

# MINUTES

# B - PUBLIC

**Shetland Islands Council  
Council Chamber, Town Hall, Lerwick  
Wednesday 6 March 2019 at 2pm**

## **Present:**

M Bell	M Burgess
P Campbell	A Cooper
S Coutts	J Fraser
A Hawick	S Leask
E Macdonald	A Manson
A Priest	I Scott
C Smith	G Smith
T Smith	R Thomson

## **Apologies:**

A Duncan	C Hughson
R McGregor	D Sandison
D Simpson	B Wishart

## **In Attendance (Officers):**

M Sandison, Chief Executive  
J Manson, Executive Manager – Finance  
J Riise, Executive Manager – Governance and Law  
R Sinclair, Executive Manager - Asset, Commissioning and Procurement  
L Malcolmson, Committee Officer

## **Chairperson**

Mr Bell, Convener of the Council, presided.

## **Circular:**

The circular calling the meeting was held as read.

The Chair ruled, that in accordance with Section 43 (2) of the Local Government in Scotland Act 2003, the attendance of Councillor Mark Burgess during the proceedings be permitted by telephone link.

## **Declarations of Interest**

None

### **11/19     Management Accounts for Community Health and Social Care 2018/19 - Projected Outturn at Quarter 3**

The Council considered a report by the Executive Manager – Finance (F-019-F) that presented the projected outturn position for 2018/19 as at the end of the third quarter for revenue and capital.

The Executive Manager – Finance introduced the main terms of the report and highlighted areas for Member's attention set out in Section 4.

During the discussion a number of questions was asked in regard to the outturn position for Community Health and Social Care Directorate. The Executive Manager – Finance advised that the Director of Community Health and Social Care had responsibility for that budget and Members were assured that measures would be put in place to mitigate overspends. The Chief Executive added that at the last Council meeting each Directorate presented service redesign proposals to deliver a sustainable Directorate budget. She advised that some spend to save projects were required to assist transformation however those would take time. She said that actions were in progress and Members would receive updates on these redesign projects.

The Leader advised that Policy and Resources Committee had considered this report and the overall settlement. He stated that it was clearly disappointing that there would be an overspend within the Community Health and Social Care Service but Members recognised the challenging environment for staff, and the importance of ensuring that services continue to be delivered. The Leader added that the Committee had been content that mitigation was being done wherever possible without causing harm to service users.

Mr Coutts moved that the Council approve the recommendations contained in the report. Mr Leask seconded.

During further consideration of the report comment was made that overspends were happening in hard to predict areas, therefore there was less concern around covering these additional costs. It was suggested that in living within its means, the Council would have the ability to set budgets and it was acknowledged that Officers were trying to deliver the level of service that Members instructed. Further comment was made on the importance of the redesign process, but it was noted that it would take time to progress and that any changes should be person centred and outcome focussed. There was disagreement with the comment above regarding hard to predict costs and that there was always concern in terms of overspends and the need for a drawdown from reserves but the redesign process was welcomed.

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**Decision:**

The Council RESOLVED to approve an increase in the payment for 2018/19 to the Community Health and Social Care Partnership Integration Joint Board of £120k, recognising the transfer of Cost Pressure and Contingency budget held by the Council and other budget changes, as detailed. This will increase the payment for 2018/19 to £21.075m.

12/19

**SIC Overall Management Accounts 2018/19 - Projected Outturn at Quarter 3**

The Council considered a report by the Executive Manager – Finance (F-005-19-F) that set out the overall Council projected financial position as at Quarter 3.

The Executive Manager – Finance introduced the main terms of the report and the projected overspend on service delivery. He advised that as the end of the financial year was still a few months away, there may be a change in position. He advised on the anticipated £15m draw on reserves and took Members through the Appendices attached.

There being no questions, the meeting entered into debate. The Leader commented on the consideration of the report by the Policy and Resources Committee, where the report had been given a high degree of scrutiny.

Mr Coutts moved that the Council approve the recommendations contained in the report. Mr Thomson seconded.

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**Decision:**

The Council RESOLVED to:

- REVIEW the Management Accounts showing the overall projected outturn position at Quarter 3.
- NOTE that each Director will continue to monitor spend and take actions to mitigate any projected overspends as set out in the service committee reports; and
- APPROVE an increase in the contribution to ZetTrans of up to £0.484m to fund the additional cost of running the public bus and air services; and consultancy costs to carry out the public transport network re-design.

13/19

**Asset Investment Plan - Progress Report**

The Council considered a report by the Executive Manager – Assets, Commissioning and Procurement (CPS-02-19-F) that informed on the progress of the projects within the Asset Investment Plan currently underway in 2018/19.

The Executive Manager – Assets, Commissioning and Procurement introduced the report and advised of a typographical error in the date entered for work programmed for Sound Early Learning Provision that should read “2019/20” not “2020/21”.

Assurance was sought that the early learning extensions at schools would be complete as stated. The Executive Manager – Assets, Commissioning and Procurement advised that as with any programme there was no guarantee, but he assured that every effort would be made to achieve the targets set. The Chief Executive added that the Expansion of Early Learning and Child Care was a key Service Redesign project, and she gave assurance that progress would be monitored and the necessary resources put in place. There were risks but those would be paid attention to and the intention was to deliver on time. She said that this was a crucial project for the Scottish Government and therefore there would be regular reports required to the Scottish Government. The Chief Executive also advised that the Scottish Government recognise the pressure and challenges on Local Authorities in delivering this commitment, advising on the challenge in terms of staff resources and the need to grow the workforce and fill jobs. The Chief Executive explained that the Council can decide not to do the external works immediately to ensure that the buildings are made ready for use.

In responding to further questions, the Executive Manager – Assets, Commissioning and Procurement confirmed that the tender documents for the 4 projects would be issued on 18 March 2019. He advised that he would provide the lead in date for the Cunningsburgh project by email. Comment was made that

information is being provided to Members to give them confidence that the projects are being delivered.

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**Decision:**

The Council NOTED the progress of the projects within the Asset Investment Plan.

14/19

**Annual Investment Strategy for 2019-20**

The Council considered a report by the Executive Manager – Finance (F-028-F) that presented the proposed Annual Investment and Treasury Strategy for the Council for the financial year 2019/20.

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

Reference was made to the table at paragraph 4.09, on page 14 of the Appendix, and the Executive Manager – Finance advised that the figures related to specific grants and assumptions. He confirmed that the figure for the Fair Funding for Ferries Project had been based on an assumption.

There being no debate Mr Coutts moved that the Council approve the recommendations contained in the report. Mr G Smith seconded.

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**Decision:**

The Council RESOLVED to:

- APPROVE the Annual Investment Strategy Statement to be followed for the financial year 2019/20;
- APPROVE the Treasury Management Strategy to be followed for the financial year 2019/20, as set out in Appendix 1; and
- APPROVE the Treasury Management Prudential Indicators for 2018/19 to 2021/22 as set out in Appendix 1.

15/19

**Corporate Risk Register**

The Council considered a report by the Director of Corporate Services (CRP-03-19-F) that presented the current Corporate Risk Register, and highlighted recent changes and current relevant information.

The Executive Manager – Governance and Law summarised the main terms of the report.

In responding to a question on the “Shortage of Foster Carers” the Executive Manager – Governance and Law agreed that information would be circulated, by email to Members, on whether there is a shortage of Foster Carers locally.

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**Decision:**

The Council NOTED the content of the report.

In order to avoid the disclosure of exempt information, Mr Bell moved, Mr Thomson seconded, and the Council RESOLVED to exclude the public in terms of the relevant legislation during consideration of the following item of business.

16/19      **Confidential Corporate Risk Register**

The Council noted a report by the Director of Corporate Services that presented the current Confidential Corporate Risk Register which complements the Corporate Risk Register report, as presented earlier on this meeting’s agenda.

The Executive Manager – Governance and Law introduced the report and the risks listed in the appendix.

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**Decision:**

The Council NOTED the content of the report.

The meeting concluded at 2.40pm.

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Convener