

Executive Committee
Council Chamber, Town Hall, Lerwick
Tuesday 7 September 2004 at 10.30 a.m.

Present:

F B Grains W H Manson
W A Ratter W N Stove

Apologies:

L Angus A J Cluness
J C Irvine J A Inkster
W H Manson (for lateness)

In attendance:

M H Goodlad, Chief Executive
G Spall, Executive Director Infrastructure Services
J Watt, Executive Director Community Services
G Johnston, Head of Finance
J Smith, Head of Organisational Development
D Irvine, Head of Business Development
J R Riise, Head of Legal and Administration
D E S Lamb, Senior Special Projects Officer
A Henry, Policy and Development Assistant
D Haswell, Committee Officer

Chairperson

Mrs F B Grains, Vice-Chairperson of the Committee, presided.

Circular

The circular calling the meeting was held as read.

Members Attendance at External Meetings

Mr W N Stove advised that he had attended a meeting of the Scottish Joint Council at CoSLA offices last week where discussions centred on pay negotiations. The Employers' Side had made an offer of 2.95% on all spinal points, on all scales, with effect from 1 April 2004 and 2.95% on all spinal points, on all scales, with effect from 1 April 2005. Following consultation by the Unions, Unison accepted offer but the TMG and the GMB rejected the offer and were now going to ballot their members. The Employers' side had reiterated the point that this was their first and final offer.

Mr W A Ratter advised that there was a CoSLA Finance meeting due to be held fairly soon but no Council Members or Officers were able to attend. However, the Head of Finance would be discussing these issues with colleagues from other Local Authorities. The Head of Finance reiterated this point and said that CoSLA, and others, had done a lot of work on areas of major financial concern. He undertook to obtain as much information as possible in order to appraise Members at a future meeting of the Committee.

Minutes

The minutes of meetings held on 22 June and 28 June 2004 were confirmed.

78/04 **Internal Audit – Progress Report – A Job Worth Doing – Raising the Standard of Internal Audit in Scottish Councils**

The Committee considered a report by the Service Manager, Internal Audit (Appendix 1).

The Head of Finance briefly introduced the report and advised that progress on the recommendations in the Action Plan would be provided at future meetings.

The Chief Executive drew Members' attention to recommendation 4 of the Action Plan in relation to staffing levels. He said that to increase staff was often easier said than done.

The Committee approved the recommendations in the report, on the motion of Mr W A Ratter, seconded by Mr W N Stove.

79/04 **Statutory Performance Indicators and Public Performance Reporting for 2003/04**

The Committee considered a report by the Head of Organisational Development (Appendix 2).

The Head of Organisational Development introduced the report and advised that Internal Audit and PriceWaterhouseCoopers had suggested changes to ex-grade the Performance Indicators for Food Safety: Hygiene Inspections and Children's Services Pre-School. The report would be updated to reflect those changes prior to consideration by the Council on 15 September. The Head of Organisational Development concluded by saying that this year's information had been available earlier than in previous years.

Referring to page 16 of Appendix A and, in particular, the statistics provided for Noise Complaints and the percentage of complaints settled on first contact with the complainant, dealt with on the day of receipt of complaint, Mr W A Ratter said he found it hard to believe that the figures for 2001-02 indicated that 100% of these complaints had been dealt with.

The Head of Organisational Development said that the Council continued the challenge to develop local Performance Indicators and this was relected in the Best Value Audit submission that some of the national requirements for Performance Indicators were not helpful in the Shetland context.

The Committee approved the recommendation in the report on the motion of Mr W N Stove, seconded by Mr W A Ratter.

80/04 **General Fund Revenue Management Accounts 2004/05 for the Period 1 April 2004 to 30 June 2004**

The Committee considered a report by the Head of Finance (Appendix 3).

Referring to section 3.2 of the report, the Head of Finance drew Members' attention to the £2.4M underspend but pointed out that as indicated, this would not result in a real underspend at the end of the financial year. Over the next few months, there would be a review of 2 or 3 key service areas so that Budget Responsible Officers have a real understanding of where the Council was going. This outcome of these reviews would be presented to the Committee soon and would provide Members with more information.

The Committee approved the recommendation in the report, on the motion of Mr W N Stove, seconded by Mrs F B Grains.

81/04 **Proposed Code of Practice for In-House Bids**

The Committee considered a report by the Senior Special Projects Officer (Appendix 4) and, on the motion of Mr W A Ratter, seconded by Mr W N Stove, approved the recommendation contained therein.

Mr W A Ratter said that the Senior Special Projects Officer should be complimented for proposing such an essential Code of Practice. Members agreed.

82/04 **Community Planning Board – Constitution and Standing Orders**

The Committee noted a report by the Head of Organisational Development (Appendix 5) and, on the motion of Mr W N Stove, seconded by Mr W A Ratter, approved the recommendations contained therein.

83/04 **Air Travel: Corporate Procurement Policy**

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

The Head of Finance took Members through the report following which a brief discussion ensued. A Member said it was clear that the Council did not take up a lot of reduced fare seats. In response to a question from a Member, the Executive Director, Infrastructure Services advised that he was unsure as to how Loganair based their fare structure but understood it to be as detailed in section 2.3. He agreed that the amount of reduced fare seats used by the Council were negligible.

Mr W N Stove said that he always prided himself on booking reduced fares and he would continue to do so. He said that the report had produced some very useful information and he was surprised at the small proportion of reduced fare seats the Council used. In terms of Best Value, he said that the Council had a duty to ensure that Member and Officer travel was as cheap as possible.

The Chief Executive said that there was a popular opinion that every flight was full of Council Members and Officers. He reminded Members that the travel budgets had been considerably reduced over the past few years.

The Committee approved the recommendations in the report, on the motion of Mr W N Stove, seconded by Mr W A Ratter.

85/04 **Business Enterprise Scheme, Phase III – Cope Ltd – Shetland Soda Company**

The Committee considered a report by the Development Officer (Appendix 8).

Mr W A Ratter said that he welcomed this report and said that the proposal provided a good way of dealing with the client group. He added that the Council had been involved in COPE Ltd from the outset and, in his view, there was a local demand for the products that would be produced by the Shetland Soda Company. COPE products that were available at the moment were brandable products to be proud of and the products from the Shetland Soda Company would also be.

Accordingly, Mr W A Ratter moved the Committee approve the recommendations in the report. Mr W H Manson seconded.

Mr W N Stove agreed the with proposal but asked if people employed by COPE were given the opportunity to leave to take up open employment because he felt that many of them were capable of doing so. The Executive Director, Community Services, advised that the Moving On Project supported those with disabilities and mental health problems being given the opportunity to take up open employment. She said that the Ensuring Equal Opportunities Group and the Disability Strategy Group were aware that there was a need to raise the awareness of employers in Shetland in relation to disability and mental health. The Groups would soon be consulting with various agencies on a draft disability strategy for the whole of Shetland. The Executive Director, Community Services undertook to prepare a report to the next Executive Committee on the whole arena of disability awareness, equalities issues in relation to it and the need for training and improved services, etc.

A brief discussion ensued on Shetland Development Trust (SDT) Surplus referred to in section 4.2. A Member queried if Members were told what happened to other SDT Surpluses. The Chief Executive explained that whilst he did not have the exact figures of the surpluses to hand, it was a decision of the SDT as to how their surpluses were disbursed and the mechanism applied was that they could be disbursed to a charitable body without any conditions being attached and therefore avoid tax. Previously, there had been an understanding between SDT and Shetland Charitable Trust (SCT) and surpluses had been disbursed to SCT. The Chief Executive concluded by saying that details of SDT surplus disbursements were contained in SDT minutes.

86/04 **Single Status Project Update Report**

The Committee noted a report by the Single Status Project Manager (Appendix 9).

Mr W N Stove said he was pleased to report that it was clear from the SJC meeting that the Council were progressing well with the Single Status Project compared to other local authorities.

87/04 **Best Value Update**

The Committee considered a joint report by the Head of Organisational Development and the Senior Special Projects Manager (Appendix 10).

The Head of Organisational Development briefly introduced the report and said that the substantial item was Appendix 1, the Best Value Audit. Following approval of the draft submission by the Council, it would be sent to Audit Scotland.

Mr W H Manson said that the Best Value Service Review (BVSR) of Education was very much in the public eye at the moment. He said that at a recent public meeting on the BVSR, allegations had been made that the Council had inappropriately applied use of the cost weightings and he sought confirmation that the weightings were being applied appropriately.

The Head of Organisational Development said he had examined as to how best the costs could be detailed as part of the BVSR. After discussions with Finance Services, it was agreed that using a combination of Capital and Revenue costs together was a better way of highlighting the overall costs. The Head of Finance confirmed this was correct and said that Officers believed that the weightings were being applied appropriately.

The Committee approved the recommendations in the report, on the motion of Mr W H Manson, seconded by Mrs F B Grains.

88/04 **Shetland College/Train Shetland Board of Management – 22 July 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 11).

89/04 **Economic Development Forum – 15 June 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 12a).

10/04 – Streamlining the Economic Forums

Mr W A Ratter advised that the LEF had now been wound up and the issues discussed at the Forum were in hand.

90/04 **Special Environment and Transport Forum – 17 June 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 12b).

12/04 – Orkney and Shetland Ferry Services Re-tendering Exercise

The Executive Director, Infrastructure Services advised that following the Forum meeting, comments had been submitted to the Scottish Executive on behalf of the Council. Two meetings of the Orkney and Shetland Livestock Group had been held with another scheduled to be held in November. He said that the Scottish Executive was listening very carefully to people who shipped livestock and, as far as the specification went, everything had been completed with the exception of livestock issues.

91/04 **Economic Development Forum – 6 July 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 12c).

92/04 **Economic Development Forum – 10 August 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 12d).

17/04 – Strategic Review of Inshore Fisheries. Presentation by Ms Gabriella Pieraccini, Head of SEERAD's Inshore Fisheries Branch

Mr W A Ratter asked that it be recorded that in response to a question from Mr J H Henry, Ms Pieraccini had made it clear that local Area Management Groups would be funded by the Scottish Executive.

93/04 **Environment and Transport Forum – 17 August 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 12e).

94/04 **Social Forum – 19 August 2004**

The Committee noted the minute of the aforementioned meeting (Appendix 12f).

17/04 – Direct Payments

In response to a question from Mr W N Stove, the Executive Director advised that representatives from Direct Payments Scotland would be returning to Shetland in November.

95/04 **Shetland Development Trust Minute – 26 May 2004**

The Committee noted the minute of the aforementioned meeting.

97/04 **Shetland Development Trust Minute – 23 June 2004**

The Committee noted the minute of the aforementioned meeting.

98/04 **Shetland Development Trust Minute – 2 July 2004**

The Committee noted the minute of the aforementioned meeting.

99/04 **Shetland Development Trust Minute – 21 July 2004**

The Committee noted the minute of the aforementioned meeting.

100/04 **Viking Energy Ltd – Procurement of Met Masts**

Executive Committee
07 September 2004 Public Minutes

The Committee considered a report by the Principal Officer – Business Technical and, on the motion of Mr W A Ratter, seconded by Mr W H Manson, approved the recommendations contained therein.

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F B Grains
Vice-Chairperson