

that he had asked for some explanation as to this overspend, which he had been told had been due to extra staffing that had not been authorised, but no explanation had been forthcoming. In response, Mr W H Manson said that he agreed that the overspends on Education were matters of huge concern. He went on to explain that additional staff had not been recruited, but the overspends had been due to a failure to budget for them. The Chief Executive confirmed that there had been a report prepared for the last cycle, but he had not allowed it to progress as he was not fully satisfied with the explanation. He said that it was correct that new staff had not been recruited, but the budgetary figure had not been included. The Chief Executive gave an assurance that a report would be presented clarifying the position.

Mr J C Irvine expressed his disappointment regarding the Council's decision not to provide funding for the receptionist post at the new voluntary centre. He said that he felt that there was some discrimination and victimisation being shown towards the voluntary sector in terms of grant funding, and said that he would be keeping a watchful eye on the situation.

Mr A Inkster referred to section 3 of the report, and said that the limits shown were quite alarming, particularly with regard to controllable expenditure. He said that that it appeared that budget procedures and systems were not working. The Head of Finance said that he accepted that budgetary preparation, monitoring and control were not as good as they could be. However, he said that officials had a broad understanding that matters such as budget profiling were still causing difficulties and these would have to be addressed. The Head of Finance went on to confirm that a report would be presented in the next cycle in May which would draw on some conclusions and make recommendations for improvements.

12/05

The Capital Programme – CPMT Report – March 2005

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

The Head of Finance said that the situation was that of the £22m budget, £19m would be spent. He said this was due to slippage and projects which would not proceed. The Head of Finance referred Members to the recommendation regarding the Geratwatt Footways project to be extended to take in the new housing development, adding that this was a lesser option than that which was recommended by the Infrastructure Committee. Mr J C Irvine said that the Council should proceed to include the expenditure for this area, adding that there was an impression given that the scheme would take longer than expected. Mr L Angus agreed that it should proceed, as long as the Capital Programme was able to accede to it. Regarding the Special Needs

Unit, Mr Angus asked if the budget shown for the AHS Special Needs Unit included the updated revised estimate. The Head of Finance confirmed that the budget for this project had been increased, but as there had been slippage on another project, the overall programme figure was expected to stay the same. Mr W H Manson said that the profiling for this project that had been revised, and the most recent information received had confirmed that the completion date had not changed. It was noted that the additional works required for a sprinkler system were as a result of recent legislation and guidelines.

- 13/05 **Treasury Management Strategy Statement 2005/06**
The Committee noted a report by the Head of Finance (Appendix 3).
- 14/05 **Prudential Indicators 2004/05 – Monitoring**
The Committee noted a report by the Head of Finance (Appendix 4).
- 15/05 **Prudential Indicators 2005/06**
The Committee noted a report by the Head of Finance (Appendix 5).
- 16/05 **Local Newspaper Advertising**
The Committee considered a report by the Chief Executive (Appendix 6) and approved the recommendations contained therein, on the motion of Mr J C Irvine, seconded by Mr W H Manson.
- 17/05 **Quality of Life Funding Award**
The Committee considered a report by the Executive Director – Community Services (Appendix 7) and approved the recommendations contained therein, on the motion of Mr A J Cluness, seconded by Mr W H Manson.
- 18/05 **Training Update**
The Committee considered a report by the Head of Organisational Development (Appendix 8).

Mr A Inkster said he recognised that training of staff was extremely important, and asked if training was considered to be well co-ordinated, and said that the sharing of information learned was critical. The Head of Organisational Development said that a lot of work had been done on the training strategy over the last couple of years, and Service Training Plans had been developed. He went on to say that one aspect which had arisen was a concern that the Council was not making the most of Train Shetland., and that increased use would assist the Council in many respects, as outlined in the report. In response to a question, the Head of

Organisational Development confirmed that a training needs analysis had been carried out, and had assisted towards the development of the corporate and management development training.

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

- 19/05 **Community Councils – Scheme and Financial Position Update**
The Committee considered a report by Head of Finance (Appendix 9) and adopted the recommendations contained therein, on the motion of Mr W H Manson, seconded by Mr A J Cluness.

[Mr W A Ratter attended the meeting.]

- 20/05 **Community Planning Update Report**
The Committee noted a report by the Head of Organisational Development (Appendix 10).

Mr J C Irvine expressed his concern at the operation of the Community Planning Board, particular with regard to matters of 'creeping centralisation' where the views and policies of other unelected members of other organisations were representing the views of a wider organisation, and not necessarily addressing the local context. However, Mr Irvine said that whilst there were those who were committed and enthusiastic about Community Planning, he believed that the Council should agree with the initiative, but do nothing to support it further.

Mr A J Cluness said that whilst he understood the concerns raised regarding centralisation, he felt it was a more a question as to whether the present system of local government in Shetland was right for this community. He said this the matter of future governance was something that the Community Planning board would be looking at. He went on to say that there were benefits in collaborating with local partners, particularly NHS Shetland, and the Community Planning Board was useful tool for consultation and communicating with communities throughout Shetland to find out the best way of providing services.

Reference was made to representation on the Community Planning Board and it was noted that the Voluntary and Independent Sector Forum would be appointing a representative to the Board.

- 21/05 **Performance Management Update**
The Committee noted a report by the Head of Organisational Development (Appendix 11). The Committee noted that a meeting of the Executive Committee in its Scrutiny Role would be called next cycle.

- 22/05 **Guidelines to Engage and Consult with Communities**

The Committee considered a report by the Head of Organisational Development (Appendix 12) and approved the recommendations contained therein, on the motion of Mr J C Irvine, seconded by Mr W A Ratter.

23/05 **Single Status Project Update Report**

The Committee noted a report by the Single Status Project Manager (Appendix 13).

24/05 **Forum Minutes: Environment and Transport Forum – (a) 24 January 2005; and (b) 1 March 2005**

The Committee noted the minutes of the Environment and Transport Forum on 24 January and 1 March 2005 (Appendices 14a and 14b).

The Committee noted that the Executive Director Infrastructure Services would be issuing a Press Release today regarding concerns expressed by the Chairperson of the Infrastructure Committee regarding the introduction of Regional Transport Partnerships.

Reference was made to the recent announcement by Loganair regarding their decision that the last flight from Aberdeen would not stay overnight at Sumburgh. Members agreed to record their concern that this situation was likely to lead to a reduction in the number of flights out of Shetland, and agreed to monitor the situation and discuss at a future meeting of the Forum if necessary.

25/05 **Social Forum – 3 March 2005**

The Committee noted the minute of the Social Forum held on 3 March 2005 (Appendix 14c).

The meeting concluded at 11.50 a.m.

.....
A J Cluness
Chairperson