit - Development Services	94%	92%	93.67%	80%	94%	91%	96%	95%		<p>Performance The Development Department achieved an Excellent standard for FOISAs dealt with. Of the 49 FOISAs dealt with during Q3, 47 were completed in line with the 20 working day timescale allowed.</p> <p>Improvement FOISAs are monitored regularly by staff and is a regular agenda item at the Development Management Team meetings.</p>

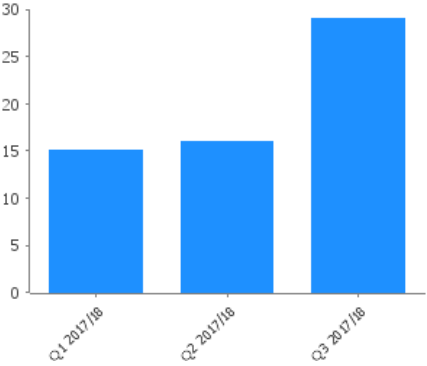
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GC-01 Number of modern apprentices recruited by Train Shetland	49	44	47	1	6	36	5	49		Train Shetland recruited 5 new starts in Q3, bringing the cumulative total of new starts for 2017/18 so far to 47. The total contracted volume of new starts for 2017/18 is 65. As well as this, to date there have also been 9 "progressions" ie MAs who have finished their first qualification and then move up a level and start another qualification.
GC-02 % Achievement rate of Modern Apprentices recorded by Skills Dev Scotland		85.75%	89%	88%	94%	87%	89%			This indicator is based on Skills Development Scotland measurements of MA achievements in Shetland.

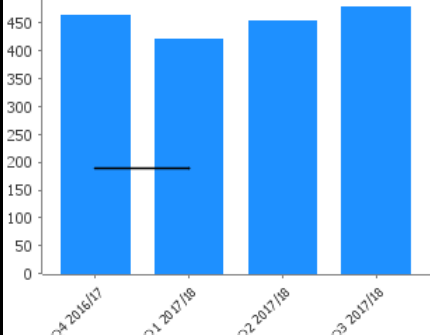
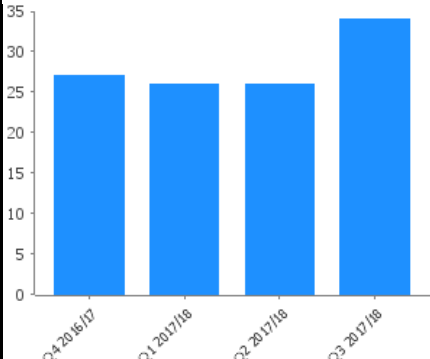
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GC-04 Shetland College Student Enrolments Further & Higher Education Combined	1,820	2,380		2,380	2,964	1,245	1,520			Latest figures show the number of FE Students studying full-time as 63 and part time 498 (including ESOL). HE is 83 full time and 147 part time. These figures are for Shetland College only but the overall Q3 total includes part time FE figures for Train Shetland (short courses). When NAFC is included the total enrolment at this stage of the academic year totals 2070.
GC-05 Total Credits (inc Train Shetland & NAFC)	3,334	4,362		4,362	4,971	3,231	3,488	4,332		The Shetland target for FE credits (the fundable units the SFC pay college for courses that do not make full cost recovery) for 1718 is 4332. The current number of credits still to be achieved stands at 844. We anticipate that this target will be achieved.

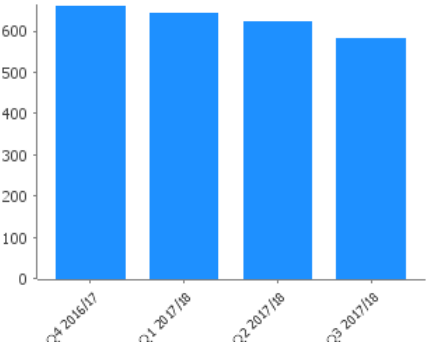
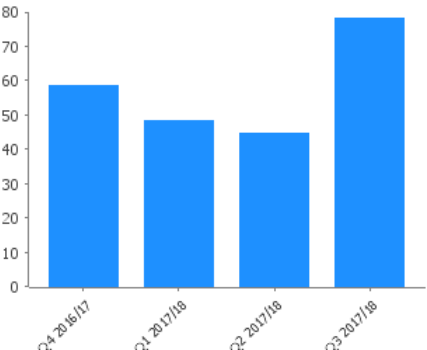
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GD-02 Success rate - external funding applied for by community groups (%)	54%	65.63%	72.24%	62.5%	75%	72.73%	69%	66%	 <p>The bar chart displays the success rate for GD-02 across four quarters. The y-axis represents the percentage success rate from 0% to 70%. The x-axis lists the quarters: Q4 2016/17, Q1 2017/18, Q2 2017/18, and Q3 2017/18. The success rates are 62.5%, 75%, 72.73%, and 69% respectively. A horizontal target line is set at 66%.</p>	<p><u>Performance</u> CP&D staff have assisted with 9 new external funding applications during the monitoring period which are a combination of community and Council projects. All external funding bids are still pending decisions at the end of the period but decisions should be received in the coming weeks. Two funding decisions were received in Q3 from applications submitted earlier in the year, one was successful and one rejected.</p> <p>Therefore to date in financial year 2017/18 CP&D have assisted with a total of 22 external funding applications, 8 of which have been successful with 5 unsuccessful. A further 9 are pending decisions at this time.</p> <p>CP&D success rate with external funding applications remains above target as at Q3.</p> <p><u>Improvement</u> CP&D staff continue to support community groups and projects with a variety of funding applications. A significant number of enquiries and requests for support continue to be received by CP&D. Staff are actively engaged to help groups plan and develop their projects prior to completing with funding applications.</p>

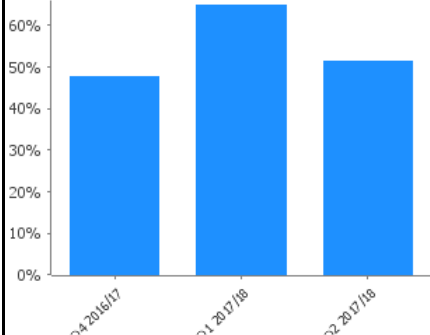
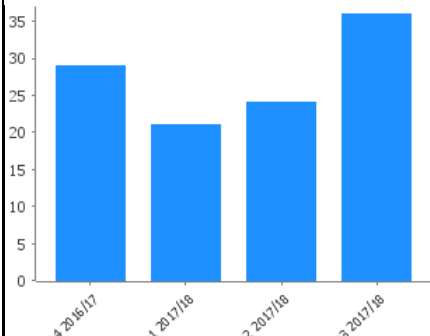
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GD-03 External funding secured by Community Groups	812,502	280,486	690,702	60,858	100,001	590,201	500	125,000		<p><u>Performance</u></p> <p>Two decisions were received during this period, one was successful and one unsuccessful. A total of £500 was secured during Q3. CP&D staff assisted with 8 new funding bids during Q3 for a combination of community and Council projects totalling £629,692. Applications were submitted to a range of funding bodies including Big Lottery Fund, The Robertson Trust, Scottish Government and Bank of Scotland Foundation. Groups seeking funding include community halls, a charity and a local Community Council with decisions expected in the near future.</p> <p>CP&D external funding secured remains above target as at Q3.</p> <p><u>Improvement</u></p> <p>During the period the Grants Unit sent 20 external funding sources through its electronic mailing list bringing the year to date total to 80 funding bulletins issued in 2017/18. This mailing list is circulated to over 200 contacts from a wide range of community groups, partners and SIC departments.</p> <p>The External Funding Officer met with an officer from the Big Lottery Fund in December to explore working closer together in future. The External Funding Officer was also in touch with</p>

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
										The Robertson Trust as a follow up to their Shetland visit in September discuss potential Shetland applicants to their grants programme. CP&D staff have a workshop developed aimed at helping groups applying for external funding and plan to deliver it to community groups & community councils during 2018.
GD-04 Number of people moving into employment through Employability Pathway		25		3	8	7	7			<p>Performance In addition to the 7 moving into employment, 8 new participants were supported within Quarter 3.</p> <p>Improvement Work is underway to review Pathway services, to apply for additional ESF. This has commenced with a consultation exercise with participants, staff and managers.</p>
GD-05 Number of Asset Transfer Requests					0	0	0			<p>Performance CP&D staff are currently supporting 4 pre-application projects, with one of these expected to be validated early in Q4. This includes facilitating dialogue between community groups and other Council services, partner agencies, external support providers and funding bodies.</p> <p>Improvement CP&D staff are using progress with current pre-applications to continue to develop the Council's Procedures and</p>

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
										support for community bodies. Strong relationships are being developed with supporting bodies, including the Scottish Government, the Community Ownership Support Service and external funders.
GE-05 Numbers accessing Business Gateway Start Up Services		69			15	16	29		 <p>The bar chart displays the number of enquiries received by Business Gateway Start Up Services over three quarters. The y-axis represents the number of enquiries, ranging from 0 to 30 in increments of 5. The x-axis lists the quarters: Q1 2017/18, Q2 2017/18, and Q3 2017/18. The bars show 15 enquiries in Q1, 16 in Q2, and 29 in Q3.</p>	<p>Performance Business Gateway is a Scottish Government resource that offers advice and guidance to startup companies and established companies across Scotland, and in Shetland is administered through SIC Economic Development Service. Since April 2017, 60 enquiries relating to start-up services have been dealt with by Business Gateway. This includes individuals registered and undertaking the 2 day start-up course, enquiries received directly at the local office and those dealt with by the national enquiry fulfilment centre relating to Shetland.</p> <p>Improvement This is monitored regularly.</p>

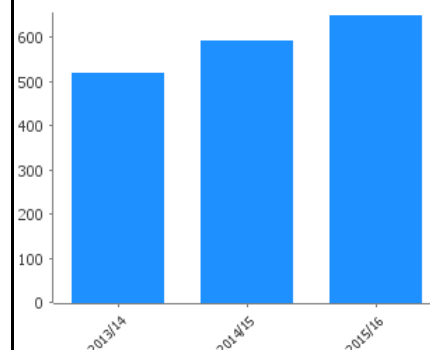
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GH-05 Average length of time in temporary or emergency accommodation (Days)	412	491		464	420	452	477			Performance The average length of time in temporary accommodation for homeless cases closed remains high which demonstrates the pressure on housing stock and demand. Improvement There will be continued regular monitoring in this area.
GH-08 Number of Homeless Applications Made	122	114		27	26	26	34			Performance The number of homeless applications remains steady. A lot of prevention work is carried out with people who are at risk of homelessness and this approach is making a difference. Improvement This will be monitored regularly.

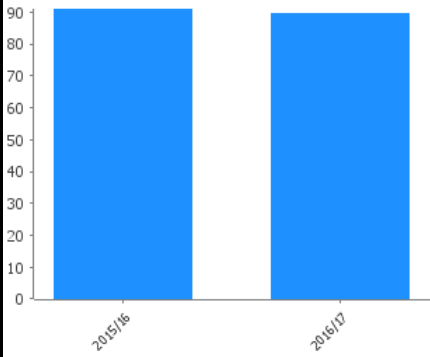
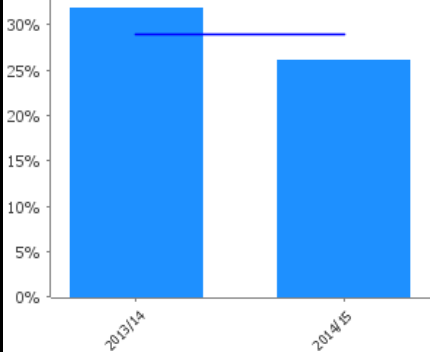
	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GH-09 The number of housing applications on housing register	739	661		661	643	623	582			<p>Performance The number of housing applications has reduced but there is still a high demand for social housing.</p> <p>Improvement Continue to monitor</p>
GP-01 Average days taken to obtain a building warrant	63.48	63.16		58.35	48.4	44.74	78.15			<p>Performance In Q3, 59 building warrants were granted which is comparable to last quarter. However, the average number of days taken has increased significantly rising to 78.15 days. This figure is skewed by 1 application which was awaiting a response from the applicant and took 1409 days to approve. Removing this application brings the average days down to 46.28 days for Domestic applications (54.27 days overall) which is comparable to previous quarters. Additionally, there were a number of complex non-domestic applications including a £multi-million project taking 202 days.</p> <p>Improvement We will continue to monitor this regularly.</p>

	Previous Years		Current year (to date)	Quarters						
Code & Short Name	2015/16	2016/17	2017/18	Q4 2016/17	Q1 2017/18	Q2 2017/18	Q3 2017/18	Q3 2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Value	Value	Value	Target		
GP-02 % planning applications dealt with within 2 months	47%	46.6%		47.5%	64.9%	51.4%				Performance Staffing levels are linked to the reduction in this performance indicator. Improvement Long standing vacancies filled will make a difference.
GP-10t Housing completions (Private & Affordable)	61	80	81	29	21	24	36			Performance The number of properties built in Shetland is at the same rate in Q3 for 2017/2018 as it was at Q3 for 2016/2017. Improvement Building continues across Shetland.

Appendix B (cont) - Performance Indicators (Annual)- Development Directorate

Generated on: 22 February 2018

	Previous Years				This Year		
Code & Short Name	2013/14	2014/15	2015/16	2016/17	2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Target		
GE-02 Gross Weekly Pay	519.4	592	649.6				<p><u>Performance</u> The gross weekly pay figures are calculated as the median earnings amount for employees, and are calculated from the ONS survey of hours and earnings. The latest figure published by Nomis for Shetland in 2016 is £649.60 a week. Scotland's average for the same period is £536.60 and the UK's is £541.00. These fluctuating figures are probably caused by the nature and scale of the survey work undertaken by NOMIS, which is not representative enough of Shetland's workforce.</p> <p><u>Improvement</u> We will continue to monitor this information, when available.</p>

	Previous Years				This Year		
Code & Short Name	2013/14	2014/15	2015/16	2016/17	2017/18	Graphs	(past) Performance & (future) Improvement Statements
	Value	Value	Value	Value	Target		
GE-04 % Economically Active			90.6	89.3			<p>Performance Economic activity is a measure of those aged 16-64 either in work (whether employed or self-employed) or actively seeking work. There has been a decrease in the % overall but Shetland still has a higher % of Economically Active people in Shetland than there is in Scotland as a whole.</p> <p>Improvement We will continue to monitor, when information is available.</p>
SOA.SOA.07 Influence Decision Making	31.8%	26%					<p>Measured using responses to Scottish Households Survey question 'Do you agree with the statement "I feel I can influence decision making in my local area"?'. 2014 is the latest result and shows a reduction from a high of 31.8% in 2013. This indicator will continue to be monitored by SIC's Community Planning and Development Service</p>



Meeting(s):	Shetland College Board	8 March 2018
Report Title:	Management Accounts for Shetland College Board: 2017/18 – Projected Outturn at Quarter 3	
Reference Number:	F-19-F	
Author / Job Title:	Jonathan Belford, Executive Manager - Finance	

1.0 Decisions / Action required:

- 1.1 The Shetland College Board RESOLVES to review the Management Accounts showing the projected outturn position at Quarter 3; and
- 1.2 NOTE the information presented in Appendix 2 regarding the review of the Canteen Income Generating Unit.

2.0 High Level Summary:

- 2.1 The purpose of this report is to enable the Shetland College Board to monitor 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. This report shows the projected financial consequence of the service performance detailed in the Development Directorate performance report, and allows the Board the opportunity to provide early instruction to officers to address any forecast overspends in order that the budget is delivered by the year-end.
- 2.2 On 15 February 2017 (SIC Min Ref: 7/17) the Council approved the 2017/18 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 £12.252m. It is vital to the economic wellbeing of the Council that the financial resources are managed effectively and expenditure and income is delivered in line with the budget, as any overspends will result in a further draw on reserves and would be evidence that the Council is living beyond its means.
- 2.3 This report forms part of the financial governance and stewardship framework, which ensures that the financial position of the Council is acknowledged, understood and quantified on a regular basis. It provides assurance to the Corporate Management Team and the Committee that resources are being managed effectively and allows corrective action to be taken where necessary.
- 2.4 Since the approval of the 2017/18 budget, revisions to the budget have been incorporated for the Council's budget carry-forward scheme. Therefore, this report refers to the revised budget that is now in place for each of the services.
- 2.5 At its meeting on 5 December 2017 (Min Ref: 30/17), Members requested information on the financial performance of the two income generating units in Shetland College. These reviews are now complete, and information on the

Canteen is provided at Appendix 2. The Textile Facilitation Unit is the subject of its own report, also on today's agenda.

3.0 Corporate Priorities and Joint Working:

- 3.1 There is a specific objective in the Corporate Plan that the Council will have excellent financial management arrangements to ensure that it continues to keep a balanced and sustainable budget, and is living within its means. The Council must continue to pursue a range of measures that will enable effective and successful management of its finances over the medium to long term. This involves correct alignment of the Council's resources with its priorities and expected outcomes and maintaining a strong and resilient balance sheet.

4.0 Key Issues:

- 4.1 This report presents the projected outturn position for 2017/18 as at the end of the third quarter for revenue and capital. The forecasts have been determined by Finance Services in consultation with the relevant budget responsible officers.
- 4.2 The projected revenue outturn position for the Shetland College Board is a shortfall of £86k (21%), which means the service is collectively projected to spend more than its approved budget. There are no recurring savings identified at this time.
- 4.3 See appendix 1, attached, for detailed information on the revenue outturn position.
- 4.4 Provision was made in the Council's 2017/18 Budget for cost pressures and contingencies. It is held centrally by the Executive Manager - Finance.
- 4.5 Cost pressures are recurring in nature and increase the base cost of the service being delivered, e.g. pay awards, whereas contingency items are deemed non-recurring and likely to vary year on year, e.g. ferry breakdown costs.
- 4.6 This approach assists the Council to mitigate any spending risks. However, it is expected that services will endeavour, in the first instance, to meet any additional costs from within existing resources.
- 4.7 The following allocations have been applied from the cost pressure/contingency budget to services under the College Board
- £6k - 1% Pay inflation
- 4.8 No other cost pressure or contingency budget has been applied to date as the Development Directorate's overall budgets are projecting to meet the additional costs from within existing underspends and increased income. The position will be reviewed quarterly.
- 4.9 The Canteen employs three part-time staff, and provides a service to students and staff within Shetland College, for 5 hours per day, during term time. Historically it does not achieve breakeven, with an estimated deficit for 2017/18 of £13k. A plan to reduce costs/waste and increase income, has been developed to ensure that the Canteen can move to address the deficit. All details can be found in Appendix 2.

5.0 Exempt and/or confidential information:

5.1	None.
6.0 Implications :	
6.1 Service Users, Patients and Communities:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.2 Human Resources and Organisational Development:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.3 Equality, Diversity and Human Rights:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.4 Legal:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.5 Finance:	<p>The 2017/18 Council budget does not require a draw on reserves in excess of the returns that the fund managers can make on average in a year, and therefore demonstrates that the Council is living within its means. To achieve this, a one-off underspend from the 2016/17 budget has been used to balance the General Fund. This is a one-off solution for 2017/18.</p> <p>For every £1m of reserves spent in excess of a sustainable level will mean that the Council will have to make additional savings of £73k each year in the future as a result of not being able to invest that £1m with fund managers to make a return.</p> <p>It is therefore vital that the Council delivers its 2017/18 budget. This report demonstrates that the services under the remit of the Development Committee are collectively projecting to spend less/more than their Council approved budget.</p>
6.6 Assets and Property:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.7 ICT and new technologies:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.8 Environmental:	Any implications in relation to the actions and service provision in this report will be included in the Director of Development Performance Management report also presented at this meeting.
6.9 Risk Management:	There are numerous risks involved in the delivery of services and the awareness of these risks is critical to successful financial management.

	<p>From a financial perspective, risks are an integral part of planning, as assumptions are required to be made. These assumptions can be affected by many internal and external factors, such as supply and demand, which may have a detrimental financial impact.</p> <p>The Shetland Tertiary Education, Research and Training Review are seeking to reduce the financial risks associated with the un-sustainability of the current model of provision in Shetland. It aims to complete in August 2018.</p> <p>The main financial risks for Shetland College Board are:</p> <ul style="list-style-type: none"> • Scottish Funding Council income, which is related to the level of student activity in any given year and the outcomes achieved by those students; • in addition, it is likely that the Further Education (FE) funding element will change from a standard flat rate per credit, to weightings per credit – which could impact on the total level of grant funding received; • a reduction in income, which is not offset by other corresponding reductions in expenditure or additional sources of income; • Every draw from cost pressures and contingencies to cover items such as wage growth creates further un-sustainability within Shetland College, as it should be able to meet all of its obligations from within its own budgets. <p>This report is part of the framework that provides assurance, or recognition of any deviation from the budget that may place the Council in a financially challenging position and requires remedial action.</p> <p>The Council makes provision within its budget for cost pressures and contingencies that may arise. This approach provides additional confidence for the Council to be able to mitigate any adverse financial circumstances.</p> <p>A strong balance sheet and the availability of usable reserves ensure that the Council is prepared for significant unforeseen events.</p> <p>Any draw on reserves beyond the Council's sustainable level would have an adverse impact on the level of returns from the Council's long-term investments. This situation would require to be addressed quickly to ensure no long term erosion of the investments.</p>
<p>6.10 Policy and Delegated Authority:</p>	<p>Section 2.8 of the Council's Scheme of Administration and Delegations states that the Shetland College Board is required to monitor progress against all objectives set by the Shetland Islands Council to any function, matter, service or undertaking delegated to it by the Council. The Council approved both revenue and capital budgets for the 2017/18 financial year. This report provides information to enable the Board to ensure that</p>

	<p>the services within its remit are operating within the approved budgets.</p> <p>The Council's Financial Regulations state that the Executive Manager - Finance has a responsibility to ensure that detailed monitoring by Directors and Executive Managers is carried out and that the Council will determine the reporting content, timescale, frequency and receiving committee(s) required for monitoring statements and the Executive Manager - Finance will be responsible for ensuring compliance with this.</p>	
6.11 Previously considered by:	<i>n/a</i>	<i>n/a</i>

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Ex. 4676

17/11/2017

Appendices:

Appendix 1 – Shetland College Board Projected Revenue Outturn Position for 2017/18

Background Documents:

SIC Budget Book 2017/18, SIC 15 February 2017

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=20520>

Shetland College Board

1.0 - Projected Revenue Outturn Position 2017/18 Financial Year

Budget v Proj. Outturn Variance Q2 (Adv)/ Pos £000	Service Area	2017/18 Revised Annual Budget £000	Projected Outturn 2017/18 Quarter 3 £000	Budget v Proj. Outturn Variance Quarter 3 (Adv)/ Pos £000
(8)	Grants from Funding Council	(1,506)	(1,601)	95
6	Property Costs	534	550	(17)
93	Teaching Departments	1,200	1,175	25
52	Senior Management & Admin	554	541	13
(39)	Support	400	440	(40)
(25)	Income Generating Units	(6)	37	(43)
	Approved Contribution from SIC	(861)	(803)	(59)
79	Total Shetland College	315	340	(26)
(9)	Train Shetland	85	146	(61)
70	Total	400	487	(86)

Included in the above table are the projected variances presented as at Quarter 2. The main differences are explained as follows:

- Grants from Funding Council – £103k difference: Includes a contribution towards the NRPA un-promoted lecturer's pay migration, implemented in 2017/18;
- Teaching Department's – (£68k) difference: As stated above, un-promoted lecturer's pay awards were actioned in January 2018; and
- Approved Contribution from SIC – (£59k) difference: Reflects the updated position on FE Credits between Shetland College and NAFC.

Explanations of the main variances at Quarter 3 are set out below:

1.1 Grants from Funding Council – Projected surplus £95k (6%)

The favourable variance in this area is mainly due to a contribution from the Scottish Funding Council for the additional costs associated with the migration of un-promoted lecturers to the NRPA pay scale, and the updated position with regard to share of FE Credits between Shetland College and the NAFC - £84k (also see 1.7 below).

1.2 Property Costs – Projected outturn overspend (£17k) (3%)

There is no significant variance in this area.

1.3 Teaching Departments - Projected outturn underspend £25k (2%)

There is no significant variance in this area, however please note:

- A shortfall in Full Time FE Health & Care income (£25k) is offset by an expected surplus in SVQ Income £39k.
- Previous to the NRPA award for un-promoted lecturer's, the teaching department's had been projecting a further £50k in salary savings. As stated in 1.1 above, there is an additional contribution from the funding council in this year towards this.

1.4 Senior Management & Administration - Projected outturn underspend £13k (2%)

There is no significant variance in this area, however please note:

- The Management restructure is projected to generate savings in consultancy fees - £28k.

1.5 Support – Projected outturn overspend (£39k) (10%)

There is no significant variance in this area, however please note:

- Employee costs are higher than anticipated due to Acting up and back-filling in respect of the management restructure and a single status pay review (£46k).

1.6 Income Generating Units – projected outturn shortfall (£43k)

There is no significant variance in this area, however please note:

- Shortfall in expected Canteen income due to an ambitious budget set, which has not seen demand meet expectations – (£24k); and
- Shortfall in expected Textile Facilitation Unit revenue, due in part to a temporary vacancy in the service during the first quarter, which reduced production capacity – (£32k).

See appendices 2 & 3 for further information on the review of Income Generating units.

1.7 Approved Contribution from SIC – Projected shortfall (£59k) (7%)

The adverse variance here is associated with the favourable variance in 1.1 above. Overall Shetland College are no worse off as a result of the FE Credit Agreement with NAFC.

1.8 Train Shetland – Projected outturn overspend (£61k)

The projected overspend/shortfall of income in Train Shetland is the result of minor variances throughout the service, including higher than expected training provider fee's in delivering Vocation Training (£29k).

Shetland College Board

1.0 – Income Generating Activity - Canteen

Canteen Service Outturn 2016/17 (Adv)/ Pos £	Subjective Area	Revised Annual Budget 2017/18 £	Projected Outturn Quarter 3 2017/18 £	Budget v Proj. Outturn Variance Quarter 3 (Adv)/ Pos £
49,246	Employee Costs	50,209	50,293	(84)
1,600	Equipment etc	1,650	2,033	(383)
40,793	Meal Supplies	43,500	37,000	6,500
91,638	Canteen Service Expenditure	95,359	89,326	6,033
- 88,544	Sale of Meals Income	- 100,772	- 76,650	(24,122)
3,094	(Surplus)/Deficit on Canteen	(5,413)	12,676	(18,089)

The Canteen provides a service to students and staff within Shetland College, for 5 hours per day, during term time. The service includes both hot and cold meals and drinks, as well as sweets, crisps etc. There is a vending machine on site, which is available 24/7. Three part-time staff are employed to work in the Canteen.

Current Position

Historically the Canteen does not achieve breakeven, with an average deficit of £8k per annum over the last 5 years, though in 2016/17 the deficit was £2k. The deficit for 2017/18 is estimated to be £13k.

The location of Shetland College out at Gremista, means that students have little choice on where to go for meals and snacks within their break times, so a small annual deficit on the Canteen, has been viewed as the cost of the College being able to provide this vital service to students.

The current charging policy within the Canteen is as follows:

Students

- Students (to qualify you must be enrolled on a course of 30+ hours and have been issued with a student card), are exempt from VAT on meals/snacks; and
- No specific discounting for students is applied.

Staff & Visitors

- Staff and Visitors are required to pay VAT on applicable meals/snacks at either zero or standard rate.

With regard to pricing, mark up rates vary from 10 – 30% for pre packed goods up to over 200% for items made on the premises. There is differentiation between high

and low value sandwich fillings etc, and waste is monitored carefully to ensure that it is kept to a minimum (under 2% per week).

Moving Forward

During an Internal Audit visit in February 2015, a potential VAT issue was identified. On further examination, it was discovered that all customers to the Canteen were charged the same rate for meals and snacks. This was incorrect and staff and visitors are now charged appropriately at either zero, or standard rated, depending on the item purchased.

The impact of this correction, was to raise prices for some items, to staff and visitors by up to 20% immediately, which has had an impact on the volume of sales and the level of income, demonstrating clearly that the market for staff and visitors is particularly sensitive to price increases.

With this in mind, staff at Shetland College have prepared an action plan to address the ongoing deficit in this area, as follows:

Canteen Service – Action Plan	Deadline
Waste Audit	March – April 2018
Review of Sales (focus on maximising high value items) and withdrawing some items from sale	March – April 2018
Increase some prices (bottles, cans, tea and coffee) by between 5p and 10p	16 April
Review of Prices for new academic year	From August 2018

At present Shetland College does not have facilities to accept card payments, and Canteen staff advised that at times sales are lost because of this. A chip and pin handset costs approximately £300 to buy, with a £75 per annum maintenance cost. The Revenues Service are conducting a review of these devices across the Council, and this request will be included.



Meeting(s):	Shetland Islands Council Shetland College Board	7 March 2018 8 March 2018
Report Title:	Review of Textile Facilitation Unit and Charging Proposal	
Reference Number:	F-31-F	
Author / Job Title:	Jonathan Belford, Executive Manager - Finance	

1.0 Decisions / Action required:

- 1.1 That the Council RESOLVES to adopt the proposed charges for the Textile Facilitation Unit Services, at Appendix 1, Section 8, subject to confirmation by the Shetland College Board;
- 1.2 That Shetland College Board NOTES the review of the Textile Facilitation Unit at Shetland College; and
- 1.3 That Shetland College Board CONFIRMS the proposed charges at Appendix 1, Section 8, as adopted by the Council.

2.0 High Level Summary:

- 2.1 The purpose of this report is to provide the Shetland College Board with information on the financial performance of the Textile Facilitation Unit (TFU), one of two income generating units within Shetland College, as requested by Board Members at their meeting on 5 December 2017 (Min Ref: 30/17).
- 2.2 Charging for TFU Services was not included in the budget report approved by Council on 14 February 2018, due to this review, instead the Shetland College Board Budget and Charging proposals report (Min Ref: 1/18) made it clear that proposed charges would be presented to this cycle.
- 2.3 Proposed charges must be approved by Council, confirmation of which will be provided at the meeting of the College Board.

3.0 Corporate Priorities and Joint Working:

- 3.1 There is a specific objective in the Corporate Plan that the Council will have excellent financial management arrangements to ensure that it continues to keep a balanced and sustainable budget, and is living within its means. The Council must continue to pursue a range of measures that will enable effective and successful management of its finances over the medium to long term. This involves correct alignment of the Council's resources with its priorities and expected outcomes and maintaining a strong and resilient balance sheet.
- 3.2 In relation to this Board, there is a specific objective in the Corporate Plan that the tertiary education, research and training project will have created an effective model for providing excellent services for our learners. Work is ongoing to identify

an appropriate and sustainable model going forward, and any decisions made to improve sustainability can only enhance that process.

4.0 Key Issues:

- 4.1 The TFU employs two technical staff, who between them support students accessing the BA (hons) in Contemporary Textiles, and provide services to textile businesses in Shetland.
- 4.2 The provision of support for students is estimated to cost £31k in the current year, however this is supported by income of £37k, from Course Fees and Scottish Funding Council Credits.
- 4.3 The remaining TFU services is estimated to cost £44k in the current year, for which income of £36k is expected. This leaves a shortfall of £8k.
- 4.4 Historically, charges for TFU services provided were increased as required in accordance with budgetary guidance etc. with little consideration of the estimated cost of providing each service. As part of this review however, the technical staff have reviewed the time, effort and materials involved in each type of service, and this has informed the proposed new charges, as detailed in Appendix 1.

5.0 Exempt and/or confidential information:

- 5.1 None.

6.0 Implications :

6.1 Service Users, Patients and Communities:	<p>The Charging Framework 2016, states “Services provided on a commercial basis must secure full cost recovery (including capital costs) as a minimum”.</p> <p>The TFU provides services to students (educational basis) and businesses (commercial basis), so overhead costs were not taken into account in the charging review.</p> <p>The proposed charges will have no impact on students at Shetland College. Businesses using the TFU service will be required to pay more for services, however charges are in line with competitors, and represent good value.</p>
6.2 Human Resources and Organisational Development:	None arising from this report.
6.3 Equality, Diversity and Human Rights:	None arising from this report.
6.4 Legal:	Under Section 95 of the Local government (Scotland) Act 1973, there is a requirement for each local authority to make arrangements for the proper administration of their financial affairs. That officer in Shetland Islands Council is the Executive Manager – Finance responsible for the presentation of budget and charging proposals as part of appropriate financial management arrangements.

6.5 Finance:	The Charging Proposals for the TFU have been accounted for in the approved 2018/19 budgets for Shetland College. Approval of the proposed charges will improve the sustainability of the TFU Service.	
6.6 Assets and Property:	None arising from this report.	
6.7 ICT and new technologies:	None arising from this report.	
6.8 Environmental:	None arising from this report.	
6.9 Risk Management:	<p>There are numerous risks involved in the delivery of services and the awareness of these risks is critical to successful financial management.</p> <p>From a financial perspective, risks are an integral part of planning, as assumptions are required to be made. These assumptions can be affected by many internal and external factors, such as supply and demand, which may have a detrimental financial impact.</p> <p>There are no financial risks associated with this report, which seeks to improve the sustainability of the TFU.</p>	
6.10 Policy and Delegated Authority:	<p>In accordance with Section 2.8 of the Council's Scheme of Administration and Delegations (as amended on 29 June 2016 (SIC Min Ref. 53/16)), the Shetland College Board has a responsibility within its remit to monitor and give assurance that the College operates sound financial management, including developing budgets and pursuing FE credit funding.</p> <p>Approval of the revenue budget requires a decision of the Council, in terms of Section 2.1.3 of the Council's Scheme of Administration and Delegations.</p>	
6.11 Previously considered by:	<i>n/a</i>	<i>n/a</i>

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Ex. 4615

26/02/2018

Appendices:

Appendix 1 – Income Generating Activity – Textiles Facilitation Unit (TFU)

Background Documents:

2018/19 Budget and Charging Proposals – Shetland College Board

<http://www.shetland.gov.uk/coins/viewDoc.asp?c=e%97%9De%8Fm%80%8B>

Shetland College Board

Income Generating Activity – Textile Facilitation Unit (TFU)

1. All TFU costs are held within one cost centre in Shetland College. The projected financial position for the TFU is summarised below:

Textile Facilitation Unit	Revised Annual Budget 2017/18 £	Projected Outturn Quarter 3 2017/18 £	Budget v Proj. Outturn Variance Quarter 3 (Adv)/ Pos £
Employee Costs	67,858	60,008	7,850
Overheads	14,184	14,184	0
TFU Service Expenditure	82,042	74,192	7,850
Less Cost of Services to Students	- 32,857	- 30,502	(2,355)
Sales Income	- 68,471	- 36,000	(32,471)
(Surplus)/Deficit on TFU	(19,286)	7,690	(26,976)

2. Two full time technicians are employed by the TFU, which is managed by the Head of Creative and Cultural Industries.
3. The TFU provides a service to students and businesses in Shetland. It provides an essential service to students on the BA (hons) in Contemporary Textiles programme. This course could not continue without TFU support.
4. For that reason, the majority of overheads associated with this service have been excluded from the TFU support for businesses calculation. When the costs associated with student support are removed, the TFU is predicting a deficit in the current year of £7,690.
5. Some of this deficit can be associated with a vacancy in the service which was only recruited to in late May 2017, which reduced the capacity of the service to meet demand. Though off course this also reduced the costs associated with the service.

6. Services provided to Students

The provision of support to students is projected to cost £30,502 in the current year. This cost is more than offset by the income generated in Course Fees and Credits by students on the BA (hons) course (£37,376 in the current year).

7. Services provided to Businesses

Technician operated:

- Garment Design and Development – one to one attention from the senior technician
- Machine Knitting – 3 machines that can be serviced at the same time by either technician
- Linking (operated by a technician)
- Finish Press and Wash

Customer operated (competent operators with indemnity only):

- 3g, 5g, 2x7g & 12g Linkers
- Steam press and drying rack
- Cone winder
- Over-locker sewing machine

The majority of businesses accessing the TFU are very small, or small, and require production runs that are smaller (sometimes only one or two garments) than other comparable service providers would accept.

8. Schedule of Charges

The Head of Creative and Cultural Industries has reviewed TFU services in detail with the TFU staff, and is recommending the following price changes.

Charge (excluding VAT where applicable)	Unit	2017/18 Charge £	2018/19 Charge £	Variance %
Garment Design and Development	per hour	32.50	35.00	8%
Machine Knitting	per hour	12.00	13.20	10%
Linking	per hour	9.50	16.50	74%
Wash & Press	per item	1.85	3.50	89%
Hire of Linker	per hour		3.50	
Hire of Steam Press & Drying Rack	per hour		15.00	
Hire of Cone Winder or Overlocker	per hour		12.50	

The proposed charges better reflect the services provided.

No impact on volume of sales is anticipated from these price increases, which are sufficient to move the service from a deficit position, to that of a small surplus. The service can then begin to contribute to the sustainability of Shetland College.