

Shetland Islands Council



Executive Manager: Jan-Robert Riise
Director of Corporate Services: Christine Ferguson

Governance & Law
Corporate Services Department
8 North Ness Business Park
Lerwick
Shetland, ZE1 0LZ

Telephone: 01595 744550
committee.services@shetland.gov.uk
www.shetland.gov.uk

If calling please ask for
Louise Adamson
Direct Dial: 01595 744555
Email: louise.adamson@shetland.gov.uk

Date: 14 March 2024

Dear Sir/Madam

You are invited to the following meeting:

Policy and Resources Committee
Council Chamber, Lower Hillhead, Lerwick
Wednesday 20 March 2024 at 10am

Apologies for absence should be notified to Louise Adamson at the above number.

(Please note that this meeting will be webcast live, recorded and published online for public access after the meeting)

Yours faithfully

Executive Manager – Governance and Law

Chair: Emma Macdonald
Vice-Chair: Gary Robinson

AGENDA

- (a) Hold circular calling the 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 declaration of interest should be sufficient for those at the meeting to understand why you consider you have a clear and substantial interest. If you are in any doubt about whether you have a declarable interest that would prevent you from participating in discussion or a decision, you should seek the advice of the Monitoring Officer, or the Council's legal officers on his behalf, in advance of the meeting.

- (d) Confirm the minutes of the meetings held on (i) 4 December 2023 and (ii) 20 February 2024 (attached).

Items

- 1 Shetland's British Sign Language (BSL) Plan 2024-2030
DV-12-24
- 2 Education and Families Committee – Chair's Report
Free School Meals and School Clothing Grant Criteria
CS-08-24
- 3 Environment and Transport Committee – Chair's Report
Taxi Tariff Review
DV-07-24
- 4 Environment and Transport Committee – Chair's Report
Shetland Sheep Scab Regulations (2024)
ES-01-24
- 5 Development Committee – Chair's Report
Tall Ships Races Lerwick 2023 – Impact Assessment and Legacy Funding
DV-02-24
- 6 SIC Overall Management Accounts 2023/24 - Projected Outturn at Quarter 3
F-10-24
- 7 Corporate Services – Quarter 3 Performance Report 2023-2024
CRP-07-24
- 8 2024-25 Budget and Charging Proposals – Corporate & Executive Services
F-12-24
- 9 Corporate Services Directorate Plan 2024-27
CRP-08-24
- 10 Community Health and Social Care Planning and Performance Update Q3
CC-15-24
- 11 Community Health and Social Care Directorate Plan 2024/27; 2024/25 Update
CC-14-24
- 12 2024-25 Budget and Charging Proposals – Community Health and Social Care
Directorate
F-13-24
- 13 Shetland Islands Council Budget Book 2024-25
F-14-24

- 14 Council Investment Review for Quarter to December 2023
F-11-24
- 15 Treasury Management Strategy Statement & Annual Investment Strategy 2024/25
F-15-24
- 16 Non-Domestic Rates Empty Property Relief Policy
F-19-24
- 17 Asset Investment Plan – Prioritisation 2024-29
ACP-05-24
- 18 Asset Investment Plan – Progress Report
ACP-03-24
- 19 Learning at Work Policy and Procedures
HR-01-24
- 20 Participation and Engagement Policy
DV-13-24
- 21 Information Security Policy
GL-02-24
- 22 Scottish Household Survey
CRP-02-24
- 23 Shetland Islands Council Risk Register
CRP-09-24

The Following Items Contain Exempt Information

- 24 Environment and Transport Committee – Chair’s Report
Procurement Matter
DV-10-24
- 25 ICT System Business Justification Case
CRP-06-24
- 26 Crown Estate Pilot Project
ACP-04-24
- 27 Confidential Risk Register
CRP-10-24



MINUTES

B - Public

**Policy and Resources Committee
Council Chamber, Lower Hillhead, Lerwick
Monday 4 December 2023 at 10.00am**

Present:

J Fraser	C Hughson
D Leask	M Lyall
E Macdonald	R McGregor
L Peterson	G Robinson

Present via Remote Link

D Anderson	R W Thomson
D Sandison	

Also:

A Wenger

Apologies:

None

In Attendance (Officers):

M Sandison Chief Executive
C Ferguson, Director of Corporate Services
T Coutts, Executive Manager – Economic Development
J Cunningham, Executive Manager – ICT
P Fraser, Executive Manager – Finance
N Hutcheson, Executive Manager - Roads
A Inkster, Executive Manager – Ferry and Air Operations and Port Infrastructure
D Morgan, Chief Social Work Officer
J Riise, Executive Manager – Governance and Law
L Simpson, Executive Manager - Inclusion
V Simpson, Executive Manager – Community Planning and Development
R Sinclair, Executive Manager – Assets, Commissioning and Procurement
J Sutherland, Executive Manager – Children’s Social Work
E Perring, Team Leader – Community Planning
C Flaws, Community Justice Officer
L Gear, Partnership Officer
M Keith, Community Justice Officer
L Geddes, Committee Officer
L Adamson, Committee Officer

Also in Attendance (Remotely):

J Campbell, Senior Audit Manager, Audit Glasgow

Chairperson

Mrs E Macdonald, Leader 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, remote attendance and participation by Committee members during the meeting was permitted. She also advised that the meeting was being recorded and would be published online for public access afterwards.

Declarations of Interest

None

Minutes

The minutes of the meeting held on 18 September 2023 were approved on the motion of Mr Robinson, seconded by Mr Fraser.

60/23 **Corporate Services – Quarter 2 Performance Report 2023-24**

The Committee considered a report by the Executive Manager - Change Programme (CRP-35-23-F) that presented the Corporate Services Quarter 2 Performance Report 2023-2024.

In introducing the report, the Director of Corporate Services referred to the continuing pressure on staff across the services, which had impacted on progress on a number of actions and projects. She went on to advise on the areas where progress had been made, including procurement, and on the improved staffing situation within the Change Programme.

In response to a request for an update on Project OA133, the Shetland Amenity Trust (SAT) Review, the Director of Corporate Services advised on the close working relationship between the Council and SAT on the review and further meetings were to be arranged. She went on to advise that while no significant change was being proposed at this time, she would present a report to Members in due course, to inform on progress on the review.

During debate, concern was expressed regarding the number of Projects and Actions listed in Appendix 1 where no progress had been made, and that in each subsequent presentation of the report there were more Red rankings, rather than fewer. In that regard, it was hoped that the improved staffing situation, as reported, would help to address the situation. It was further commented that the Health and Safety Arrangement recommendations, shown as Red rankings, were important areas and required continuity.

Reference was made to Sections 4.7.4 and 4.7.5 of the report, and concern was raised where it was recognised that Corporate Services was likely to fail to support all services to the level required, and struggle to deal with the current change programme, projects and recommendations for improvement. In commenting on the need to address the current situation, reference was made to the “Corporate Services Staffing Matters” report to be considered during the exempt part of the meeting, where it was hoped solutions could be found.

While recognising the significant challenges within the Directorate, comment was made on the need for projects to move forward and it was hoped that progress would be evident in the near future. It was however acknowledged that staff continued to work incredibly hard to achieve “Our Ambition”, and that the Council is an organisation where people strive and want to work.

There was no further debate, and the Committee noted the report.

Decision:

The Committee:

- DISCUSSED the contents of this report;
- COMMENTED on the achievements of Corporate Services during Quarter 2 of 2023-2024;
- NOTED the issues facing Corporate Services in terms of competing priorities and the constraints on resources; and
- ADVISED managers of their views.

61/23

SIC Overall Management Accounts 2023/24 - Projected Outturn at Quarter 2

The Committee considered a report by the Executive Manager - Finance (F-36-23-F) that presented the overall Council projected financial position as at Quarter 2.

The Executive Manager - Finance introduced the report and advised on the content and key message from each of the appendices, including the addition of Appendix 9, that provided information on Full Time Staff Equivalents and the costs of vacancies, overtime and agency staff.

The Executive Manager - Finance commented on the revenue and capital position of the Harbour Account, at Appendix 2, advising on an error in the third last line, where the figure of 2883, should read 3.

The Executive Manager - Finance concluded his introduction with reference to the table at Section 4.4, and the proposed spend in Quarters

3 and 4 with possible carry forwards. He also noted the expectation that the outturn position would be closer to, or below, budget.

In responding to questions relating to the information provided in Appendix 9, the Executive Manager – Finance provided explanation on the inclusion of Full Time Equivalent posts externally funded, the savings associated with posts not filled, and the spend on overtime and agency staff. It was acknowledged that the ferry funding had been included within Appendix 9 which resulted in the data providing a misleading position. In that regard, the Executive Manager - Finance suggested it would be more useful to work on a better format with presentation of the relevant information to each of the functional Committees.

In response to questions, the Executive Manager – Finance said that he would provide Members with an overview of the Nature Restoration Fund, as referred to in the “Use of Reserves” table at Appendix 2. He would also advise whether coastal erosion projects could be eligible for support through that funding.

During debate, reference was made to the Nature Restoration Funding that has not been spent. It was commented that a priority theme of the grant included coastal and marine initiatives, which it was hoped could support coastal erosion projects around Shetland.

On the motion of Mrs Macdonald, seconded by Mr Robinson, the Committee approved the recommendation in the report.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to:

- NOTE the Management Accounts showing the overall projected outturn position at Quarter 2 as set out in Appendices 1-9
- NOTE the financial progress on Service Reviews, Vacancy Factor and 1% Savings, details set out in Appendices 1,4 and 5;
- APPROVE the virements and re-profiling of budgets in line with the variance analysis set out in Appendix 4 to cover over/underspends as identified and re-profiling of budgets for expenditure due only to occur in future years in line with the process as set out in paragraph 4.14; and
- APPROVE the adjustments to the 2023/24 budget to reflect the additional funding offered to the Council, as set out in Appendices 6 and 8.

(Mr Sandison attended the meeting).

Council Investments 2023/24 Mid-Year Performance Review Report

The Committee considered a report by the Executive Manager - Finance (F-44-23-F) that presented the mid-year investment position and performance of the Council's long term external investments, managed on its behalf by Fund Managers.

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

During questions, reference was made to the ongoing conflicts and volatility, which has created uncertainty in the investments markets and to the disappointing reduction in terms of the Council's investments as reported over the first six months of 2023/24. The Executive Manager - Finance referred to the dialogue with Fund Managers and on the resilience and contingency in place within the Council's portfolio and he said that going forward, while more uncertainty and volatility could be expected, there may not necessarily be further reductions in the investment value.

In responding to a comment on Fund Manager performance in regard to the long term investments, the Executive Manager – Finance agreed that over a 5-10 year period fluctuations were to be expected, however overall, although the current position was lower than earlier this year, there had been an increase in the value of the Fund compared to previous years. He reminded Members however that withdrawals were made from the Fund, which would impact on the overall performance of the fund.

While it was acknowledged that the Council does not take short-term views when investing, it was questioned whether the Council should take more advantage of the current bank interest rates. The Executive Manager – Finance said that while there would be some attraction to do that, he advised on the need to seek sustainable expenditure through the higher returns achieved from the Council's investments, which over the longer-term had done well and better than would have been the case with the bank.

In response to questions, the Executive Manager – Finance provided an explanation on the direct lending investment with Partners and how, in practice, the returns back to the Council are achieved and thereafter reinvested again with Partners. He advised that Officers continue to engage on the reinvestment to ensure its funds achieve the best returns, but he said that the bank interest rates were currently favourable in the meantime until the funds are reinvested.

Comment was made on the mixed picture of volatility and on the investment returns compared to benchmarks. It was noted there was no mention of any immediate action proposed, and in that regard, it was questioned how long performance would continue at that level before some action should be taken. In responding, the Executive Manager – Finance advised that the Investment Strategy was reviewed and refreshed

on a five year cycle, with an independent consultancy that makes recommendations on the way forward. He said that if there was a sense that early withdrawal was needed that could be done, but equally it could be the time to hold firm in anticipation of market improvements. He acknowledged however the concern raised regarding the reduction in the Council's investments at a time when the Council was struggling to balance its budget.

In responding to a further question, the Executive Manager – Finance said that he would look into whether there could be benefit to the Council from investing in the Secured Overnight Financing Rate.

During debate, comment was made on the need not to panic at this time and not make any changes to the Strategy, but to take the longer-term approach and allow the Fund Managers to continue with their mandates to the end of the five-year cycle.

There was no further debate, and the Committee noted the report.

Decision:

The Committee NOTED the outcome of this Mid-Year Performance Review.

63/23

Asset Investment Plan - Progress Report

The Committee considered a report by the Executive Manager – Assets, Commissioning and Procurement (ACP-13-23-F) that provided an update on the Asset Investment Plan.

In introducing the report, the Executive Manager – Assets, Commissioning and Procurement referred Members to the detail on the capital budget adjustments at Section 4.7, for decision.

The Executive Manager – Finance advised on a project to be added to Section 4.7 of the report, namely “Integra2 to Centros Migration” and that would also be included as part of the recommendation at Section 1.2. The Executive Manager – Finance provided an explanation on the terms of the project and the budget requirement. He apologised for the omission, and said that the report would be updated with details of the project for the Council agenda and the associated business case would also be presented.

In response to a question, the Executive Manager – Roads confirmed that the budget of £598,800 for the Cullivoe Road Improvements, included the costs associated with the Environmental Impact Assessment.

In responding to a question relating to Regional Active Travel Projects, as referred to in Section 4.7.4 of the report, it was advised that the £46k reduction in funding related only to the current year, due to changes to the

programme and the difficulty of implementing the work in the current year, but that adjustment did not affect the budget for the overall programme.

Responding to questions, further information was provided on the “Land/Property Acquisition” project, whereby the Council purchased a 3-bed property at Sandveien, funded from Scottish Government Affordable Housing Supply programme and 2nd homes Council tax reserve. The Executive Manager – Finance advised that the purchase of the property had been good value for money, utilising the funding opportunity for that purpose.

In responding to a question regarding the Knab Site Redevelopment project, it was advised that £3.8m is the current approved budget for the work undertaken to date and to the point where infrastructure design and demolition works are complete. The Executive Manager – Assets, Commissioning and Procurement said that further progress on the project would be subject to a report to Members early in 2024.

During debate, reference was made to the purchase of the social housing property at Sandveien, where it was suggested that the Council should instead be building more homes.

Comment was made that the local housing situation is such a major issue. In that regard, it was noted that the Strategic Housing Investment Plan (SHIP) had not been presented to this Committee nor to the Full Council and it was hoped that as part of the constitutional review the SHIP would come for discussion to a wider membership.

In referring again to the housing situation, positive comment was made that progress was now underway on the Staneyhill site.

In noting from the report, the removal of the budget from the AIP for the “Energy Efficiency in Scottish Social Housing – Design/Strategy and Pilot project”, comment was made that it was important for the Scottish Government to allocate funding in order for projects to progress and for the Scottish Government’s own targets, on social housing, to be met.

In responding to concern raised on the need for dialogue to take place with the local building industry to expedite local housing development, Mr Leask advised that arrangements for a meeting during January 2024 had been made.

On the motion of Mr Robinson, seconded by Mr Leask, the Committee approved the recommendation in the report, with the inclusion of the additional capital costs relating to a new project “Integra2 to Centros Migration” in section 4.7 of the report.

Decision:

The Committee RECOMMENDED that the Council:

- NOTES the progress of the projects within the Asset Investment Plan; and
- APPROVES the additional capital budget requirements for updated projected outturn spend in 2023/24 since approval of the 5 Year Asset Investment Plan 2023-28 described at section 4.7.

64/23

Non-Domestic Rates Empty Property Relief

The Committee considered a report by the Executive Manager - Finance (F-43-23-F) that sought approval of an updated Discretionary Rural Rates Relief Policy.

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

There were no questions, or debate.

On the motion of Mr Leask, seconded by Mr McGregor, the Committee approved the recommendation in the report.

Decision:

The Committee RECOMMENDED that the Council RESOLVES that, the Shetland Islands Council Discretionary Rural Rates Relief Policy be APPROVED as outlined in section 4.12.

65/23

Chief Social Work Officer Report 2022/23

The Committee considered a report by the Chief Social Work Officer (CS-31-23-F) that presented the annual Chief Social Work Officer Report 2022/23.

The Chief Social Work Officer introduced the report and provided Members with an overview from the Annual Report, at Appendix 1.

There were no questions.

During debate, Mr Sandison advised that the report had been well received at Education and Families Committee and he commended the report to Committee.

There was no further debate, and the Committee noted the report.

Decision:

The Committee CONSIDERED and NOTED the Annual Report from the Chief Social Work Officer.

66/23

Scottish Recommended Allowance – Kinship Care and Foster Care

The Committee considered a report by the Executive Manager - Children's Social Work (CS-34-23-F) that sought approval of the implementation of the Scottish Recommended Allowance for kinship and foster carers.

In introducing the report, the Executive Manager - Children's Social Work advised on the implementation of the national recommended allowance. He advised on the support for the recommendation in the report at Education and Families Committee and said that should the recommendation be approved by Policy and Resources Committee and the Council, the backdated sums would be paid to carers in the next pay run.

In response to a question, the Executive Manager – Children's Social Work advised that references to 'young people' in the report, covered those young adults, aged 18 to 26, who had experienced care.

During debate, Mr Sandison advised from the discussion on the report at Education and Families Committee, where it was concluded that despite the fact the rates had not been reviewed for some years, the rates currently paid in Shetland were quite well matched to what was recommended. Mr Sandison moved that the Committee approve the recommendation in the report. Mr Fraser seconded.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to:

- APPROVE the implementation of the Scottish Recommended Allowance for kinship and foster carers, as set out at Section 4.6 and 4.7 of this report and
- NOTE that future Fostering and Kinship Allowance rates will be agreed via the Council's budget setting process.

(Mr Robinson declared an interest for transparency, as Chair of NHS Shetland, in the following 4 items on the agenda).

67/23

Annual Local Child Poverty Action Report

The Committee considered a report by the Executive Manager - Inclusion and the Team Leader - Community Planning (CS-32-23-F) that sought approval for the publication of Shetland's fifth Annual Local Child Poverty Action Report.

The Team Leader - Community Planning summarised the main terms of the report and introduced the Poverty Action Report, at Appendix 1.

There were no questions.

During debate, reference was made to the findings of the report that one in every 7 children in Shetland was living in poverty and concern was expressed in that regard. Comment was made on the need for the actions within the report to be progressed to improve the situation.

Members were reminded that Shetland Islands Council was not the only Local Authority in Scotland to experience rates of children in poverty, however Shetland would be one of the lower rated authorities, but that did not make the local situation acceptable. It was recognised that the actions, as detailed in the report, were for all areas of the Council to tackle, not just for services reporting to Education and Families Committee, and that it was important to make people's lives better, to improve children's outcomes, and for the Government to help in terms of delivering on those actions.

It was commented that both child poverty and fuel poverty go hand in hand. A comment was made on the need for dialogue to take place with the local district heating company, who had proven technology to deliver cheaper heating solutions. There was a need to work across the different organisations in Shetland to try to solve the problems of child poverty and fuel poverty.

The officers involved in preparing the Poverty Action Report were congratulated. Reference was made to the mitigations to be put in place in regard to the initiatives and on the willingness to work outside the box and across all partnerships in Shetland. It was noted in the report, the references to the success of the Anchor project, in helping to take away stigmatisation and bureaucracy to help families, and working in partnership with schools. It was stated that should be the way to resource the initiatives, through working in partnership for the best of the communities.

Mr Sandison referred to the thorough report and advised from the discussion at Education and Families Committee in terms of the partnership working to tackle child poverty and fuel poverty in Shetland. Mr Sandison moved that the Committee approve the recommendation in the report. In seconding, Mr Fraser commended officers on the informative report. He further commented on the significant workload on officers to compile the statutory reporting requirements, and suggested that the time would be better used to get on with tackling poverty.

Decision:

The Committee APPROVED Shetland's fifth Annual Local Child Poverty Action Report, at Appendix 1, for publication.

(There was a short break, and the meeting reconvened at 11.30am).

Shetland Community Justice Plan 2023-2028

The Committee considered a report by the Executive Manager – Community Planning and Development (DV-47-23-F) that presented the Shetland Community Justice Plan 2023-2028.

The Executive Manager – Community Planning and Development introduced the report and provided an overview of the updated Shetland Community Justice Plan, at Appendix 1.

In noting from the Plan, the references to “Trauma-informed”, it was questioned whether those working in the services were in a position to identify a trauma response and adequately equipped to respond. The Chief Social Work Officer advised that Social Work took a trauma-informed lens to their services last year, working with a group of individuals to make recommendations. Staff within Justice Social Work and Youth Justice Social Workers had received training and the trauma-informed approach to working was being monitored. The Chief Social Work Officer said that the Council was a Trauma Champion, and an interest group was to be set up to strategically plan training and approaches to be taken forward. She advised also that a briefing report would be prepared to inform Members on the up to date position.

In responding to a question, the Chief Social Worker Officer advised that there was a relatively low number of cases whereby people from Shetland, that spend time in prison, have children. She went on to advise however, that in such situations, support would be provided through Children’s Social Work, which included ensuring contact between the parent and children was maintained.

The Executive Manager – Community Planning and Development provided an update on the development of a Delivery Plan, referred to in Section 4.8 of the report, and advised that the document had been drafted based on the key activities within the Plan. Work was still to be undertaken to identify lead agencies or services, and it was suggested the document would be finalised soon.

During debate, positive comment was made regarding the discussion at meetings and Seminars about community justice in Shetland, and it was recognised as an area that was held in very high regard and was a leader in its way of thinking and actions. Mr Leask moved that the Committee approve the recommendation in the report. Ms Lyall seconded.

Decision:

The Committee APPROVED the ‘Shetland Community Justice Plan 2023-28’ as set out in Appendix 1 for publication.

Shetland's Islands with Small Populations: Second Locality Plan

The Committee considered a report by the Chief Executive (DV-45-23-F) that sought approval of Shetland's Second Islands with Small Populations Locality Plan.

The Chief Executive summarised the main terms of the report.

The Team Leader – Community Planning provided an overview of the Second Locality Plan, at Appendix 1.

In noting from the report, that despite all the efforts of the first Locality Plan, the populations of all the islands had reduced, and none of the islands had grown their population during that time. It was questioned what actions in the second version of the Plan would overcome the challenges in terms of population growth. In responding, the Team Leader – Community Planning advised that it was not possible to determine how the populations would have been impacted without the implementation of initiatives from the first Plan. She said that it was however hoped that many of the service issues that had hampered population growth may now have been resolved. She confirmed that the second Plan included focus on increasing the populations.

Reference was made to the recommendation at Section 1.1.2 of the report, namely “to contribute the necessary resources, along with other partners, in order to achieve the outcomes”. In responding to a comment, the Chief Executive advised on the resources in place to respond to the needs of the islands. She gave, as an example, the support given to help the communities to access external funding, allowing them to take forward their development plans, rather than the Council or other planning partners contributing new funding.

Reference was made to the benefits to the Island communities from the first Locality Plan and a suggestion was made that the Locality Plan be rolled out to benefit some of the rural communities on the mainland of Shetland. The Chief Executive advised that the Management and Leadership Team of the Shetland Partnership had already considered whether it would be appropriate to develop locality plans for other areas and it was concluded there was no particular community that experienced significant disadvantage beyond the islands. The Chief Executive however reported that locality profiles had been developed for other areas of Shetland and the Council would work with individual communities on how to respond to issues raised in their locality.

In referring to the Islands Survey Data, on page 6 of the Locality Plan, the statistic given that “16% of respondents are able to access to super-fast broadband of 300MBps+” was questioned in terms of whether anyone in any of the islands could receive that level of broadband. The Team Leader – Community Planning acknowledged that her team were now realising that the indicator was not useful, and were looking to find a more appropriate indicator.

Reference was made to the ongoing connectivity issues in regard to remote access for meetings, particularly in Skerries, and the Team Leader – Community Planning advised that the community was working on resolving that issue.

During debate, reference was made to the comments relating to the reduction in the populations of the islands. It was however commented that in terms of Fair Isle, the opening of the new Bird Observatory would see an increase in the population and it was suggested that the owner of the island, namely the National Trust for Scotland, should be encouraged to make more accommodation available or to build more homes.

Mrs Lyall said that while she was hugely supportive of the aspirations in the Second Locality Plan she did have concern regarding the wording of Section 1.1.2. Mrs Lyall moved that the Committee approve the recommendation in the report, with a change to the wording at 1.1.2, to read “agrees to contribute the necessary resources, along with other partners, in order to make progress on the outcomes”. Mr McGregor seconded.

Ms Peterson moved, as an amendment, that the Committee approve the recommendations as set out in the report. In seconding, Mr Robinson referred the Committee to Section 6.5 of the report, which he said made it clear that the Second Locality Plan would be delivered from existing resources.

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

Amendment (Ms Peterson)	7
Motion (Mrs Lyall)	3

Decision:

The Committee:

- APPROVED Shetland’s Second Islands with Small Populations Locality Plan; and
- AGREED to contribute the necessary resources, along with other partners, in order to achieve the outcomes; and
- NOTED that the Management and Leadership Team of the Shetland Partnership are responsible for ensuring delivery on the outcomes and priorities, and continues to involve the island communities.

70/23

Shetland's Partnership Plan Delivery Plan 2023/28

The Committee considered a report by the Chief Executive (DV-44-23-F) that sought approval of the Shetland Partnership Plan Delivery Plan 2023-2028.

The Chief Executive summarised the main terms of the report.

The Team Leader – Community Planning provided an overview of the second Delivery Plan, at Appendix 1.

There were no questions.

During debate, the Leader commented that as Chair of the Management and Leadership Team of the Shetland Partnership, meeting with partners across Shetland had given her a sense of how committed everyone was to make the changes that Shetland needs and that it was the role of everyone and every area to play their part. She referred to the strength in the staff teams within the Council and in the other organisations and their desire to make Shetland better. She acknowledged the challenges ahead, particularly in terms in of resourcing.

Comment was made on the importance of the Delivery Plan, both at a local and national level, in order to negotiate with Government on how to best support local authorities.

On the motion of Mr Leask, seconded by Mrs Macdonald, the Committee approved the recommendations in the report.

Decision:

The Committee:

- APPROVED the Shetland Partnership Plan Delivery Plan 2023-2028;
- AGREED to contribute the necessary resources, along with other partners, in order to achieve the outcomes as set out within the Shetland Partnership Plan Delivery Plan 2023/2028; and
- NOTED that the Management and Leadership Team of the Shetland Partnership are responsible for ensuring delivery on the outcomes and priorities.

71/23

Shetland Museum Service Collections Policy 2023-2028

The Committee considered a report by the Executive Manager – Economic Development (DV-34-23-F) that presented the Collections Policy for the Shetland Museum Service for the period 2023-2028.

The Executive Manager – Economic Development introduced the report and provided an overview of the Collections Policy 2023-2028, at Appendix 1. He advised that the Development Committee had supported

the recommendation in the report, for approval by Committee and onward recommendation to the Council.

During questions, the Executive Manager – Economic Development referred to the recommendation at Section 1.1.2 of the report for delegated approval to the Director of Development Services for approval of any acquisition over £5k, which he advised would be in consultation with the Shetland Amenity Trust (SAT) and the Executive Manager – Assets, Commissioning and Procurement. He referred also to particular storage requirements for any future items acquired and on the potential need for a new Museum store.

In referring to the information provided regarding the potential purchase of further items, it was however noted that Section 6.5 of the report stated that there was “no financial implications arising directly from this report”. The Executive Manager – Economic Development confirmed that while there were no financial implications associated with approval of the report itself, any future addition to the collection would be based on the Collections Policy and the requirement for storage that new acquisitions may come with.

Referring to future financial implications, the Director of Corporate Services referred to the Council’s Policies and procurement and contractual arrangements in place, and advised that should any additional funding be needed to make a purchase, such a proposal would have to come to Council.

The Executive Manager – Economic Development also advised that SAT had a small budget to purchase items, however he said that additions to the collection were more likely to be from bequests or donations that may exceed the value referred to in Section 1.1.2.

During the discussion, clarity was sought on the implications should the Committee approve the recommendation at Section 1.1.1 but disregard the recommendation at Section 1.1.2. The Executive Manager – Economic Development advised that there would be the potential for considerable delays to the decisions made on acquisitions by SAT, and on the additional reports to Members for approval of day to day items and acquisitions purchased by SAT.

In referring again to the recommendation at 1.1.2, clarity was sought on the implications should a ceiling be included on the value of acquisitions that can be approved by the Director of Development Services. In responding, the Executive Manager – Governance and Law advised that creating boundaries around delegated authority was difficult. In that regard, he advised on the limiting factors in terms of the delegated scheme, and should the delegated officer be in any doubt, a report would be presented to Members. He further referred to the appropriate consideration of the matter by Members, and said that by indicating that

the limitations are in place, the Committee may approve the recommendation at 1.1.2.

During the discussion, it was noted that 98% of the collection was not on public view but instead in storage, however the Policy allowed for the purchase of further items and the options for disposal were quite limited. In that regard, it was questioned when a decision would be taken to purchase no further items. The Executive Manager – Economic Development advised that the rationale of the recommendation at 1.1.2 was not to take on any items where there was no suitable storage options. He explained that the Collections Policy includes the procedures for disposal of items, and that disposal is not necessarily throwing items away, but the items could be passed on to another collection or to a community museum, for example.

During debate, reference was made to the discussion on the report at Development Committee, regarding the limited storage space and on the ability to stay within that storage limit. Members had also discussed the possibility that the Lerwick museum would pass items on to community and specialist museums around Shetland.

Comment was made that the questions raised had been adequately responded to, however there was real concern regarding the storage space available. Mr Robinson moved that the Committee approve the recommendation in the report. Mr Leask seconded.

Comment was again made regarding the amount of the collection currently being held in storage, rather than on public display. Reference was made to a report to be presented to Members regarding the Museum storage, and that would provide another opportunity for Members to discuss the matter further.

Decision:

The Committee RECOMMENDED that the Council:

- RESOLVES to APPROVE the draft Shetland Museum Service Collections Policy 2023-2028; and
- In respect of section 10.3 of the Collections Policy, DELEGATES authority to the Director of Development Services, or his nominee, to approve any acquisitions which have specific storage requirements or are of a value exceeding £5k, in consultation with Shetland Amenity Trust and the Executive Manager – Assets Commissioning and Procurement, or his nominee.

72/23

Whistleblowing Arrangements

The Committee considered a report by the Chief Internal Auditor (CRP-30-23-F) that presented the draft Whistleblowing and Response Policy.

The Senior Audit Manager, Audit Glasgow, introduced the report and provided an overview of the Whistleblowing and Response Policy, at Appendix 1. She advised that the Policy was open to both staff and the general public to raise concerns, and that while it would be preferable for concerns raised to include the individual's name and contact details, concerns could be raised anonymously. Members were also advised that the Policy was in addition to other Council Policies where concerns can be raised and that updates on whistleblowing information would be reported to Audit Committee going forward.

The Senior Audit Manager agreed with an opinion given on the importance of gathering intelligence and said that could be looked at as part of an audit or to discuss a particular concern with management. She also agreed that it was important that protection was put in place for the individuals who raised the concern.

In response to a comment, the Senior Audit Manager explained that where evidence exists it was better to receive that evidence as part of the complaint, rather than having to seek that following receipt of the complaint. She confirmed however that all concerns would be investigated.

The Executive Manager – Governance and Law advised on the natural justice element, where he referred to the other Council Policies that provide specific protection, for example, Reporting Concerns at Work, which he said picks up on the statutory protection for people who whistle blow. He advised that the Whistleblowing and Response policy would not impact negatively in any way on the protections that are in place.

Reference was made to questions raised during 2018, regarding whistleblowing, when assurance had been given that whistleblowing provision was adequate. At that time, a suggestion had been made on the need for a confidential telephone line, but that was considered not necessary, citing that adequate provision was in place through line management and above, and there were no concerns in that regard.

The Director of Corporate Services referred to the comprehensive set of policies and procedures in place for staff to raise concerns, however she advised that the Whistleblowing and Response Policy was also open to both staff and the general public to raise concerns, and provided another route and an independent route to raise a concern of any kind that guaranteed an investigation.

In responding to a question regarding the investigation process, the Senior Audit Manager advised that in the first instance each concern raised would be reviewed by Audit Glasgow. Depending on the nature of the allegation or concern raised, the matter would be investigated by either Audit Glasgow, using their expertise in the area, or by Council management. She went on to advise that Audit Glasgow would be made aware of the outcome and conclusion of all concerns raised.

In response to a request regarding reporting to Audit Committee, the Senior Audit Manager said that the information provided would include a breakdown of the concerns raised that had been investigated by the Council management and how many by Audit Glasgow.

In responding to questions, the Senior Audit Manager explained that depending on the nature of the concern raised, some could be investigated through the Bullying and Harassment Policy, rather than the Whistleblowing and Response Policy. In responding to a further question, she suggested that the wording of the Whistleblowing and Response Policy could be reviewed to ensure it is clear on third party reporting on bullying and harassment.

During debate, comment was made regarding the emphasis of the Policy being on the intelligence gathering aspect, rather than on evidence gathering. It was however stated that confidentiality had to be maintained at all times.

Mrs Hughson advised on the support for the Policy at Audit Committee, whereby the expertise in Audit Glasgow to provide the service was seen as a positive being independent of the Council. Mrs Hughson moved that the Committee approve the recommendation at Section 1.2 of the report. Mr Robinson seconded.

Decision:

The Committee

- CONSIDERED the information presented in this report and the draft Whistleblowing and Response Policy attached at Appendix 1;
- CONSIDERED the views and decision of the Audit Committee in this regard; and
- RECOMMENDED that the Council RESOLVES to APPROVE the Whistleblowing and Response Policy at Appendix 1.

73/23

ICT and Digital Strategy 2023-28

The Committee considered a report by the Executive Manager - ICT (CRP-32-23-F) that presented the Council's ICT and Digital Strategy for 2023-28.

The Executive Manager - ICT introduced the report and provided an overview of the Council's ICT and Digital Strategy, at Appendix 1.

In responding to a question, the Executive Manager – ICT advised on the intention to investigate Cloud based computing as a storage solution on a case by case basis. Positive comment was made on the pragmatic approach being taken.

On the motion of Mr Thomson, seconded by Mrs Lyall, the Committee approved the recommendation in the report.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to approve the ICT and Digital Strategy 2023-28.

Mrs Macdonald moved that in order to avoid the disclosure of exempt information, the Committee resolve to exclude the public in terms of the relevant legislation during consideration of the following items of business. Mr Robinson seconded.

(The recording of the meeting was stopped. Officers not required for the Exempt session left the meeting).

Members online confirmed to the Chair that there were no other persons present able to hear or record the proceedings.

The Chair advised on a change to the order of the agenda, and the report at item 18 would be taken next.

74/23 Tingwall Airport Staffing

The Committee considered a report by the Executive Manager - Ferry and Airport Operations and Port Infrastructure .

The Executive Manager - Ferry and Airport Operations and Port Infrastructure summarised the main terms of the report.

During debate, Mrs Lyall moved that the Committee approve the recommendation in the report. Mrs Hughson seconded.

Decision:

The Committee RECOMMENDED that the Council APPROVES recommendation in the report.

(The meeting adjourned at 12.55pm and reconvened at 1.30pm)

Present:

J Fraser	C Hughson
D Leask	M Lyall
E Macdonald	R McGregor
L Peterson	G Robinson
D Sandison	

Present via Remote Link

D Anderson

R W Thomson

Also:

A Wenger

Apologies:

None

In Attendance (Officers):

C Ferguson, Director of Corporate Services

J Cunningham, Executive Manager – ICT

P Fraser, Executive Manager – Finance

J Riise, Executive Manager – Governance and Law

L Geddes, Committee Officer

L Adamson, Committee Officer

75/23 **Office Productivity and Collaboration Suite Business Justification Case**

The Committee considered a report by the Executive Manager - ICT that presented the Office Productivity and Collaboration Suite Business Justification Case.

The Executive Manager – ICT introduced the report and provided an overview of the Business Case.

Mrs Lyall moved that the Committee approve the recommendation in the report. Mr Robinson seconded.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to approve the recommendation in the report.

(Mr Sandison left the meeting).

76/23 **Gigabit Fibre to slow-link School Sites Business Justification Case**

The Committee considered a report by the Executive Manager ICT that outlined the Business Justification Case for Gigabit Fibre to slow-link School Sites.

The Executive Manager – ICT introduced the report and provided an overview of the Business Case.

The Executive Manager – ICT responded to questions from Members.

During debate, Mr Leask moved that the Committee approve the recommendation in the report. Mr Robinson seconded.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to approve to approve the recommendation in the report.

77/23

Corporate Services Staffing Matters

The Committee considered a report by the Director of Corporate Services.

The Director of Corporate Services introduced the report and responded to questions from Members.

Mr Robinson moved that the Committee approve the recommendation in the report. Mrs Macdonald seconded

Decision:

The Committee APPROVED the recommendation in the report.

The meeting concluded at 2.20pm.

.....
Chair

This page is intentionally blank

This page is intentionally blank



MINUTES

B - PUBLIC

**Special Policy and Resources Committee
Council Chamber, Lower Hillhead, Lerwick
Tuesday 20 February 2024 at 10.00am**

Present:

C Hughson	D Leask
M Lyall	E Macdonald
R McGregor	L Peterson
G Robinson	D Sandison
R W Thomson	

Present via Remote Link

J Fraser

Also:

A Wenger

Apologies:

D Anderson

In Attendance (Officers):

C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
P Fraser, Executive Manager – Finance
A Inkster, Executive Manager – Ferry and Air Operations and Port Infrastructure
A Jamieson, Executive Manager – Housing
C Simmons, Executive Manager – Environment and Estate Services
R Sinclair, Executive Manager – Assets, Commissioning and Procurement
N Watt, Executive Manager – Sports and Leisure
N Clubb, Team Leader – Architectural and Surveying
M Johnson, Contract Manager
C Nicolson, Programme Manager – Housing Development
S Brown, Management Accountant
B Kerr, Communications Officer
L Geddes, Committee Officer
L Adamson, Committee Officer

Also in Attendance (Remotely):

J Riise, Executive Manager – Governance and Law
T Smith, Senior Project Manager
P Sutherland, Solicitor
P Wishart, Solicitor

Chairperson

Mrs E Macdonald, Leader 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, remote attendance and participation by Committee members during the meeting was permitted. She also advised that the meeting was being recorded and would be published online for public access afterwards.

Declarations of Interest

Mr McGregor declared a non-pecuniary interest for transparency in Item 1, Asset Investment Plan – Business Cases (Appendix E – Business Justification Case – 3G Synthetic Pitch at Clickimin) as the Vice-Chair of Lerwick Celtic Football Club.

Mr Fraser declared a non-pecuniary interest for transparency in Item 1, Asset Investment Plan – Business Cases (Appendix E – Business Justification Case – 3G Synthetic Pitch at Clickimin) as a Committee Member of Lerwick Spurs Football Club. Mr Fraser added, that having taken advice, he intended to take part in the discussion and debate on the matter.

01/24 Asset Investment Plan – Business Cases

The Committee considered a report by the Executive Manager - Assets, Commissioning and Procurement (ACP-02-24-F) that presented six asset investment proposals for decision.

The Leader advised on the intention that the Committee would consider and make their decision on each Business Justification Case (BJC) in turn.

In introducing the report, the Executive Manager - Assets, Commissioning and Procurement referred to the decisions in principle being sought on the BJC's, as presented. He went on to explain that to support proposals at this stage was not a decision to implement the projects but for Members to decide which of the projects would be taken forward as part of the budget setting process next month.

In responding to a request for clarity, the Executive Manager – Assets, Commissioning and Procurement explained that there was no decision on prioritisation being sought in this report, but rather the prioritisation of projects would be a matter for consideration during the budget setting process.

The Executive Manager – Assets, Commissioning and Procurement introduced the BJC – Active Travel Rolling Programme, as summarised in Section 4.3.1 of the report and presented in full at Appendix A.

Positive comment was made regarding the proposals in the BJC and in terms of movement on the delivery of Active Travel. Reference was then

made to the criticism from the community about the active travel project at the South Road Roundabout, and a suggestion was made for further publicity regarding the Active Travel programme being externally funded. The Executive Manager – Assets, Commissioning and Procurement advised that he would follow up that request with officers in the Council's Transport Planning Service and the Communications Section.

There were no further questions.

During debate, Mrs Lyall welcomed the proposals in the BJC. She commented that progress on the Active Travel programme had not moved as fast as the Council and community may have liked, however the acceptance that the money would be spent on the projects identified was very positive. Mrs Lyall moved that the Committee approve the proposals described in Section 4.3.1 and included as Appendix A to the report. Mr Sandison seconded.

The Executive Manager – Assets, Commissioning and Procurement introduced the BJC – Outdoor Learning and Play, as summarised in Section 4.3.2 of the report and presented in full in the BJC at Appendix B.

Reference was made to a comment in the BJC, namely "Schools which are currently mothballed would not be prioritised" and a suggestion was made for that sentence to be changed to read "No work will be done on schools while they are mothballed", to ensure no equipment would be installed at a mothballed school. The Executive Manager – Assets, Commissioning and Procurement said that he would advise officers of the suggestion for the wording to be amended.

There were no further questions.

During debate, Mr Sandison stated that it was part of the Learning Estate Strategy to ensure equivalency across all the different facilities as much as possible and investing to upgrade from current standards on play areas and play parks in Shetland. He also commented positively on the strategic approach being proposed. Mr Sandison however advised on his concern that the funding allocations were supported in terms of national funding that incorporates this desire and to look for external funding to support the programme wherever possible. In advising on his support for the programme of projects, Mr Sandison moved that the Committee approve the proposals described in Section 5.3.2 and included as Appendix B to the report. In seconding, Mrs Hughson referred to visitations to schools around Shetland, where it had been noted that some play areas were very good, however some had been sadly lacking and unsafe to allow for children to use.

The Executive Manager – Assets, Commissioning and Procurement introduced the BJC – Tingwall Airport Re-Surfacing, as summarised in Section 4.3.3 of the report and presented in full in the BJC at Appendix C.

In responding to a question regarding any urgency for the repair works to be undertaken on the runway, the Executive Manager - Ferry and Air Operations and Port Infrastructure referred to the ongoing discussions with the CAA, who were very much aware of the deterioration on the runway and were expecting a resolution in the very near future, and that any future delays create problems in terms of the licensing for the airport.

It was noted at Section 4.3.3 of the report, that the project would be fully funded by a reduction in the Roads Reconstruction budget. In that regard, it was questioned what other projects would be impacted by the re-surfacing works undertaken at the airport. The Executive Manager – Assets, Commissioning and Procurement advised that he would circulate to Members the list of potential projects impacted. He went on to explain that with keeping the works in-house and with a finite resource there would be a limited ability to undertake other tarring works and therefore other projects would need to be prioritised.

Comment was made regarding the poor condition of some roads in Shetland and concern was expressed should road repairs be reduced due to a reduction in the Roads Reconstruction budget. It was however advised that the works required at Tingwall Airport would not eliminate completely the Road Reconstruction programme and there was also the Roads Maintenance budget for road repairs.

In responding to a question, the Executive Manager – Assets, Commissioning and Procurement reassured the Committee that the Cullivoe Road was a completely separate project, and would not be impacted by a reduction in the Road Reconstruction budget.

During debate, comment was made that Tingwall Airport was an important asset, which has to be maintained in line with CAA legislation and on the need to move on with the project as soon as possible. Mrs Lyall moved that the Committee approve the proposals described in Section 4.3.3 and included as Appendix C to the report. In seconding, Ms Peterson commented positively on the airport being an important link to a number of the smaller islands around Shetland.

Reference was made to Section 4 of the BJC, where figures had been provided on the amount spent on maintenance of the runway from 2012-2022, and that was considered quite minimal on an asset that was a critical part of the infrastructure. It was commented that while the maintenance cost being relatively low over that time was welcomed, assets that were valued need to be invested in properly and in that regard support was expressed for the BJC to be approved.

The Executive Manager – Assets, Commissioning and Procurement introduced the BJC – Greening the Fleet, as summarised in Section 4.3.4 of the report and presented in full in the BJC at Appendix D.

In responding to a request for clarity, the Executive Manager – Environment and Estate Services advised on the changes to the target dates to phase out petrol and diesel cars. He went on to advise that the Council was working towards the Scottish Government’s target date for the transition of cars and small vans.

During the discussion, a question was posed as to whether it would be practical to pause the project, and for that to be done safely, for a period of 5 years. In that regard, reference was made to developments in renewable energy in Shetland where at this time there was still uncertainty on the types of fuels that may be produced and available locally, rather than to go to battery electric route at this time. In responding, the Executive Manager – Environment and Estate Operations advised that the project had already been deferred for one year. He then outlined to Committee the current situation and issues that would be created by deferring the project, which he stated would be detrimental to Council service delivery.

In responding to a further suggestion, for the project to be postponed instead for two years, the Executive Manager – Environment and Estate Operations said that he would not recommend any postponement of the project.

In referring to the table at Section 5.17 of the BJC, questions were posed regarding the running cost of a leased vehicle compared to an owned vehicle, and whether the figures provided were annual costs. The Executive Manager – Environment and Estate Operations said that he would analyse the figures presented, and provide a response in due course.

In responding to a question, the Executive Manager – Environment and Estate Operations provided further explanation regarding the statement in Section 5.33 of the BJC, namely. “High electricity costs mean higher running costs”.

In responding to comments, it was advised that efforts to negotiate deals in terms of cheaper electricity prices locally was part of a wider piece of work that the Council was engaged in at this time.

Members were advised on the expectation that as the Greening the Fleet project progresses, technologies would change and therefore the project would be kept under continual review.

During debate, comment was made that the proposals presented would allow the Council to meet the Scottish Government’s target to phase out petrol and diesel cars and vans in an orderly and phased manner, within the timescales as set out in the BJC. Mrs Lyall moved that the Committee approve the proposals described in Section 4.3.4 and included as Appendix D to the report. In seconding, Mr Robinson referred the Committee to the statement in Section 5.15 of the BJC, namely “One of

the most influential factors spurring EV fleet adoption is the lowered total cost of ownership. It is predicted that by 2030, Battery Electric Vehicles would have a 15-25% lower Total Cost Ownership than those with Internal Combustion Engine vehicles”, and said that higher upfront costs were therefore ironed out in the lifetime of the vehicle. He referred to recent findings that identified electric vehicles at the forefront, being so much more efficient particularly for smaller cars and vans, compared to hydrogen vehicles. Mr Robinson said that it was hoped there would be a deal locally in terms of recharging, for an electricity company to offer off peak electricity locally rather than to export at a lower price.

In commenting on the good report, it was however noted that while electricity would offer the solution for smaller light vehicles, that may not be the solution for larger/heavy goods vehicles, and that other technologies would have to be considered.

The Executive Manager – Assets, Commissioning and Procurement introduced the BJC – Synthetic Turf Pitch at Clickimin (3G pitch), as summarised in Section 4.3.5 of the report and presented in full in the BJC at Appendix E.

In responding to question regarding the comparison between the proposed income generated from the 3G pitch compared to the anticipated return from Council investments, the Executive Manager – Finance said that while the existing and forecasting income figures would need to be looked into, he suggested that the income from the 3G pitch would be a higher return than what the Council would see from its invested funds.

In responding to a question, the Executive Manager – Sports and Leisure advised from the ongoing negotiations with the national organisations in making progress on the project and suggested that there would be a real risk to Shetland’s reputation should the project not progress. In that regard, he advised that the proposed 3G pitch at Clickimin was the only project of that nature that Sports Scotland were prepared to fund within this tranche of funding and see it as a real priority Scotland wide. He said that Scottish Football Association propose to give Shetland one of the biggest grants during this funding programme. He said that while a final decision was still awaited from Scottish Rugby Union, the feedback to date has been positive. The Executive Manager – Sports and Leisure went on to say, that in his opinion, the project was a once in a lifetime opportunity to source the external funding and not to take this opportunity at this time there would be a question of credibility should Shetland look for funding for future projects, he questioned whether Shetland would be trusted to deliver on our side.

Comment was made on the Council’s requirement to provide leisure and sports facilities at a ‘reasonable’ level and it was suggested that should the project go ahead, there could then be overprovision of pitches in Shetland. In responding to requests for information, the Executive

Manager – Sports and Leisure agreed to provide a briefing note to Members informing on all the currently available pitches throughout Shetland.

In referring to the potential grant from the Scottish Rugby Union, it was questioned whether the decision on the project should wait until the outcome on that funding had been announced. The Executive Manager – Sports and Leisure commented that while he could not prejudge the decision, there had been positive conversations and in that regard he was optimistic that funding would be made available. He went on to say that the decision would be advised around 26 February 2024.

In noting from the BJC, that the Shetland Rugby Club had put forward a £10k contribution towards the project, it was questioned whether there had been any equivalent amount from the Shetland Football Association. The Executive Manager – Sports and Leisure advised that the Shetland Football Club had indicated they would match the contribution from the Rugby Club. However, he went on to advise on the perception that with the Scottish Football Association contribution of £500K towards the project, was to support the development of local football in Shetland, rather than the Shetland Football Association having to contribute additional funds towards the project. He added however, that should a contribution from the Shetland Football Association help the project, the Football Association would be happy to contribute.

In noting from the BJC, the references to minimising the migration of the infill during the construction phase and throughout the lifetime of the 3G pitch, comment was made on the concerns around the water quality at the Clickimin loch and on the need to ensure micro plastics do not enter the water. The Executive Manager – Sports and Leisure advised on the use of rubber crumb in synthetic pitches and on the processes and measures to ensure the rubber crumb would be retained within the facility. He went on to advise that the infill for the pitch, and the materials to be used, would be considered during the detailed design stage of the project.

In noting from Table 4 of the BJC, the figure for non-domestic rates would be one of the highest annual costs and appeared substantial for such a facility, it was questioned whether that calculation could be appealed to make the project more viable. The Executive Manager – Finance said that he would follow up on this matter with the Assessor.

In responding to a question, it was advised that since the initial proposals had been put forward, external funding towards the project had decreased by £150k.

In responding to comments regarding the community dump that had at one time been in the vicinity of the proposed 3G pitch, the Executive Manager – Assets, Commissioning and Procurement advised that specialist designers would be procured with a remit to ensure environmental matters and challenges were factored into the design.

In responding to a question regarding cost estimates for the project, and whether cost inflation and any associated risk sharing have been taken into consideration, the Executive Manager – Assets, Commissioning and Procurement advised that costs estimates have been carried out from similar projects and various indices that exist, however there could never be certainty that costs would not escalate. He suggested also that there would be little scope for additional funding from the external bodies, and the financial risk would sit with the Council.

There were no further questions.

During debate, positive comment was made regarding the project, in achieving substantial external funding and with some potential funding still to come. While acknowledging the requirement for Council funding, however the potential income generation from the facility over time and the in-kind income made it attractive to cover costs and contribution to further development in the future for resurfacing. It was commented that the demand for the facility in developing sports in Shetland had quite clearly been stated for all ages and stages across Shetland, and to achieve the more strategic objectives in terms of sports development the facility would be a substantial part of that outcome. Mr Sandison moved that the Committee approve the proposals described in Section 4.3.5 and included as Appendix E to the report. In seconding, Mr Fraser commented on the significant amount of external funding secured for the project, the income generation from the pitch would be favourably comparable rather than for the funds to remain in investments, he commented on the opportunity to enhance provision to approximately 1,800 active participants to further develop football and rugby and enhance other sports in Shetland. He added that the facility would make Shetland a more attractive location to host the Island Games. Mr Fraser also commented that in approving the project, Shetland would be the last of the 32 Scottish Local Authorities to have such a facility.

Other Members spoke in support of the proposals in the BJC, commenting on how well the local football and rugby teams were doing at national level, and with the sports growing in popularity in Shetland. Comment was made that the facility would allow the rugby season to be extended, sports could be played in all weathers and the facility would be positive for the young people and for future generations.

Reference was made to the earlier comments regarding the local sports clubs contributing to the project, and it was suggested that people take a much stronger ownership of a facility when they have contributed and in that regard it was hoped that the both sports Clubs and individual members would consider doing so. Positive comment was made in support of the project, however there was a need to assess the overall estate, to ensure there was no overprovision of pitches and whether any associated cost savings could be made.

Comment was made regarding the Council's challenging financial situation and that the Council had to stop saying yes to every project. Reference was made to the two synthetic pitches currently in Shetland, one being in Brae, and the other in Whalsay, which had mainly been funded by the community. It was suggested that as local sports groups in Lerwick had not contributed immediately to the project, would question their ethos for the facility and it was also noted that the ladies Rugby team has won games using the current pitch. It was commented that there was no guarantee that the Scottish Rugby Association would contribute to the facility, and concern was raised that the cost of the project could escalate beyond what was proposed at a time when the Council was facing overspends in some departments and also that all the financial risks with the project would have to be borne by the Council. Mr Thomson said that while he would be delighted to support the project, he was aware that there were many good pitches in Shetland, including some Astro Turf. He referred to when the project had originally been brought to Committee, that the income levels had been widely quashed in the Chamber, with concern raised that the income levels suggested would not be achieved. He went on to advise on the need to make an early exit from the project to reduce any reputational damage, stating that there was not an urgent need for the 3G pitch as there were plenty of other places in Shetland to play football and rugby, including the covered facility at Clickimin. Mr Thomson moved that the Committee does not proceed with the project any further. However, this did not receive a seconder.

During further debate, the Leader said that she had some sympathy regarding the concerns raised by Mr Thomson, however she said that with the external funding committed she considered it would be worth seeing the project to the next stage, and approving the proposals today would only move the project on to that next stage. In that regard, she said that it was important to look at all the projects together and for Members to decide on the priorities.

In referring also to the points raised by Mr Thomson, it was agreed that there were a lot of pitches available around Shetland at this time and people were playing sport and reaching high levels and there was also doubt that the income levels, as proposed, would be achieved. It was however considered that the project had to move to the next level. In terms of the next stage to prioritise the important project, it was stated that in an ideal world it would be possible to go ahead with all projects, however there the finances were not there to do that, and therefore decisions would have to be made on what projects were needed compared to what Members would like.

The Executive Manager – Assets, Commissioning and Procurement introduced the BJC – Replacement Fence, Gilbertson Park, as summarised in Section 4.3.6 of the report and presented in full in the BJC at Appendix F.

There were no questions.

During debate, comment was made that it was evident that the existing fence was in a very poor condition and had reached the end of its useful life. The decision in terms of this project was one of whether the work would be afforded to be done now or into the future. It was however stated that the fence was an essential part of the facility for the protection of property near to the park. It was advised that the costs for the fencing was as estimated, and to go to tender to confirm. Mr Sandison moved that the Committee approve the proposals described in Section 4.3.6 and included as Appendix E to the report. In seconding, Mr Robinson commented that the Council would have two options, either to remove the existing fence and deal with the consequences, or to replace the fence to protect neighbouring property. He added that in not replacing the fence there was a real risk of injury to persons. In that regard, he advised on his support for Option 5 in the BJC.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to approve the proposals described in Section 4.0 and included as appendices to this report, subject to affordability and the availability of funding being resolved as part of the budget setting process for 2024/25. The Business Justification Cases approved were:

- Active Travel Rolling Programme
- Outdoor Learning and Play
- Tingwall Airport Re-Surfacing
- Greening the Fleet
- 3G Synthetic Pitch at Clickimin
- Replacement Fence, Gilbertson Park

Mrs Macdonald moved that in order to avoid the disclosure of exempt information, the Committee resolve to exclude the public in terms of the relevant legislation during consideration of the following items of business.

Comment was made that while it was recognised that the following item contained information on some contractual matters, concern was however raised regarding the whole report to be held in private. In commenting on the significance of the project to the community of Shetland, a request was made, that for future reporting, a balance needs to be reached between the information that could be taken in public and what was required to be in private.

The Executive Manager – Governance and Law, while accepting the points made, advised the Committee from his discussion with officers and on the consensus reached to take the entire report in private. He advised on the intention, that following the meeting, a press release would be put out into the public domain. He went on to advise however, that it would be for the Committee to decide whether the entire report would be held in public or private. He reminded Members on the funding elements of the project, and said that the Islands Deal funding has been considered

in private by the three island areas, and therefore it would be consistent to keep deliberations on this matter in private.

Mr Robertson seconded Mrs Macdonald's motion, to take the following item in private.

During a brief discussion, a request was made that future reporting on the Knab project should be in two separate reports, with the information where there were no aspects of confidentiality to be taken in public. The Leader suggested that discussion take place with the Islands Deal Group on how to report differently on the Island Deal projects.

(The recording of the meeting was stopped. Officers not required for the Exempt session left the meeting).

(There was a short break and the Committee reconvened at 11.40am)

Present:

C Hughson	D Leask
M Lyall	E Macdonald
R McGregor	L Peterson
D Sandison	R W Thomson

Present via Remote Link

J Fraser

Also:

A Wenger

In Attendance (Officers):

C Ferguson, Director of Corporate Services
N Grant, Director of Development Services
P Fraser, Executive Manager – Finance
A Jamieson, Executive Manager – Housing
R Sinclair, Executive Manager – Assets, Commissioning and Procurement
N Clubb, Team Leader – Architectural and Surveying
M Johnson, Contract Manager
C Nicolson, Programme Manager – Housing Development
S Brown, Management Accountant
L Geddes, Committee Officer
L Adamson, Committee Officer

Also in Attendance (Remotely):

J Riise, Executive Manager – Governance and Law
T Smith, Senior Project Manager
P Sutherland, Solicitor
P Wishart, Solicitor

Members online confirmed to the Chair that there were no other persons present able to hear or record the proceedings.

02/24 **Knab Redevelopment – Project Update**

The Committee considered a report by the Executive Manager - Assets, Commissioning and Procurement that provided an update on the status of the Knab Redevelopment project and presented the Full Business Case (FBC).

The Director of Development Services summarised the main terms of the report.

The Executive Manager - Assets, Commissioning and Procurement gave a slide presentation, which informed Members on the progress on the site and on proposals for the project going forward.

During the discussion, officers responded to questions from Members.

During debate, Mr Leask moved that the Committee approve the recommendations set out in Section 1 of the report. Mrs Macdonald seconded.

Decision:

The Committee RECOMMENDED that the Council RESOLVES to approve the recommendations in the report.

The meeting concluded at 12:47pm.

.....
Chair

This page is intentionally blank

This page is intentionally blank

This page is intentionally blank

This page is intentionally blank



Meeting(s):	Policy and Resources Committee	20 March 2024
Report Title:	Shetland's British Sign Language (BSL) Plan 2024-2030	
Reference Number:	DV-12-24-F	
Author / Job Title:	Emma Perring, Team Leader, Community Planning	

1.0 Decisions / Action Required:

- 1.1 That Policy and Resources Committee APPROVES Shetland's British Sign Language (BSL) Plan 2024-2030, attached as Appendix 1.

2.0 High Level Summary:

- 2.1 The British Sign Language (Scotland) Act 2015, places a statutory duty on Local Authorities to produce and publish a Local Authority BSL Plan, no later than 6 months after each National Plan is published. National Plans are laid before Scottish Government at intervals of every six years.
- 2.2 Shetland's Local Authority BSL Plan sets out the goals and actions that Shetland Islands Council and NHS Shetland commit to over the next six years.
- 2.3 Shetland's second BSL Plan 2024-2030 is included at Appendix 1 for approval.
- 2.4 Shetland's BSL Plan will also be considered and approved by the NHS Shetland Board.
- 2.5 By agreeing to Shetland's BSL Plan 2024-2030, the Council and NHS Shetland are jointly responsible for ensuring delivery.

3.0 Corporate Priorities and Joint Working:

- 3.1 Through joint working the Council and NHS Shetland have co-produced Shetland's BSL Plan 2024-2030. Current research available helped inform the plan, providing a clear direction for the future.
- 3.2 The Council and NHS Shetland share the strategic aim of ensuring participation from BSL users throughout the development, publication and implementation of the Plan to work together to improve the lives of BSL users in Shetland.
- 3.3 The goals and actions identified by the Council and NHS Shetland reflect the organisations' corporate priorities and the priorities in Shetland's Local Outcomes Improvement Plan – in particular around Participation and People.

4.0 Key Issues:

- 4.1 The Scottish Government passed the British Sign Language (Scotland) Act 2015 to promote the use of BSL. It requires the Government to produce a BSL National Plan for Scotland and certain public bodies to produce local plans, including Councils and NHS Boards.
- 4.2 The National BSL Plan 2023-2029 focuses on ten priority areas which were developed to respond to the barriers BSL users across Scotland expressed were important to them. The six-year plan aims to improve the quality of life for BSL users, especially D/deaf and deafblind BSL users. Local authorities are required to achieve consistency between their Plans and the National Plan.
- 4.3 It is now six years since Shetland's first BSL Plan. The Plan reports on key achievements to date, the ongoing actions that have been carried through to the current Plan, and the goals and actions for the life of this Plan.
- 4.4 Shetland's BSL Plan has been co-produced by the Council and NHS Shetland, with input from local BSL users, representatives and organisations. It details how these organisations will work towards achieving the shared actions and goals to improve the lives of BSL users in Shetland.
- 4.5 Findings from two local research projects, alongside focus groups and interviews with local BSL users and those who work with or may work with BSL users in Shetland have informed the Plan.
- 4.6 Achievements from the first plan include:
- Providing early years and health & care staff with information about BSL and Deaf culture;
 - Supporting the learning of BSL in schools for hearing pupils; and
 - Promoting opportunities to stand for selection or election in local and national elections.
- 4.7 Key challenges remaining include:
- A lack of awareness of BSL across services and the wider community;
 - Fewer employment and social opportunities for BSL users; and
 - Resources are available to support translation, but these are not widely known about.
- 4.8 As a result of recommendations gathered through the process of developing this second plan, a set of goals and associated actions are proposed in the Plan. Some of these put in place the necessary building blocks, to build on, whilst others will result in service improvements, based on the national goals. For example:
- To source BSL and BSL awareness training opportunities for staff, and enable the wider community to access these;
 - Improve accessibility of the Council's website, for BSL users;
 - Consider BSL users in how the Council communicates;
 - Enable BSL users to navigate the workplace, including ensuring staff in the Council's employability pathway are able to use basic level BSL; and
 - Improve access to transport services, for BSL users, and enable them to inform the next Active Travel Strategy.

5.0 Exempt and/or Confidential Information:	
5.1	None.
6.0 Implications :	
6.1 Service Users, Patients and Communities:	<p>Shetland's BSL Plan will help to ensure that people who rely on BSL are able to access services.</p> <p>BSL translation is available to anyone who requests to use a Council service and requires non-spoken language interpretation.</p>
6.2 Human Resources and Organisational Development:	Existing staff resources within the Council and NHS Shetland may be required to work differently, in order to meet actions within the Plan. We will ensure appropriate support is provided as and where required allowing changes and new practice to become embedded in the organisation.
6.3 Equality, Diversity and Human Rights:	<p>An Equality Impact Assessment (EQIA) has been undertaken to assess the potential impacts on those with protected characteristics, this has resulted in no requirement for a Full Equalities Impact Assessment as there is no negative implications on those with protected characteristics, as a result of this Plan. The documentation and assessments will continue to be reviewed and updated as necessary.</p> <p>An Island Community Impact Assessment (ICIA) was also undertaken, this resulted in no requirement for a Full Islands Community Impact Assessment as no significant impact was identified.</p>
6.4 Legal:	<p>The Council is required to produce and publish a Local Authority BSL Plan every six years to comply with the provisions of the British Sign Language (Scotland) Act 2015.</p> <p>The Council is required to provide the Plan in BSL.</p>
6.5 Finance:	If the recommendation is approved, the delivery of Shetland's BSL Plan actions, once final, are to be met from within existing budget resources and or external funding should this be identified.
6.6 Assets and Property:	There are no specific issues to address with regard to assets and property.
6.7 ICT and New Technologies:	Video Remote Interpreting (VRI) services for BSL are available for the provision of Council services. VRI offers access to BSL interpreters via on-demand video support to anyone who requests non-spoken language interpretation. This can be accessed through a Council device which can download the application from the App-store. This can be accessed through a one-time device authentication.

6.8 Environmental:	There are no specific issues to address with regard to the local environment.	
6.9 Risk Management:	There is a legal and reputational risk to not producing, publishing or implementing this Plan.	
6.10 Policy and Delegated Authority:	Section A of the Constitution – Governance, states that the management body for the Equality Framework lies within the remit of the Policy and Resources Committee. In this regard, ensuring the proper management, monitoring and reporting of the Council’s general and specific equality duties is therefore a delegated matter for the Policy and Resources Committee.	
6.11 Previously Considered by:	N/A	

Contact Details:

Hannah Chapman, Partnership Officer – Diversity & Inclusion,

Email: hannah.chapman@shetland.gov.uk

Leanne Gear, Partnership Officer

Email: leanne.gear3@shetland.gov.uk

Date Cleared: 11 March 2024

Appendices:

Appendix 1 – Shetland’s British Sign Language Plan 2024-2030

Background Documents: N/A

DRAFT Shetland's British Sign Language (BSL) Plan 2024 – 2030



Shetland's British Sign Language Plan 2024 – 2030



Contents

About This Plan	1
The Purpose.....	1
The Content.....	2
Name and Contact Details of Lead Officers	2
Where to find the BSL version of this plan	2
The Story So Far	3
Shetland's BSL Plan 2018-2024	3
What We Know	5
Vision, Goals and Actions.....	7
Vision.....	7
Goals and Actions.....	7
Monitoring & Review	14
Have your say	14
Impact Assessments.....	15

About This Plan

The Purpose

This is the (draft) BSL Plan for Shetland Islands Council and NHS Shetland, as required by BSL (Scotland) Act 2015. It sets out draft actions Shetland Islands Council and NHS Shetland will take over the period 2024-2030. The purpose of this Plan is to set out how these organisations will promote and support British Sign Language.

Our Draft Plan follows the BSL National Plan 2023-2029, published 6 November 2023, which was developed through extensive engagement with D/deaf and Deafblind BSL users and those who work with them. Our local Plan is framed around the same long-term goals as the national plan.

This is our second BSL Plan and focuses on local circumstances and consider how to best respond to BSL user's needs within local communities, organisations and services in Shetland.

We are committed to protecting and supporting BSL, including in its tactile form.

We have involved BSL users and those who have worked with BSL users to inform the draft plan.

We are committed to continued engagement around implementing actions and providing feedback on progress.

We have taken a Human Rights based approach throughout this Plan.

Throughout the draft plan, we refer to 'BSL users', which covers all people of whose first or preferred language is BSL, including those who receive the language in a tactile form due to sight loss. This includes those who are pre-lingual and post-lingual deaf.

We use Deaf with a capital D to refer to people who have been deaf all their lives, or since before they started to learn to talk. They are pre-lingually deaf. It is an important distinction, because Deaf people tend to communicate in sign language as their first language. For most Deaf people English is a second language, and understanding complicated messages in English can be a problem. The word deaf is used to describe anyone who does not hear very much. Sometimes it is used to refer to people who are severely hard of hearing too¹.

¹ [What is the difference between deaf and Deaf? - SignHealth](#)

The Content

This Plan includes:

- **The Story So Far** – information on what has been achieved since the last plan, and information on what we know about BSL in Shetland
- **Vision, Goals and Actions** – information on what we hope to achieve and how we will do this.
- **Monitoring and Review** – information on progress and how to have your say
- **Impact Assessments**

Name and Contact Details of Lead Officers

Hannah Chapman and Leanne Gear, Partnership Officers, Shetland Islands Council

Email: hannah.chapman@shetland.gov.uk leanne.gear3@shetland.gov.uk

Address: Solarhus, 3 North Ness Business Park, Lerwick, ZE1 0LZ

Direct Dial: 01595 744153

Lucy Flaws, Planning, Performance and Projects Officer, NHS Shetland

Address: Upper Floor Montfield, Burgh Road, Lerwick, ZE1 0LA

Direct Dial: 01595 743060

Email: shet.information@nhs.scot

Where to find the BSL version of this Plan

A BSL summary of the draft plan is available on Shetland Islands Council and NHS Shetland website.

The BSL version of the published plan will be available on Shetland Islands Council and NHS Shetland website.

British Sign Language (BSL) users can contact us via [contactSCOTLAND-BSL](#)

contactSCOTLAND-BSL

If you require this Plan in an alternative format, please contact the lead officers mentioned above.

There is an opportunity to comment on this draft from Thursday 22nd February 2024 until Thursday 7th March, information on how to do this can be found on page 14.

The Story So Far

Shetland's BSL Plan 2018-2024

It has been six years since Shetland's first Local Authority BSL Plan was published in 2018, when Shetland Islands Council and NHS Shetland committed to protecting and supporting British Sign Language including in its tactile form.

Achievements and Learning

Key achievements include:

Family Support, Early Learning and Childcare

- Providing early years staff with information about BSL and Deaf culture, and about resources that are available in BSL, so that they could meet the needs of families with a D/deaf or Deafblind child.

School Education

- Taken forward advice developed by Education Scotland to:
 - a) improve the way that teachers engage effectively with parents who use BSL; and
 - b) ensure that parents who use BSL know how they can get further involved in their child's education.
- Contributed to Scotland's National Centre for Languages (SCILT) programme of work to support the learning of BSL in schools for hearing pupils as part of the 1+2 programme, including sharing best practice and guidance.

Health, Social Care, Mental Health and Wellbeing

- Signposted health and social care staff to an online learning resource toolkit to raise awareness of BSL and Deaf culture (this was led by NHS Health Scotland and was rolled out across Scotland by 2018).

Democracy

Taken opportunities to promote the Access to Elected Office Fund locally, which can meet the additional costs of BSL users wishing to stand for selection or election in local or Scottish Parliament elections.

We have made some progress, however, there is much more to do. This plan sets out the actions Shetland Islands Council and NHS Shetland will take over the period 2024-2030 and includes, where relevant, ongoing actions from the previous plan.

What We Know

Available Data

The 2011 census stated that there were 62 BSL users in Shetland. NRS Scotland will publish the latest results from Scotland's Census 2022 from Spring 2024 onwards. Anecdotally, there now appears to be much fewer BSL users in Shetland, more likely to be fewer than 10. Research by NHS Shetland and Shetland Community Connections also found that there was a level of uncertainty in health centres whether there were BSL users registered. It is therefore difficult to know how many BSL users there are in Shetland.

There are relatively few BSL users in Shetland, however we are used to this set of circumstances in our development and delivery of Plans and have built on previous experience for this BSL Plan.

Findings from two local research projects, alongside focus groups and interviews with local BSL users and those who work with or may work with BSL users in Shetland have informed this draft plan.

In 2022, the Scottish Government, NHS Shetland's Health Improvement Team and Shetland Community Connections developed a project on understanding how to improve access to Primary Care Services for people who use British Sign Language.

In 2022, Shetland Community Connections supported a community action research project which resulted in a publication; a report entitled [‘Show Me That You Think of Me’](#). The research investigated the reality of attending social and cultural events or spaces for disabled people, their families and carers in Shetland, and how their experience can be improved.

During December 2023, Partnership Officers from Shetland Islands Council's Community Planning and Development team held focus groups with representatives from Services and Third Sector Organisations. The purpose was to look at challenges and opportunities for BSL users in Shetland.

In January 2024, local BSL users, a representative of British Deaf Association Scotland, an interpreter, and the Partnership Officers met to: look at key challenges facing BSL users in Shetland; opportunities for improvement; and what the top priorities for the Council should be.

Key Findings

Findings from the NHS Shetland and Shetland Community Connections research mirrored much of what was found from the focus groups and interviews. Most importantly, we heard directly from local BSL users. BSL users told us that Shetland is friendly and welcoming, yet, there are challenges.

Taking the published and new research into consideration, the key challenges are:

- A lack of BSL awareness and knowledge across services and the wider community
- Communication issues
- Fewer social, cultural and job opportunities for BSL users
- Unreliable internet can be difficult when relying on Video Relay Service (VRS)
- There are resources which can help with translation, but, not everybody knows about them
- Lack of data and knowledge about BSL users
- There is a lack of opportunities for BSL users to get together with other BSL users in Shetland – the closest Deaf Clubs are in Aberdeen and Inverness which is expensive. This can affect the health and wellbeing of local BSL users.

The key recommendations from local BSL users, representatives of organisations and the research is:

- BSL awareness training for staff and members of the community, and for some basic sign to be used
- Training opportunities in BSL, BSL awareness and D/deaf awareness
- Communication methods to consider the needs of BSL users
- The need to involve BSL users lived experience when planning services
- Promotion of the resources available to support BSL users
- Building relationships between services, third sector organisations and members of the BSL community
- To monitor the impact of actions in the Plan
- Explore potential opportunities for local BSL users to offer BSL lessons
- Barriers to job and cultural opportunities for BSL users' needs to be understood and, where possible, removed
- Consideration for opportunities for BSL users to get together with other BSL users.

Vision, Goals and Actions

Vision

The National Plan's vision is to make Scotland the best place in the world for BSL signers to live, work, visit and learn.

Shetland Islands Council and NHS Shetland's vision is that Shetland is a place that BSL signers can thrive and reach their full potential.

Goals and Actions

In recognition of the work we need to do, the first two years of our activity will focus on putting in place a sound foundation from which to achieve further service improvement.

All the actions within this Plan will be undertaken by Council & NHS Shetland, unless otherwise stated.

Building Blocks

BSL Data

We share the long-term goal set out in the National Plan, which is:

To strengthen the evidence and data on the BSL community in Scotland to better inform decision making in public policy and service design.

By 2026 we will

- Use data from the local research to build on good practice and identify where things could be improved
- Learn more about our BSL community through speaking with the BSL community, BDA Scotland and other partners
- Monitor nationally available data such as Scotland's Census
- Use data we gather to inform delivery of plan.

Training and Resources

Our long term goal is

That there will be greater understanding of BSL in Shetland

By 2026, we will

- Source BSL, BSL awareness and Deaf awareness training opportunities for staff
- Promote training opportunities to the wider community.

Awareness Raising

Our long term goal is:

To raise awareness of BSL in Shetland, so that everyone has a better understanding of how to engage and support BSL users.

By 2026, we will:

- Raise awareness of BSL within services
- Raise awareness of resources such as Video Remote Interpreting (VRI) and Video Relay Service (VRS) services
- Continue to build relationships across services who may work with BSL users, providing opportunities for knowledge sharing
- Be advocates for BSL awareness across partnerships.

BSL Accessibility and Communication

We share the long-term goal set out in the National Plan, which is:

To remove accessibility as a barrier for BSL users in all aspects of life, recognising the importance of having accessible information in the right format at the right time, utilising technology and increasing people's awareness of communication tools.

By 2026, we will:

- Promote and support uptake of SignPort as an online portal for BSL/English interpreter bookings which will be launched for public use, within the Scottish Government and public bodies

-
- Continue to promote and support usage of ContactScotland BSL, Scotland's Video Relay Service (VRS) for BSL online interpreting
 - Work with British Deaf Association/Deaf Action to investigate incorporating more BSL video consultations on Shetland Islands Council's website
 - Improve accessibility of the Shetland Islands Council and NHS Shetland websites for BSL users
 - Investigate VRI resource options
 - Ensure accessibility requirements for BSL users are considered in venues when organising events
 - Consider BSL users in how we communicate: face to face; use social media and translate documents
 - Produce accessibility plan and guidance.

Celebrating BSL Culture

We share the long-term goal set out in the National Plan, which is:

BSL users will have full access to the cultural life of Scotland, and equal opportunities to enjoy and contribute to culture and the arts, and are encouraged to share BSL and deaf culture with the people of Scotland.

By 2030, we will

- Foster good relations through relationship building in communities between BSL users, BSL representatives and organisations to promote BSL culture in Shetland
- Work with Business Gateway to raise the profile of BSL
- Promote BSL resources through the Visitor Information Service and raise this at their annual network event
- Work with organisations, such as Ability Shetland to raise awareness of BSL, share resources and training opportunities
- Where possible, promote opportunities for BSL users to get together and share their language and experiences, for example 'BSL Blethers' by British Deaf Association (BDA)
- Investigate opportunities to promote BSL culture, e.g. awareness day, role models.

Service Improvement

For the following areas, we will use the building blocks to support services to work towards the national goals.

Children, Young People and their Families

We share the long-term goal set out in the National Plan, which is:

The Getting it Right for Every Child (GIRFEC) approach will be fully embedded, with a deaf or deafblind child and their family offered the right information and support at the right time to engage with BSL. We will strengthen partnerships between relevant organisations to overcome barriers for BSL users and deaf/ deafblind children to ensure they have the support they need at all stages of their learning, so that they can reach their full potential

To achieve this, actions include:

- Facilitate the building of partnerships and effective working relationships between NHS teams and BSL providers. This will help to ensure that deaf and deafblind children and their families can access the right support from the earliest stages of childhood and in doing so we can strive to get it right for every child.
- Work with representative groups across Midwifery, Health Visiting, Family Nurse Partnership, Allied Health Professionals and Audiology to help them understand the importance of BSL provision on child and family wellbeing
- Support NHS teams and BSL providers to develop robust referral pathways which will result in deaf and deafblind children accessing both the healthcare and language learning support they require
- Support the development of opportunities for deaf and deafblind children, young people, and their families, to learn about the heritage and culture of BSL, especially in Scotland
- Continue to raise awareness of BSL and training opportunities across the Schools' service
- Ensure BSL is considered by the GIRFEC steering group.

Access to Employment

We share the long-term goal set out in the National Plan, which is:

BSL users will receive person centred support to develop their skills, consider what route to employment is right for them and enter into the workforce so that they can fulfil their potential, and improve Scotland's economic performance. They will be provided with support to enable them to progress in their chosen career.

By 2030, we will

- Create a transitioning plan to support BSL users into navigating the workplace, helping them to understand the support available to them and develop their skills
- Commit to training SIC Employability staff to basic level in BSL
- Make Shetland employers more aware of BSL opportunities and support available to sustain person in employment, by building this into the Shetland Local Employability Partnership 26-30 (SLEP)
- Through No One Left Behind, deliver place-based employability services which support individuals to overcome structural barriers to entering and sustaining employment. We will tailor our person-centred approach to consider BSL users, ensuring they have access to support to achieve their employment goals.

Health and Wellbeing

We share the long-term goal set out in the National Plan, which is:

BSL users will have access to the information and services they need to live active, healthy lives, and to make informed choices at every stage of their lives.

By 2030, we will

- Ensure specific inclusion of BSL to support equity of access to health services within the NHS Shetland Strategic Delivery Plan 2024-2029
- Raise BSL awareness with health and care staff to ensure services are person centred
- Incorporate National BSL resources, for example NHS Inform, into NHS Shetland website
- Improve individual patient health records so that they clearly show when the first or preferred language is BSL and a BSL/English Interpreter is needed

-
- Continue to signpost health and care staff to an online learning resource toolkit to raise awareness of BSL and Deaf culture
 - Continue work on health literacy project, sharing findings from BSL user project.

Transport

We share the long-term goal set out in the National Plan, which is:

BSL users will have safe, fair and inclusive access to public transport and the systems that support all transport use in Scotland.

By 2030, we will

- Improve transport services for BSL users, particularly bus services as part of the Bus Network review
- If funding allows, ensure communications around sustainable travel more accessible for BSL users
- Ensure BSL users input into Shetland's next Active Travel Strategy 27-32.

Access to Justice

We share the long-term goal set out in the National Plan, which is:

BSL users will have fair and equal access to the civil, criminal and juvenile justice systems in Scotland.

By 2030, we will

- Educate staff on the resources available and our responsibilities as services to ensure BSL users have the same experience in the justice system
- Raise awareness of BSL resources and opportunities at Community Justice Partnership.

Democratic Participation

We share the long-term goal set out in the National Plan, which is:

BSL users will be fully involved in democratic and public life in Scotland, as active and informed citizens, as voters, as elected politicians and as board members of our public bodies.

We also have our Shetland specific long-term goal, which is:

To respond to national initiatives, local circumstances and individual needs and priorities so that BSL users will be fully involved in democratic and public life in Shetland, as active and informed citizens, as voters, and as Councillors or members of Council Committees.

By 2030, we will

- Promote resources that provide support for BSL users to enable participation in democratic life
- Facilitate BSL support for users with identified needs within the elected office of Councillor or as members of Council committees.

We will continue to pro-actively work with BSL users to advance service improvement, this includes considering how we can raise awareness of BSL, teach and train BSL and include BSL users throughout our decision-making processes.

Monitoring & Review

Delivery of the actions in this plan is dependent on the use of existing resources and external funding opportunities.

We will publish a progress report every 2 years detailing achievements and timescales of projected outcomes.

We will continue to use a Human Rights based approach throughout implementation of the Plan, by using the Panel Principles in practice. PANEL stands for Participation, Accountability, Non-Discrimination and Equality, Empowerment and Legality.

We will:

- Involve BSL users in the decisions that affect them (P);
- Consider the impact of activities on BSL users and take active steps to remove barriers (A);
- Ensure that all forms of discrimination is prohibited, prevented and eliminated, particularly BSL users (N);
- Support BSL users to take part in the implementation of the Plan (E); and
- Ensure all our approaches are grounded through legal rights, as it is our duty to help people have their rights fulfilled (L).

Shetland's BSL Plan will be reviewed every six years, after the publication of the National BSL Plan.

Have Your Say

We welcome comments at all stages of the Plan development.

If you would like to feedback, please contact us through:

- [contactSCOTLAND-BSL](#), our direct telephone number is: 01595 744148
- Email us at Shetlandpartnership@shetland.gov.uk
- www.shetland.gov.uk/bsl

The final Plan will be published by May 2024.

Impact Assessments

We have assessed the impact of this Plan in relation to the following statutory duties:

- Equalities Act, 2010
- Fairer Scotland Duty, which came into force in 2018
- Islands (Scotland) Act, 2018.

For more information, please contact the Lead Officers.



Policy and Resources Committee – 20 March 2024

Chair's Report - Free School Meals and School Clothing Grant Criteria

200327 P&R-CS-08

Education and Families Committee – 4 March 2024

The Education and Families Committee considered the report, and made no changes to the decisions required. The recommendation is set out below. More detail can be viewed via the report to the Committee.

<https://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29847>

The Chair of the Education and Families Committee will introduce this report, and present any further information as to the debate or issues that the Committee considered.

The decision recommended in the report for consideration by the Policy and Resources Committee was approved without amendment, and is as follows:

The Committee RECOMMENDED that Policy and Resources Committee RECOMMENDS that Shetland Islands Council APPROVES:

- the alignment of Free School Meals and School Clothing Grants criteria
- the current School Clothing Grants payment rates
- funding to enable the Scottish Government's Free School Meal Holiday Support to be extended to pupils in receipt of locally extended Free School Meals and pupils eligible for Free School Meals who are attending Early Learning and Childcare settings, including eligible two year olds
- aligning Free School Milk Clothing Grants criteria
- continuing free breakfast provision in all Secondary Schools
- funding these additional costs from the Crown Estate grant for 2024/2025 with funding source considered annually at budget setting
- that the above arrangements will commence on 01 April 2024 and continue until a review is requested.

Committee Services – 13 March 2023



Policy and Resources Committee – 20 March 2024

Chair's Report - Taxi Tariff Review

200327 P&R-DV-07

Environment and Transport Committee – 11 March 2024

The Environment and Transport Committee considered the report, and made no changes to the decisions required. The recommendation is set out below. More detail can be viewed via the report to the Committee.

<https://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29872>

The Chair of the Environment and Transport Committee will introduce this report, and present any further information as to the debate or issues that the Committee considered.

The decision recommended in the report for consideration by the Policy and Resources Committee was approved without amendment, and is as follows:

The Committee RECOMMENDED that the Policy and Resources Committee RESOLVE to approve the table of tariffs given in Appendix 1 to the report as the basis for statutory consultation and reporting as set out in Appendix 2 to the report.

Committee Services – 13 March 2023



Policy and Resources Committee – 20 March 2024

Chair's Report - Shetland Sheep Scab Regulations (2024)

200327 P&R-ES-01

Environment and Transport Committee – 11 March 2024

The Environment and Transport Committee considered the report, and made no changes to the decisions required. The recommendation is set out below. More detail can be viewed via the report to the Committee.

<https://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29870>

The Chair of the Environment and Transport Committee will introduce this report, and present any further information as to the debate or issues that the Committee considered.

The decision recommended in the report for consideration by the Policy and Resources Committee was approved without amendment, and is as follows:

The Committee RECOMMENDED that the Policy and Resources Committee and the Shetland Islands Council APPROVES the Shetland Sheep Scab Regulations (2024).

Committee Services – 13 March 2023



Policy and Resources Committee – 20 March 2024

Chair's Report - Tall Ships Races Lerwick 2023 – Impact Assessment and Legacy Funding

200327 P&R-DV-02

Development Committee – 13 March 2024

The Development Committee considered the report, and made no changes to the decisions required. The recommendation is set out below. More detail can be viewed via the report to the Committee.

<https://coins.shetland.gov.uk/submissiondocuments.asp?submissionid=29899>

The Chair of the Development Committee will introduce this report, and present any further information as to the debate or issues that the Committee considered.

The decision recommended in the report for consideration by the Policy and Resources Committee was approved without amendment, and is as follows:

That the Policy and Resources Committee NOTE the findings of the Event Impact Assessment of the Tall Ships Races 2023 event in July 2023.

The Development Committee RECOMMENDED that Policy and Resources Committee recommends that Shetland Islands Council RESOLVES to APPROVE:

- an annual grant of up to £8,700 to Sail Training Shetland towards costs of sail training provision as described at, and subject to, paragraph 4.8 in the report, commencing 01 April 2024;
- match funding of up to £18,000 in 2024/25 towards the costs of establishing local training for stewarding and security for public events in Shetland as described at paragraph 4.9 in the report, and to DELEGATE authority to the Director of Development Services, or his nominee, to make arrangements for commitment of this funding, subject to such terms and conditions as the said Director considers reasonable and appropriate, to a suitable grantee; and
- funding these additional costs from the annual Crown Estate net revenue distributions.

Committee Services – 13 March 2023



Meeting(s):	Policy & Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	SIC Overall Management Accounts 2023/24 Projected Outturn at Quarter 3	
Reference Number:	F-10-24-F	
Author / Job Title:	Paul Fraser Executive Manager - Finance	

1.0 Decisions / Action required:

- 1.1 That the Policy & Resources Committee RECOMMENDS that the Council RESOLVE to:
- 1.1.1 note the Management Accounts showing the overall projected outturn position at Quarter 3 as set out in Appendices 1-8;
 - 1.1.2 note the financial position, including Service Reviews, Vacancy Factor and 1% Savings, details set out in Appendices 1,4 and 5;
 - 1.1.3 approve the virements and re-profiling of budgets in line with the variance analysis set out in Appendix 4 to cover over/underspends as identified and re-profiling of budgets for expenditure due only to occur in future years in line with the process as set out in paragraph 4.15;
 - 1.1.4 approve the adjustments to the 2023/24 budget to reflect the additional funding offered to the Council, as set out in Appendices 6 and 8; and
 - 1.1.5 approve the increase in payment to the Integrated Joint Board of £3.333m; this will increase the payment for 2023/24 to £32.042m.

2.0 High Level Summary:

- 2.1 This report sets out the overall Council projected financial position as at Quarter 3.
- 2.2 On 15 March 2023 (SIC Min Ref: 17/23) the Council approved the 2023/24 revenue and capital budgets for the Council (including the General Fund, Harbour Account, Housing Revenue Account) requiring a net draw from reserves of £24m, of which £3m is unsustainable and £11m unsustainable in the long-term. It is vital to the economic wellbeing of the Council that financial resources are managed effectively, and expenditure and income is delivered in line with the budget, as any overspends will result in an additional draw on reserves and would be further evidence that the Council is living beyond its means.
- 2.3 This report forms part of the financial governance and stewardship framework, to ensure that the financial position of the Council is understood and quantified. It provides assurance to the Corporate Management Team and the

Committee/Council that resources are being managed and allows corrective action where necessary.

- 2.4 This report refers to the revised budgets that are now in place for each of the services. The revised budgets include the Council's budget carry-forward scheme, slippage and other budget changes of £14.9m. To fund these budget revisions, there is an increase in the budgeted draw on reserves of £10.5m. The projected outturn position requires a slight reduction of £0.8m draw on reserves to balance the budgets. Once you remove the proposed capital slippage budgets as set out in the Table in paragraph section 4.4, this results in an increase in use of reserves to £8.5m.

3.0 Corporate Priorities and Joint Working:

- 3.1 The principle of financial sustainability is enshrined in 'Our Ambition 2021-26':

"We will develop a Medium-Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards".

- 4.1 By the end of the third quarter of 2023/24, the Council has incurred actual revenue expenditure of £99.4m delivering services and £11.5m of capital expenditure. Overall, Council actual expenditure for General Fund, Harbour Account and Housing Revenue Account amounts to £110.5m.

- 4.2 At quarter 3, the forecast on service delivery by the end of the financial year is as follows:

- General Fund revenue budget £161.7m with a projected overspend of £1.7m;
- Harbour Account revenue budget -£13.8m with a projected income shortfall of £4.7m;
- Housing Revenue Account revenue budget -£0.7m with a projected income shortfall of £0.08m; and
- Total revised capital budget (General Fund, Harbour Account and Housing Revenue Account) £18.5m with a projected underspend of £11.3m of which £10.9m is slippage.

- 4.3 The attached appendices are as follows:

- Appendices 1-3 contains the management accounts for the General Fund, Harbour Account and the Housing Revenue Account.
- Appendix 4 contains further detail of key variances between forecast expectations and approved budgets for each service.
- Appendix 5 sets out the position on the Savings Reviews.
- Appendix 6 show the budget changes approved to date
- Appendix 7 shows the impact of budget changes on the use of reserves.
- Appendix 8 contains additional grant funding received.

- 4.4 The table below shows the total overall projected outturn for both revenue and capital. The Council expects an overall underspend of £4m before slippage on capital projects. Actual expenditure in the third quarter amounted to 65% of the revised budget.

2023/24 Actual Spend Qtr 3 £000	Revenue & Capital Funds	2023/24 Original Budget £000	2023/24 Budget Revision Qtr 3 £000	2023/24 Revised Budget Qtr 3 £000	2023/24 Projected Outturn Qtr 3 £000	2023/24 Projected Variance under/ (over) £000	2023/24 Capital Slippage/ Reprofiling Qtr3 £000	2023/24 Revised Projected Variance under/ (over) £000
113,328	GF Revenue	155,105	4,900	160,005	161,701	(1,696)	0	(1,696)
(12,115)	HA Revenue	(18,560)	0	(18,560)	(13,845)	(4,715)	0	(4,715)
(2,191)	HRA Revenue	(1,666)	42	(1,624)	(762)	(862)	0	(862)
99,022	Total Revenue	134,879	4,213	139,821	147,094	(7,273)	0	(7,273)
7,923	GF Capital	12,107	8,846	20,953	13,004	7,949	7,513	436
107	HA Capital	349	610	959	431	528	415	113
3,412	HRA Capital	7,329	540	7,869	5,065	2,804	2,965	(161)
11,442	Total Capital	19,785	9,996	29,781	18,500	11,281	10,893	388
110,464	TOTAL Expenditure	154,664	14,938	169,602	165,594	4,008	10,893	(6,885)
	Funded by:							
(20,856)	Reserves	(24,152)	(10,485)	(34,637)	(33,881)	(756)	(9,257)	8,501
(88,884)	Grants/C Tax	(130,512)	(1,585)	(132,097)	(130,375)	(1,722)	(1,636)	86
(724)	Borrowing	0	(2,868)	(2,868)	(1,338)	(1,530)	0	(1,530)
(110,464)	TOTAL Funding	(154,664)	(14,938)	(169,602)	(165,594)	(4,008)	(10,893)	6,885

- 4.5 From the table above, the revenue budgets are projecting to overspend by £7.3m; and capital budgets are projecting to underspend this year by £11.3m with the majority, £10.9m, due to slippage which will be included in the 2024-2029 Asset Investment Plan resulting in an revised overspend of £6.9m.
- 4.6 The General Fund revenue budget is projecting to overspend by £1.7m. This is as a result of:

Activity	£000
Savings Reviews not achieved	(1,323)
1% Savings not achieved	(688)
Net Service Overspends	(1,887)
Total Overspends	(3,898)
Offset by:	
Vacancy Factor over-achieved	2,215
Net Total	(1,683)

- 4.7 On General Fund Service Expenditure, the majority of the overspend is within Community Health and Social Care services (CH&SC) (£2.4m), from a combination of net overspending (£1.2m), with outstanding Service Reviews savings (£0.8m) and 1% savings target (£0.4m) predicted to not be achieved. Crown Estate funding has not been received (£1.6m) in 2023/24 in agreement with the Scottish Government but this will be received in 2024/25 instead. This shortfall in income is offset by an increase in bank interest £0.5m due to higher interest rates on balances held.
- 4.8 Vacancies continue to be an issue for the Council, with £2.2m of vacancies identified. This underspend is more than offset by agency staff and overtime which are paid at a premium in order to meet service demands.
- 4.9 Appendix 5 sets out the position regarding all of the Service Reviews and the likelihood of achieving further savings from outstanding reviews. Of the total £1.9m of Savings Reviews, £0.6m of savings has been achieved. Leaving £1.3m of savings projects no longer projected to be achieved this year.

- 4.10 The Harbour Account is anticipated to receive (£4.2m) less income than budgeted due to reduced tanker numbers offset by a reduction in capital expenditure £0.5m. This has the impact of a reduced contribution from the Harbour Account surplus to balance the General Fund budget, which will require to be met from additional unsustainable reserves to balance the budget.
- 4.11 The Housing Revenue Account is estimated to underspend by £1.9m with capital projects delayed £2.8m offset by increased costs for revenue maintenance increase due to price rises in materials and labour costs (£0.8m).
- 4.12 The 2023/24 total projected draw from reserves on both revenue and capital expenditure is £33.9m, which is £0.7m less than the revised budgeted draw of £34.6m (see Table above and Appendix 7). This is the combined position for the General Fund, Harbour Account and Housing Revenue Account. The main area of underspend is on capital projects due to slippage which is being re-profiled into the 2024-2029 Asset Investment Plan.
- 4.13 Included within these figures are the revised budget for Community Health and Social Care (CH&SC) for 2023/24. CH&SC's budget is delegated to, and forms part of, the Integrated Joint Board's budget. CH&SC's budget has increased by £3.333m as a result of providing additional budget for the 2023/24 pay award, re-grading of social care workers, additional cleaning budget and criminal justice funding. This means the payment to the Integrated Joint Board will increase from £28.709m to £32.042m for 2023/24.
- 4.14 Appendices 1-8 provides more detail of the figures discussed in this section of the report.
- 4.15 To provide sufficient budget and deal with profiling changes as set out in Appendix 4, virements will be carried out following approval of this report to allocate budgets from underspends to areas where there are projected overspends or to meet vacancy factor, service reviews and the 1% savings. Where underspends exist for revenue services that are due only to be spent next year these will be returned to reserves and on capital projects any slippage identified will be profiled into future years in the 2024-2029 Asset Investment Plan.
- 4.16 The Council is keen to accept grant offers, but budgetary provision needs to be established in 2023/24 so that the Council can lawfully incur expenditure required to deliver the services or activity expected by each of the grant offers listed in Appendix 8. Most of the grant offers relate to an existing service or activity, and approval is sought to adjust the 2023/24 budget accordingly. Where further reports are required these will require to be presented to Council before budget virements are implemented, these are identified in Appendix 8.

5.0 Exempt and/or confidential information:

5.1 None.

6.0 Implications :

6.1 Service Users, Patients and Communities:

There are no direct implications arising from this report.

6.2 Human Resources and Organisational Development:	There are no direct implications arising from this report.
6.3 Equality, Diversity and Human Rights:	There are no direct implications arising from this report.
6.4 Legal:	<p>The statutory functions of the Council and NHS Shetland are delegated to the Integrated Joint Board (IJB) by each Party in order to deliver the delegated functions for that Party. This is provided for under the Public Bodies (Joint Working) (Scotland) Act 2014, (Public Bodies Act) the associated Regulations and Guidance.</p> <p>The Council, NHS Shetland and the IJB must adhere to the terms of the Integration Scheme approved by the Scottish Government under the terms of the Public Bodies Act. The Integration Scheme includes a section on Finance, which covers making payments to the IJB budgets. Under the Integration scheme, “any proposal to change the budget allocated by the Parties for a delegated function must be reported to the IJB and the Parties as appropriate for their agreement”.</p>
6.5 Finance:	<p>Overall expenditure in the third quarter of the year represents 65% of the revised 2023/24 budget.</p> <p>The revenue projected overspend for the Council for 2023/24 is (£7.3m) and the capital projected underspend is £11.3m, across all funds. Of the capital underspends £10.9m is to be re-profiled into the 2024-29 Asset Investment Plan. This will required an additional draw in reserves in 2024/25.</p> <p>Overall, across the Council for both revenue and capital expenditure there is a projected overspend of £6.9m once slippage has been removed from the revised budget. This is due to revenue budget predicting an overspend.</p> <p>The overall projected draw on reserves at quarter 3 is £33.9m, which is £0.7m more than the revised draw of £34.6m. This will increase to £8.5m once capital slippage budgets are removed.</p> <p>The original budgeted a net draw on reserves of £24.2m of which £3.1m was unsustainable. At the end of Quarter 3, the revised budget requires a draw of £33.9m an increase over the original draw of £9.7m as set out in Appendix 7.</p>

	<p>The level of unsustainable draw on reserves has increased from the original £3.1m to £12.2m. Part of this is due to the reduction in expected surplus on the Harbour Account by £4.2m to £13.2m. The whole surplus of £18m was originally utilised in funding the original budget.</p> <p>Additional external grant funding, for a range of activities of £0.241m has been allocated of which £0.197m is requested to be approved as set out in Appendix 8.</p> <p>As part of the General Fund budget, there is an increase in the amount the Council is paying to the Integrated Joint Board for 2023/24 of £3.333m to £32.042m.</p>
6.6 Assets and Property:	There are no direct implications arising from this report.
6.7 ICT and new technologies:	There are no direct implications arising from this report.
6.8 Environmental:	There are no direct implications 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>Failure to deliver the 2023/24 budgets and programmes; or effectively monitor, adjust or manage growth or the failure of assets may result in the Council failing to deliver its Corporate Plan and Medium Term Financial Plan.</p> <p>From a financial perspective, risks are an integral part of planning for the future, 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 main variable assumptions are around anticipated income levels, returns on investments and cost pressures and demands.</p> <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>

	The Council makes provision within its budget for cost pressures that may arise. This approach provides additional confidence for the Council to be able to mitigate any adverse financial circumstances.
6.10 Policy and Delegated Authority:	<p>Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Committee may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to them by the Council. The Council approved both revenue and capital budgets for the 2023/24 financial year.</p> <p>The Policy & Resources Committee has delegated authority for securing the co-ordination, control and proper management of the financial affairs of the Council, and has referred authority to make recommendations to the Council as to the level of any expenditure not provided for in the annual 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> <p>Under the Integration scheme, "any proposal to change the budget allocated by the Parties for a delegated function must be reported to the IJB and the Parties as appropriate for their agreement".</p>
6.11 Previously considered by:	n/a

Contact Details:

Hazel Tait, Team Leader Accountancy, Hazel.Tait@Shetland.gov.uk, 18 February 2024

Appendices:

Appendix 1 – 2023/24 General Fund Projected Revenue and Capital Outturn at Q3

Appendix 2 – 2023/24 Harbour Account Projected Revenue and Capital Outturn at Q3

Appendix 3 – 2023/24 Housing Revenue Account Projected Revenue and Capital Outturn at Q3

Appendix 4 – 2023/24 Variance Analysis at Q3

Appendix 5 - 2023/24 Service Review Update at Q3

Appendix 6 – 2023/24 Summary of Budget Revisions at Q3

Appendix 7 – 2023/24 Use of Reserves at Q3

Appendix 8 - 2023/24 Additional Grant Funding for Approval at Q3

Background Documents:

SIC Budget Book 2023/24, SIC 15 March 2023

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=28817>

General Fund Revenue - Projected Outturn Position for 2023/24

2023/24 Year to Date Actual Qtr 3 £000	General Fund	2023/24 Original Budget £000	2023/24 Budget Revisions £000	2023/24 Revised Budget Qtr 3 £000	2023/24 Projected Outturn Qtr 3 £000	2023/24 Projected Variance Qtr 3 £000
1,547	Chief Executive Services (sub-total)	2,019	108	2,127	2,114	13
1,547	Chief Executive Services	2,039	79	2,118	2,114	4
0	Vacancy Factor	0	29	29	0	29
0	1% Savings	(20)	0	(20)	0	(20)
44,262	Children's Services (sub-total)	56,049	4,005	60,054	59,639	415
44,262	Children's Services	57,778	2,286	60,064	59,639	425
0	Vacancy Factor	(768)	1,437	669	0	669
0	Savings Reviews	(343)	137	(206)	0	(206)
0	1% Savings	(619)	145	(474)	0	(474)
23,563	Community Health & Social Care (sub-total)	26,373	3,686	30,058	32,465	(2,406)
23,563	Community Health & Social Care Services	27,648	3,421	31,068	32,465	(1,397)
0	Vacancy Factor	0	163	163	0	163
0	Savings Reviews	(922)	102	(820)	0	(820)
0	1% Savings	(353)		(353)	0	(353)
8,579	Corporate Services (sub-total)	11,905	564	12,469	12,179	291
8,579	Corporate Services	12,964	(869)	12,095	12,179	(84)
0	Vacancy Factor	(358)	806	448	0	448
0	Savings Reviews	(560)	400	(160)	0	(160)
0	1% Savings	(141)	227	86	0	86
10,103	Development Services (sub-total)	17,319	1,448	18,767	18,759	8
10,103	Development Services	18,112	462	18,574	18,759	(185)
0	Vacancy Factor	(500)	918	418	0	418
0	Savings Reviews	(100)	0	(100)	0	(100)
0	1% Savings	(193)	67	(126)	0	(126)
25,415	Infrastructure Services (sub-total)	40,877	(1,510)	39,367	38,718	649
25,415	Infrastructure Services	42,010	(3,292)	38,718	38,718	
0	Vacancy Factor	(815)	1,303	488	0	488
0	Savings Reviews	(38)	0	(38)	0	(38)
0	1% Savings	(281)	479	198	0	198
113,469	TOTAL Service Expenditure	154,542	8,300	162,842	163,874	(1,032)
0	Contingencies & Cost Pressures	3,500	(3,453)	47	0	47
640	Fund Managers Fees	1,400	0	1,400	1,400	0
54	Financing Costs	1,618	53	1,672	1,449	223
0	Crown Estate Income	(1,600)	0	(1,600)	0	(1,600)
(974)	Economic Development Investment Income	(1,000)	0	(1,000)	(1,164)	164
526	Valuation Joint Board	503	0	503	526	(23)
(387)	Interest on Revenue Balances	(14)		(14)	(540)	526
0	Net Recharges to Other Fund	(3,844)	0	(3,844)	(3,844)	0
(8,049)	Other Investment Income *	-	-	0	(8,049)	8,049
8,049	Other Investment Income transfer to Reserve	-	-	0	8,049	(8,049)
113,328	Total Net Expenditure/(Income)	155,105	4,900	160,005	161,701	(1,696)
	<i>Funded by:</i>					
(74,273)	Government Grants (GRG/NNDR/Specific Grants)	(107,636)	(1,783)	(109,419)	(109,419)	0
(6,745)	Council Tax	(10,770)	0	(10,770)	(10,770)	0
0	Other Earmarked Reserves	0	(1,093)	(1,093)	(1,093)	0
0	Coastal Communities Reserve	141	(470)	(329)	(329)	0
0	ELC Reserve	0	106	106	106	0
0	PEF Reserve	0	(90)	(90)	(90)	0
0	Ferry Grant Reserve	0	1,605	1,605	1,605	0
0	Sustainable Transport Reserve	0	(43)	(43)	(43)	0
(32,310)	Contribution from General Fund Reserve Suspended	(33,655)	0	(33,655)	(29,470)	(4,185)
0	Contribution from General Fund Reserve Unspent	(3,185)	(3,132)	(6,317)	(12,198)	5,881
(113,328)	Total Funding/Contribution	(155,105)	(4,900)	(160,005)	(161,701)	1,696
0	Balanced Budget	0	0	-	0	0

General Fund Capital - Projected Outturn Position for 2023/24

2023/24 Year to Date Actual Qtr 3 £000	General Fund	2023/24 Original Budget £000	2023/24 Budget Revisions £000	2023/24 Revised Budget Qtr 3 £000	2023/24 Projected Outturn Qtr 3 £000	2023/24 Projected Variance Qtr 3 £000	2023/24 Capital Slippage/ Reprofiling Qtr 3 £000	2023/24 Revised Projected Variance Qtr 3 £000
228	Children's Services	61	403	464	384	80	52	28
0	Community Health & Social Care Services	0	222	222	0	222	0	222
1,815	Corporate Services	1,162	1,880	3,042	2,847	195	118	77
1,245	Development Services	4,624	203	4,828	1,949	2,879	2,825	54
4,636	Infrastructure Services	6,259	6,137	12,397	7,823	4,573	4,518	55
7,923	Total Costs	12,107	8,846	20,953	13,004	7,949	7,513	436
	Funded by:							
(4,793)	Scottish Govt General Capital Grant	(6,054)	(266)	(6,320)	(6,320)	0	0	0
(2,622)	Other External Grants	(5,553)	495	(5,058)	(3,336)	(1,722)	(2,825)	1,103
(451)	General Fund Capital Receipts	(500)	0	(500)	(500)	0	0	0
0	General Fund Reserve CFCR	0	(90)	(90)	(91)	0	0	0
(10)	ELC Reserve CFCR	0	(15)	(15)	(15)	0	0	0
(914)	Ferry Grant CFCR	0	(1,605)	(1,605)	(1,305)	(300)	(300)	0
(13)	Capital Grant Unapplied Reserve	0	(54)	(54)	(52)	(2)	0	(2)
(43)	Spend to Save Reserve - Capital	0	(48)	(48)	(48)	0	0	0
1,646	Capital Fund Reserves	0	(4,395)	(4,395)	0	(4,395)	(4,388)	(7)
(724)	External Borrowing	0	(2,868)	(2,868)	(1,338)	(1,530)	0	(1,530)
(7,923)	Total Funding & Financing	(12,107)	(8,846)	(20,953)	(13,004)	(7,949)	(7,513)	(437)
0	Balanced Budget	0	0	0	0	0	0	0

Harbour Account

Revenue and Capital - Projected Outturn Position for 2023/24

2023/24 YTD Actual Qtr 3 £000	Harbour Account	2023/24 Original Budget £000	2023/24 Budget Revisions £000	2023/24 Revised Budget Qtr 3 £000	2023/24 Projected Outturn Qtr 3 £000	2023/24 Projected Variance Qtr 3 £000	2023/24 Capital Slippage/ Reprofiling Qtr 3 £000	2023/24 Revised Projected Variance Qtr 3 £000
	REVENUE:							
(10,690)	Sullom Voe	(17,021)	6	(17,016)	(12,546)	(4,470)	0	(4,470)
(221)	Scalloway	18	(4)	14	509	(494)	0	(494)
(611)	Other Piers	43	(2)	41	(208)	249	0	249
205	Jetties & Spur Booms	0	0	0	0	0	0	0
(11,315)	Ports & Harbours Net Expenditure/(Income)	(16,960)	0	(16,960)	(12,245)	(4,715)	0	(4,715)
(799)	Shetland Gas Plant	(1,600)	0	(1,600)	(1,600)	0	0	0
(799)	Other Income	(1,600)	0	(1,600)	(1,600)	0	0	0
(12,115)	Total Net Revenue Expenditure/(Income)	(18,560)	0	(18,560)	(13,845)	(4,715)		(4,715)
	CAPITAL:							
139	Capital Expenditure	379	580	959	431	527	415	112
(33)	Capital Receipts	(30)	0	(30)	(33)	3	0	3
107	Total Net Capital Expenditure/(Income)	349	580	929	399	530	415	115
12,008	Contribution to/(from) Reserve Fund	18,211	(580)	17,631	13,446	4,185	(415)	4,600
0	Balanced Budget	0	0	0	0	0	0	0

Housing Revenue Account

Revenue and Capital - Projected Outturn Position for 2023/24

2023/24 YTD Actual Qtr 3 £000	Housing Revenue Account	2023/24 Original Budget £000	2023/24 Budget Revisions £000	2023/24 Revised Budget Qtr 3 £000	2023/24 Projected Outturn Qtr 3 £000	2023/24 Projected Variance Qtr 3 £000	2023/24 Slippage/ In Future Years Qtr 3 £000	2023/24 Revised Projected Variance Qtr 3 £000
	REVENUE:							
203	Supervision & Management	964	0	964	935	29		29
2,861	Repair & Maintenance	3,552	42	3,594	4,465	(871)		(871)
177	Void Rents & Charges	253	0	253	240	13		13
0	Garages	32	0	32	32	0		0
0	Capital Charges - Dwellings	1,188	0	1,188	1,188	0		0
3,241	Total: Expenditure	5,989	42	6,031	6,860	(829)		(829)
(5,245)	Rents - Dwellings	(7,392)	0	(7,392)	(7,372)	(20)		(20)
(187)	Rents - Other i.e. garages/sites etc.	(262)	0	(262)	(249)	(13)		(13)
(5,433)	Total: Income	(7,654)	0	(7,654)	(7,621)	(33)		(33)
(2,191)	Total Net Revenue Expenditure/(Income)	(1,666)	42	(1,624)	(762)	(862)		(862)
	CAPITAL:							
4,272	Capital Expenditure	9,065	665	9,730	7,076	2,654	2,965	(311)
(34)	Capital Receipts	(35)	0	(35)	(35)	0		0
(784)	Other Government Grants	(1,701)	(83)	(1,784)	(1,867)	83	(1,336)	1,419
(42)	2nd Homes Council Tax Reserve	0	(42)	(42)	(109)	67		67
3,412	Total Net Capital Expenditure/(Income)	7,329	540	7,869	5,065	2,803	1,629	1,174
(1,221)	Contribution to/(from) HRA Reserve	(5,664)	(582)	(6,245)	(4,304)	(1,940)	(1,629)	(311)
0	Balanced Budget	0	0	0	0	0	0	0

Management Accounts Projected Outturn Variances

General Fund Revenue	Projected Outturn Variance (Over)/Underspend £	Reason for Variance - Over £50k
Chief Executive Services Underspend	12,768	
Executive Services	4,950	No significant projected variances.
Council Members	(778)	No significant projected variances.
Vacancy Factor	28,595	No significant projected variances.
1% Savings	(20,000)	No savings have been identified within the Directorate.
Children's Services Overspend	414,614	
Director of Children's Services	(32,625)	The projected overspend is due to AHS PFI repayment which increases with RPI (£126k) offset by low value underspends across the service.
Children's Social Work	282,590	The projected underspend is due to ring-fenced funds where carry forward will be requested £185k and Professional Foster Care payments due to lower requirement £83k: offset by overspend due to increased demand for self directed support payments (£60k).
Quality Improvement/Schools	204,832	The projected underspend is due to ring-fenced funds where carry forward will be requested £204k.
Early Learning & Childcare	0	The projected underspend has been contributed to vacancy factor and returned to ELC reserve.
Additional Support Needs	16,326	No material variances.
Sports, Leisure & Libraries	(46,440)	No material variances.
Vacancy Factor	669,349	The target of £768k has been over-achieved by £668k, amount to £1,437k / 54.8 FTE vacancy savings as follows: -£1,026k Quality Improvement/Schools 16.9FTE -£239k Early Learning & Childcare 17.2FTE -£116k Children's Social Work 13.6FTE (an additional £130k of vacancy savings have been used to cover previously reported overspends within CSW) -£56k Sports, Leisure & Libraries 3.5FTE
Savings Review	(205,816)	Reduction in play area refurbishment £10k (achieved) – maintenance budget reduced. Hub model for Youth Work £7.5k (achieved). Review swimming lessons as part of PE curriculum £150k (achieved £23k) - option approved by Council lower than original target savings. Remove 0.5fte Steward Islesburgh £17k (achieved) - post removed. Maximum class sizes in all Primaries - £158k (achieved £79k) - posts removed from start of academic year Review SLA for speech and language therapy (expected 2024/25) Continue to review residential services accommodation Aug 23-Aug 24 (outstanding) Use of school car parks for caravan parks during school holidays (completed, benefits do not outweigh costs, not proceeding) Use of halls of residence for holiday accommodation during school holidays Apr 2023-Jan 2024 (outstanding) Review secondary curriculum and staffing Apr-Dec 2023 (outstanding) Review of support staff Apr-Dec 2023 (outstanding) Review of catering and cleaning services 2023/24 (outstanding) Review of learning estate (outstanding)
1% Savings	(473,602)	£85k due to change of delivery to Counselling in Schools contracted service. (£473k) balance is covered by increased vacancy savings over the budgeted savings.
Community Health & Social Care Services Overspend	(2,406,329)	
Director of Community Health & Social Care	133,864	The projected underspend is mainly due to a reduction in Service Level Agreements (£72k) due to changes to service delivery after budget setting was finalised.
Adult Services	(842,032)	The projected overspend is due to a significant requirement for agency staff within the service (£888k) over the existing staffing budget (which has been used to match off a proportion of agency staff costs).
Community Care Resources	(522,818)	The projected overspend is due to significant requirement for agency staff within the service (£953k) over the existing staffing budget (which has been used to match off a proportion of agency staff costs). There are also additional costs associated with off-island placements (£159k) due to both increased cost and number of placements. This is offset by an overachievement of projected income from residential care charges £388k, due to increased use of respite and
Criminal Justice	45,657	No significant variances.
Adult Social Work	(294,876)	The projected overspend is due to increased demand for Self-Directed Support care packages (£273k) and an increase in the cost of Off Island placements (£60k).
Occupational Therapy	83,704	The projected underspend is mainly due to a reduction in works contract payments for adaptations £55k.
IJB	0	No variance.

Vacancy Factor	163,210	<p>Projected Outturn Vacancies Directorate - 1.37 FTE vacancies. Recruitment for the Director CH&SC is in progress. Adult Services - 21.24 FTE vacancies. Community Care Resources - 49.42 FTE vacancies. No budget transferred to vacancy factor as underspend on employee costs has been used to contribute towards the costs of overtime and agency staff. Adult Social Work - 1.84 FTE vacancies. Underspend used to cover the costs of overtime and agency staff. Occupational Therapy - 0.16 FTE vacancies.</p> <p>Note: minimal budget transferred to vacancy factor as the underspent budgets on employee costs has been vired to partially contribute towards the costs of overtime and agency staff within each service area above. The budgeted vacancy factor variance of £163k are £130k under the Directorate, £16k under Adult Social Work and £18k under Occupational Therapy.</p>
Savings Reviews	(820,038)	<p>Review of SDS - £582k - Project to review the delivery of SDS packages is underway. Due to the complex nature of this piece of work, and the timescales involved, no savings are expected to be achieved this year. Recruit Modern Apprentices - £53k - Number of Modern Apprentices have been employed, but saving will only be achieved when these once they are sufficiently qualified and can be counted as part of the 'floor count'. Reduce Bed Numbers - £34k - Review in progress as part of the work around the setting of the 2024/25 budgets. Review Balance Between Permanent & Respite - £95k - Review in progress as part of the work around the setting of the 2024/25 budget. Increased charging for Self Funders - £69k (Achieved) - The rates charges to self funders where increased as part of the 2023/24 budget setting process. Increase Charges for Meals on Wheels - £29k (£14k Achieved) - Charges for Meals on Wheels where increased as part of the 2023/24 budget setting process - original figures for savings were duplicated in error. Increase Charges for Telecare Provision - £60k (£19k Achieved) - Charges for Telecare equipment where increased as part of the 2023/24 budget setting process but by £3 not the £3.70 as stated in the review and number of alarms projected higher than actual.</p>
1% Savings	(353,000)	No 1% savings are expected to be achieved in 2023/24.
Corporate Services Overspend	290,541	
Director of Corporate Services	7,286	No significant variances.
Change Programme	0	No variance.
Assets, Commissioning & Procurement	(30,085)	No significant variances.
Finance	(74,004)	The projected overspend of (£74k) mainly relates to an underestimation at budget setting of the level of Non-Domestic Rates reliefs (£52k)
Governance & Law	59,683	The projected underspend of £60k mainly relates to an underspend of £119k on the budget for insurance claims that is not anticipated to be required this year. This is offset by an overspend of (£56k) on insurance premiums that have risen this year due to inflation.
Human Resources	(46,620)	No significant variances.
ICT	(3)	No significant variances
Vacancy Factor	447,942	<p>The projected underspend due to vacant posts is £718k (£100k of which is included in Saving Review see below), offset by the budgeted vacancy factor of £378k. Projected Outturn vacancies:</p> <p>Change Programme £147k / 2.4 FTE Governance and Law £73k / 2.6 FTE Finance £267K / 6.2 FTE ACP £187K / 3.2 FTE HR £126k / 4.8 FTE ICT £71k / 2.4 FTE</p>
Savings Reviews	(160,000)	<p>Staffing Review £100k (achieved). Centralisation of Support Functions £60k - outstanding Increased Self Insurance £300k (achieved). Additional Income from Property Portfolio £100k - in progress.</p>
1% Savings	86,342	<p>Savings Realised:</p> <p>Governance and Law - £100k Budget for Insurance Projects not required in year. ACP - £95k Additional lease and rental income being received in year, including Viking Energy, Busta Estate, Scatsta Airport and Greenhead Base warehouse. ICT - £32k Additional income being received from service level agreements for ICT services/support.</p>
Development Services Overspend	7,955	
Director of Development Services	(33,310)	No significant projected variances
Community Planning & Development	(476)	No significant projected variances
Economic Development	221,567	<p>The projected underspend of £222K mainly relates to:</p> <ul style="list-style-type: none"> - £120K underspend on Economic Development Projects, this projection is based on the existing level of current grant commitments, at this stage no further claims have been confirmed. - £90K underspend on Economic Development Grant Schemes, this is due to updated estimated timings on the draw of money for existing grant commitments under the scheme. - £75K underspend on the Tall Ships 2023, this is due to more sponsorships and ticket income generated than anticipated, along with the initial cost plan including inflation and contingency amounts which meant less grant funding required. - (£84K) overspend on the Coastal Communities Fund Scheme, this is due to an acceleration in recent applications received and approvals made which will be due to be paid in this financial year, more budget is therefore required this year due to the estimated timings of the draw on money required for grant commitments. This overspend will be covered by other underspends within the Coastal Communities Fund (i.e. Tall Ships project and Winter Activates)
Housing	23,841	No significant projected variances.
Planning	(218,517)	<p>The projected overspend is due to:</p> <ul style="list-style-type: none"> - use of agency staff (£74k) to support the Development Management Team. - underachievement of income (£154k) for Planning Applications and Building Warrants - lower volume and value of applications being received.

Transport Planning	(205,656)	The projected overspend is mainly due to increased contribution to ZetTrans to meet the projected overspends in Public Bus Service (£207k). The increase in Public Bus Services is due to the increased contract costs following re-tendering of several routes.
Vacancy Factor	446,110	The original budget of £500k has been exceeded by £446k resulting in £946k of projected Vacancy Factor as follows: - Community Planning & Development - £275K/4.3 FTE - Economic Development - £43K/2.3 FTE - Housing - £364k/10.4 FTE - Planning - £264K/6.2 FTE
Savings Review - Development Services	(100,000)	No additional Shetland Telecom income has been identified.
1% Savings - Development Services	(125,605)	Of the original £193k of savings, £67k of savings have been realised: - £46K is from the reduction in the funding payment required to be made to maintain the regulatory fishery order. - £5K is due to a lower amount being claimed than budgeted for, for the business start up pilot scheme. - £16K is from the Community Bike Project Grant which has been unclaimed this financial year
Infrastructure Services Overspend	648,757	
Director of Infrastructure Services	0	No significant projected variances.
Environment & Estates Operations	0	There is one significant variance of additional income at the Landfill Site for AHS demolition waste £75k; offset by minor overspends with the remaining surplus transferred to the 1% savings below.
Ferry & Air Operations	0	No significant projected variances
Air Operations	0	As Ferry operations is fully funded by the ring fenced Ferry Grant there are no projected outturn over or underspend implications for the Council. The main variances against original budget are underspends on ferry fuel budgeted at 85p per litre with average to date of 59p - £1.035m; 31 FTEs vacant posts offset by budgeted vacancy factor - £948k; and MV Geira maintenance and repairs delayed to next year - £355k, offset by additional agency staff costs to cover vacancies that are difficult to fill (£450k);
Roads	0	There is one significant variance for additional income for Scord Quarry sales to contractors for work at Sullom Voe and private surface dressing works undertaken £215k; offset by minor overspends with the remaining surplus transferred to the 1% savings below.
Vacancy Factor - Infrastructure Services	488,001	The projected underspend due to vacant posts* is £1.321m, offset by the budgeted vacancy factor of £815k, (increase from original budget due to Pay Award). There are currently 8 vacant posts in Roads Service and 21 vacant posts in Environment & Estate Operations. *excluding Ferry Services vacant posts held separately above due to external funding
Savings Review - Infrastructure Services	(37,500)	No projected savings identified for Refuse Collection and Grounds Maintenance Reviews.
1% Savings - Infrastructure Services	198,256	The original 1% savings budget was £241k, of which £187k has been met from additional income at the Landfill and Scord Quarry described above. The remaining balance of £11k can be met from the additional vacancy factor underspend.
Overall Total General Fund Overspend	(1,031,695)	

General Fund - Capital	Draft Outturn Variance (Over)/Underspend £	Reason for Variance
Quality Improvement/Schools	80,110	The projected underspend is due to two outdoor education projects where the work has been delayed until early 24/25 £78k and a minor underspend of £2k on the Youth Services Storage Container project.
Sports, Leisure & Libraries	0	No variance.
Director of Community Health & Social Care	221,741	The projected underspend relates to the new Care Director system which is currently on hold. There is unlikely to be any spend during this financial year.
Assets, Commissioning & Procurement	77,000	The projected underspend is due to minor slippage on the Knab demolition.
Finance	118,000	The project underspend is due to the budget not being required until 2024/25.
ICT	0	No variance.
Transport Planning	2,878,806	The projected underspend variance relates to the Fair Isle Ferry replacement project now proceeding on a new timeline.
Environment & Estate Operations	4,162,496	The projected underspend relates to Vehicle & Plant Replacement Programme budget approval for purchase contract commitments, but the receipt of the goods is not due until future years £3.5m; no business case yet presented for ERP Control System Upgrades project £201k; Energy Recovery Plant gas analyser works to be carried out in 2024/25 £369k; and no Landfill Capping works required in year £85k.
Ferry Services	300,000	The projected underspend relates to the delay in works at Hamarsness due to heavy plant and barge availability £300k.
Roads	110,854	The projected underspend relates to projects completed under budget, Pelican Crossing Replacement Programme £3k and the Hillhead Railing Replacement £5k; no planned works for the Bridge Replacement Programme £25k; design works for Levenwick Road Improvements Project delayed with priority on Cullivoe Road Project £39k; and Burra Bridge Painting project is now complete £39k.
Total General Fund Capital Underspend	7,949,007	

Housing Revenue Account	Projected Outturn Variance (Over)/Underspend £	Reason for Variance
Supervision & Management	28,787	No significant projected variances.
Repair & Maintenance	(871,059)	The projected overspend of £871K is mainly due to: - (£819k) general price increases in materials and labour costs. Issues with the current market making it hard to secure contracts and get labour at budgeted for rates. Further an Increase in void properties has allowed works to be undertaken earlier than planned and is an opportunity to carry out more extensive but necessary works whilst properties are not in use). - (£182k) materials budgeting error. The above is offset by an underspend of 6.2FTE/£117K of employee costs. This is due to unsuccessful recruitment exercises to apprentice posts and reduction in hours worked across the Housing Repair Service.
Void Rents & Charges	13,239	No significant projected variances.
Garages	0	No projected variances.
Bad debt	0	No projected variances.
Capital Charges - Dwellings	0	No projected variances.
Total Revenue Expenditure Overspend	(829,034)	
Interest on Revenue Balances	0	No projected variances.
Rents - Dwellings	(19,855)	No significant projected variances.
Rents - Other i.e. garages/sites etc.	(14,217)	No significant projected variances.
Total Revenue Income Breakeven	(34,072)	
Net Revenue Overspend	(863,106)	
Capital Expenditure	2,653,580	The projected underspend is mainly due to project slippage: - procurement delays following unsuccessful tendering exercises on the Harlsdale and Kalliness refurbishment works and the Sandveien new build project, along with slippage on Brevik House £1,990k; - contractor availability delayed commencement of the Sandveien component replacement works £700k; - minor project profiling on the structural remedial works £115k. The underspend is offset by the purchase of a 2 bedroom property for social rent (£150k).
Capital Receipts	0	No projected variances.
2nd Homes Council Tax	67,000	The projected underspend is due to unbudgeted funding to purchase a 2 bedroom property for social rent £67k.
Other Government Grants	83,000	The projected underspend is due to unbudgeted for Scottish Government Affordable Housing Supply Programme Grant to purchase a 2 bedroom property for social rent £83k.
Net Capital Underspend	2,803,580	
Total HRA Underspend	1,940,474	
Reduced Contribution required from the HRA Reserve	1,940,474	

Harbour Account	Projected Outturn Variance (Over)/Underspend £	Reason for Variance - Over £50ks
Ports Management	64,200	The projected variance mainly relates to vacancies and changes to part time hours, currently 1.83fte, £83k
Sullom Voe	(4,533,996)	The projected variance mainly relates to: Less tanker movements due to maintenance works both offshore and at Sullom Voe, reducing oil export levels, partly offset by larger tankers than budgeted (£4.6m); 2023/24 Pay Award (£250k); offset by underspending on marine fuel against budget set, £110k (projected outturn is based on average floating price to date); and vacant posts and reduced hours across the service area, currently 3fte, £178k
Scalloway	(494,344)	The projected variance mainly relates to the Salmon factory closure at Blacksness Pier so no further salmon landings anticipated (£480k)
Other Piers	249,205	The projected variance mainly relates to Structural assessments for concrete repairs at Mid Yell and Hamnavoe awaiting contractor availability and fender repairs at Cullivoe and Out Skerries still going through the tendering process so it is likely that these repair works will slip into 2024/25 £225k
Jetties & Spur Booms	0	No projected variances.
Harbour Operations Overspend	(4,714,935)	
Shetland Gas Plant Increased Income	-	
Capital Expenditure	527,108	The projected underspend relates to Vehicle & Plant Replacement Programme budget approval for purchase contract commitments, but the receipt of the goods and actual expenditure is not due until future years £417k; Fender Replacement project complete under budget £78k and Plant & Equipment Replacement budget not required £35k.
Capital Receipts	2,833	No significant projected variances
Capital Receipts Reserve	0	No projected variances.
Net Capital Overspend	529,941	
Total Increase in Harbour Account Surplus	(4,184,994)	

Service Reviews - Outstanding/Completed

General Fund	Description of Service Review	Current Position	Service Review Savings Proposals £	Savings Achieved to Date £	Outstanding Savings to be Realised £	Further Savings expected in 2023/24 from the Savings Reviews Outstanding £
Children's Services			(342,500)	(136,684)	(205,816)	0
Completed	Remove 0.5fte Steward at Islesburgh	Completed	(17,000)	(17,000)	0	0
Completed	Review swimming tuition as part of PE curriculum	Completed	(150,000)	(23,334)	(126,666)	0
Completed	Move to maximum class sizes in all primary schools	Completed	(158,000)	(78,850)	(79,150)	0
Completed	Reduction in play area refurbishments	Completed	(10,000)	(10,000)	0	0
Completed	Move to Hub based model for youth clubs	Completed	(7,500)	(7,500)	0	0
Completed	Use of school car parks for caravan parks during school holidays	Completed	0	0	0	0
Ongoing	Review of catering and cleaning services	Ongoing	0	0	0	0
Ongoing	Review of learning estate	Ongoing	0	0	0	0
Apr-Dec 2023	Review secondary curriculum and staffing	Ongoing	0	0	0	0
Apr-Dec 2023	Review of support staff	Ongoing	0	0	0	0
Apr 2023-Jan 2024	Use of halls of residence for holiday accommodation during school holidays	Ongoing	0	0	0	0
Aug 2023-Aug 2024	Continue to review residential services accommodation	Ongoing	0	0	0	0
Expected 2024/25	Review Service Level Agreement for speech and language therapy	Expected 2024/25	0	0	0	0
Community Health & Social Care Services			(921,800)	(102,000)	(819,800)	0
Outstanding	Review of SDS packages	Outstanding	(582,000)	0	(582,000)	0
Outstanding	Recruit modern apprentices instead of agency staff	Outstanding	(52,800)	0	(52,800)	0
Outstanding	Reduce community bed base in 3 care homes from 15 to 10	Outstanding	(34,000)	0	(34,000)	0
Outstanding	Review balance of permanent v respite care to maximise income and review 8 week waiver respite charges	Outstanding	(95,000)	0	(95,000)	0
Completed	Increase charging to generate more from self-funders	Completed	(69,000)	(69,000)	0	0
Completed	Increase meals on wheels/meals in day care settings	Completed	(29,000)	(14,000)	(15,000)	0
Completed	Increase in charges for Telecare provision	Completed	(60,000)	(19,000)	(41,000)	0
Corporate Services			(560,000)	(400,000)	(160,000)	0
Complete	Self insurance	Complete	(300,000)	(300,000)	0	0
Complete	Corporate Staffing Review	Complete	(100,000)	(100,000)	0	0
Outstanding	Asset Management Additional Income from Portfolio	Outstanding	(100,000)	0	(100,000)	0
Outstanding	Centralisation of support functions	Outstanding	(60,000)	0	(60,000)	0
Development Services			(100,000)	0	(100,000)	0
Outstanding	Increased income from Shetland Telecom	Outstanding	(100,000)	0	(100,000)	0
Infrastructure Services			(37,500)	0	(37,500)	0
Outstanding	Review a move to 3 or 4 weekly waste collection	Outstanding	(25,000)	0	(25,000)	0
Outstanding	Reduce road and pavement maintenance	Outstanding	(12,500)	0	(12,500)	0
Total			(1,961,800)	(638,684)	(1,323,116)	0

Revenue and Capital - Budget Revisions 2023/24

Revisions	Reasons	2023/24 General Fund Revenue Qtr 2 £000	2023/24 General Fund Capital Qtr 2 £000	2023/24 Harbour Account Revenue Qtr 2 £000	2023/24 Harbour Account Capital Qtr 2 £000	2023/24 HRA Revenue Qtr 2 £000	2023/24 HRA Capital Qtr 2 £000	2023/24 TOTAL Qtr 2 £000
Original Budget		155,105	12,107	(18,560)	349	(1,666)	7,329	154,664
Budget Carry forwards	Report F-16-23-F SIC Draft Outturn report, this report included the approval of revenue and capital carry forwards to meet outstanding commitments and spending plans.	2,797	4,985		347		606	8,734
Growth	Report DV-08-23-F Programme Manager - Inter Island Transport	49						49
Additional Specific Grant	Additional specific grant funding received to increase budget for Criminal Justice activities in line with Scottish Government circular update.	64						64
Transfer/Growth	Report ACP-06-23-F, transfer of burial ground maintenance from capital to revenue and vehicles from GF to HRA and HA.	419	(886)		233		233	(0)
Growth	Report ACP-06-23-F, additional budget for Boat Store and Hillhead Railings		41					41
Re-profiling	Report ACP-06-23-F, Vehicle & Plant Replacement re-profiling of budget draw forward from next year.		1,595					1,595
Increase in GRG	To fund Teachers pay award approved in 2022/23	971						971
Transfer to Capital	Transfer ferry grant and budget to capital to fund ferry terminal works	(775)						(775)
Additional GRG	Report F-28-23-F grant for road safety and Child & Young People Mental Health NHS funding, reduced employability funding.	(46)	44					(2)
Additional Grants	Report ACP-07-23-F, increase in funding for capital projects for active travel, cycling walking safer streets and inspiring school age childcare spaces.		698					698
Transfer/Growth	Report ACP-08-23-F, increase in funding for ELC expansion, West Gaet safety improvements Hamnavoe school, Happyhansel school multicourt resurfacing, storage container youth services, active travel and Cullivoe Road improvements.	400	(87)					313
Growth	Report CC-27-23-F to fund cost of Social Care Workers re-grading	2,101						2,101
Re-profiling	Grants in advance for CAB transferred back to Reserves.	(63)						(63)
Growth	Single Status Pay Award	1,260						1,260
Transfer to Reserve	ELC funding no longer required this year returned to ELC Reserve.	(106)						(106)
Growth	Report DV-08-23-F Programme Manager - Inter Island Transport	11						11
Additional Grant	Funding for Ukraine Resettlement costs.					42		42
Growth	Report ACP-13-23-F, new projects approved Play Park Renewal, Sandwick Multicourt Refurbishment, Property Acquisition, St Olaf St Retaining Wall, AHS & HoR retention, Upgrade to Centros, reduced budgets for Regional Active Travel and Scottish Social Housing Design/Strategy.	(90)	2,430				(300)	2,040
Growth	Report F-36-23-F, additional grant funding for car charging points at care homes, Ukraine resettlement.	50	60					110
Growth	Report DV-35-23-F, Low income Council Tax payments as part of Cost of Living project.	160						160
Transfer to Reserves	Transfer Ferry Grant to Reserves and transfer capital grant for enhanced outdoor spaces to revenue to fund ELC project.	(2,302)	(34)					(2,336)
Revised Budget		160,005	20,953	(18,560)	929	(1,624)	7,869	169,571

Use of Reserves in 2023/24

(combination of General Fund/Harbour Account/Housing Revenue Account)

Impact on Draw on Reserves of Budget Changes	2023/24 Original Budgeted Draw £000	2023/24 Budget Revisions £000	2023/24 Revised Budgeted Draw £000	2023/24 Projected Draw £000	2023/24 Variance Draw £000
REVENUE Draw on Reserves	16,474	3,159	19,633	26,907	(7,274)
Revisions:					
Carry Forwards (F-16-23-F SIC 14/6/23) SIC Draft Outturn report		2,747			
Transfer Burial Ground Maintenance from Capital (ACP-06-23-F SIC 14/6/23)		419			
New post Inter-Island Transport (DV-08-23-F 15/3/23)		49			
GRG Error Correction for Period Products		(9)			
Trf Criminal Justice R&T Budget to be funded by Specific Grant		(66)			
Social Care Worker Re-grading (CC-27-23-F 21/5/23)		2,101			
Additional Cfdw for Children & YP Health & Wellbeing, return unused ELC funding to ELC reserve, Employability reduction (F-28-23-F SIC 27/9/23)		(165)			
Trf to Reserves Ferry Grant		(1,605)			
Ukraine Settlement funding transfer from GF Grant.		50			
Developing a Network Strategy (DV-08-23 14/3/23)					
Cost Crisis - Payment for Council Tax (DV-35-23 27/9/23)					
Sandwick Multicourt and St olaf St Retaining Wall CFCR (ACP-13-23 13/12/23)					
Additional General Revenue Grant reducing draw on reserves.					
CAPITAL Draw on Reserves	7,678	7,327	15,005	6,974	8,031
Revisions:					
Carry Forwards (F-16-23-F SIC 14/6/23) SIC Draft Outturn report		3,903			
Additional budget for Boat Store and Hill Head Railings, vehicles and plant, trf burial ground maintenance to revenue (ACP-06-23-F GCG for Nature Restoration (not project yet)		1,217			
Youth Services Storage Container		(161)			
Ferry Terminals cfws to be met from specific grant		15			
ELC expansion projects (ACP-08-23-F)		(775)			
Report ACP-13-23-F, new projects approved Play Park Renewal, Sandwick Multicourt Refurbishment, Property Acquisition, St Olaf St Retaining Wall, AHS & HoR retention, Upgrade to Centros, reduced budgets for Regional Active Travel and Scottish Social Housing Design/Strategy.		15			
Additional funding from Community Bus Fund		1,552			
Ferry Funding Changes Reserve		(44)			
		1,605			
Total Budgeted Draw on Reserves	24,152	10,486	34,637	33,881	757
Removal of Slippage/Reprofiling of Capital Projects			(9,257)		(9,257)
Revised Total Budgeted Draw on Reserves	24,152	10,486	25,380	33,881	(8,500)

Additional Grant Funding for Approval

Revenue/ Capital (R/C)	Area	Funding Source	Funding Description	Purpose and justification for seeking additional budget approval:	Further Report to be Presented (Y/N)	Amount £
C	Development Services	Scottish Government	Community Bus Fund	Additional General Capital Grant for Community Bus Fund £44,000 not required to be approved to spend. For information only.	For Information only	-
C	Development Services	Scottish Government	Affordable Housing Supply Programme	Grant funding to assist with the acquisition of one affordable housing unit for social rent.	Y	83,000
R	Development Services	Scottish Government	Access to Free Period Products	Additional General Revenue Grant to maintain the provision of Access to Free Period Products during 23/24. The funding was secured following an evidence based "bid-in" fund application.	N	19,000
R	Childrens Services	Scottish Library and Information Council	Public Library Improvement Fund	Making a Noise in the North: Fair Access to Reading for the Visually Impaired. This joint Project with Orkney Library project concentrates on improving the reading experience for users with additional needs.	N	3,850
R	Childrens Services	Creative Scotland	Creative Scotland Youth Music Initiative (Access to Music Making)	Funding to undertake project 'Take it to the Bridge (2024): Turning to Musical Pathways' to create access to high-quality music making opportunities for children and young people aged 0 to 25 years (or, aged over 25 if they are disabled, care experienced and/or have been a young carer).	N	21,647
C	Development Services	Scottish Government	GCG	Additional General Capital Grant for Flooding	N	2,000
R	Infrastructure Services	Scottish Government	Electric Vehicle Infrastructure Fund	Grant funding offered to cover the cost of warranties and on-going maintenance to public charge points	N	33,481
R	Childrens Services	Scottish Government	Support for School Staff Training	Funding to support the provision of training opportunities for the support staff workforce within schools.	N	10,000
R	Infrastructure Services	Cycling Scotland	Cycling Shelter	Grant funding to purchase and install cycling shelters at Sound Primary and Hamnavoe Primary Schools	N	24,441
TOTAL						197,419



Meeting(s):	Policy and Resources Committee	20 March 2024
Report Title:	Corporate Services – Quarter 3 Performance Report 2023-2024	
Reference Number:	CRP-07-24-F	
Author / Job Title:	Susan Msalila, Executive Manager Change Programme	

1.0 Decisions / Action Required:

That **Policy and Resources Committee:**

- 1.1 DISCUSS the contents of this report;
- 1.2 COMMENT on the achievements of Corporate Services during Quarter 3 of 2023-2024;
- 1.3 NOTE the issues facing Corporate Services in terms of competing priorities and the constraints on resources; and
- 1.4 ADVISE managers of their views.

2.0 High Level Summary:

- 2.1 This report presents:-
 - information regarding the activity and performance of Corporate Services during Quarter 3 of 2023-2024 (Appendices A to C);
 - the revenue and capital outturn for Q3 2023-2024 (Appendices D to E); and
 - Corporate Services updated Risk Register (Appendix F);
- 2.2 The report provides an evaluation of progress on key objectives and outcomes for Corporate Services in Quarter 3; considers current risks and service challenges; and sets out the key priorities Corporate Services lead on in 2023-2024, which contribute to the outcomes in “Our Ambition 2021-26”.
- 2.3 Detailed information regarding each Service within Corporate Services Department is included in individual Service Plans, which are available separately [here](#).
- 2.4 The biggest challenge facing Corporate Services is the pressure on staff across all service areas caused by competing priorities and the volume of work arising from the continuing need to support all services with service delivery, the demands of change programmes/projects and work required to address audit recommendations.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council's Corporate Plan: 'Our Ambition 2021-26' was approved on 16 December 2020 (Min Ref: SIC 91/20). Corporate Services performance links to the following priorities in Our Ambition:

Our Organisational Values and Culture

1. Our ambition is for the Council to be a fabulous place to work, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.
2. We will maintain a clear focus on delivering excellent services to the public.
3. We will develop a modern, efficient and flexible workforce with the right values, behaviours and skills through delivering the actions in our Workforce Strategy.
4. We will use technology to support modern, accessible customer interactions, to be a catalyst for cross-council service improvement, and support flexible working practices.
5. We will be a learning organisation with a culture that supports psychological safety, intellectual bravery, experimentation, innovation and a willingness to learn from our mistakes, our experiences, and from employee, customer and community feedback, without fear or defensiveness.
6. We will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes.
7. We will develop a Medium Term Financial Plan to help us become more financially sustainable and resilient; safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022/23 onwards.
8. We will promote and deliver social and economic value through effective procurement and contract management practices. Wherever possible, we will continue to spend our money locally to support local businesses and organisations.

4.0 Key Issues:

Performance Management and Reporting

- 4.1 During Quarter 3 of 2023-2024, Corporate Services Performance and Improvement Team continued to support all Directorates to maintain their "live" 2023-2024 Service Plans and update the Council's performance dashboard.
- 4.2 Outstanding Audit recommendations are now reported as part of each Directorate's quarterly performance reports.
- 4.3 The Council's financial Local Government Benchmarking Factors (LGBF) indicators were published at the beginning of December 2023 and these will be

reported to the June 2024 cycle along with the LGBF comparison with other Authorities (which were published in February 2024).

- 4.4 The results of the Scottish Household Survey is on the agenda for today's meeting.

Key Activities in Quarter 3 of 2023-2024

4.5 Priorities in Quarter 3 included:

1. Support for Islands Deal projects.
2. Support for the Leveling Up project, Fair Isle ferry replacement, including work from Legal and Procurement Services and Project Manager support from the Programme Management Office (PMO).
3. Work on the Knab Redevelopment Programme.
4. The review of the commissioning arrangements for the Museum and Archives services provided by Shetland Amenity Trust has been completed
5. Review of Council wide Microsoft licences.
6. Implementation of £150 payment to low income families as part of the Island Cost Crisis Emergency Fund
7. Staff pay awards and uplifts including local Social Care changes.

4.6 Audit of Best Value, Shetland Islands Council

- 4.6.1 Our Best Value Assurance Audit report was published on 25 August 2022. The Strategic Action Plan to support the improvements required was agreed by the Council on 23 November 2022 and a Members Sounding Board was established (Min Ref P&R 83/22).
- 4.6.2 Progress against the Strategic Action Plan is monitored on a monthly basis by the Sounding Board.
- 4.6.3 An interim report in the form of a Best Value Thematic Review has been produced by Audit Scotland and was considered by Audit Committee (Min Ref Audit Committee 16/23). The Strategic Action plan will be updated to include the recommendations in Appendix A of this report. Audit Scotland have indicated that the next Best Value Review will be the Thematic Review produced in August 2024, which is part of the annual external audit work plan.

4.7 Risks and Service Challenges

- 4.7.1 Corporate Services provide support to all areas of Council business including support and resources for key programmes and projects.

During 2023-2024, this has included work associated with:

- a. The Best Value Assurance Report
- b. Internal and External Audit recommendations and support for the Internal Audit Work Plan 2023-24
- c. The development of Business Cases including, Levenwick Road and sustaining education in the North Mainland
- d. Islands Deal Projects
- e. Housing development programmes

- f. Resourcing the reprocurement of new social care case management system
- g. Ongoing project management of Council ICT Projects, including: Finance System Upgrade, HR/Payroll Replacement, Card Payment Compliance, Library System Replacement, Health and Social Care Rostering upgrade.
- h. Supporting Children's Services during on-going industrial action, including complex salary arrangements.
- i. Ongoing development of an effective recruitment administration service due to high demand and hard to fill posts. This includes an increase in international recruitment.
- j. Increase in demand for learning and development through grow our own programmes, career grades, apprenticeships, reskilling and succession planning.
- k. Progression of the job evaluation review of direct care roles in Adult Services, Community Care Resources and Children's Social Work.
- l. Managing arrangements for future use of the Scatsta Airport site
- m. Supporting work on future energy and lease modernisation at Sullom Voe Terminal

4.7.2 Additional information is included in Appendices A and B and a summary of complaints is attached at Appendix C.

4.7.3 Associated risks are set out in the Corporate Services Risk Register, which is attached to this report at Appendix F.

4.7.4 The biggest risk for Corporate Services is the pressure on staff across all service areas caused by competing priorities and the volume of work arising from the continuing need to support all services with service delivery and meet the demands of change programmes/projects effectively and efficiently. Additional pressure on Corporate Services is caused by recommendations for improvement made by both internal and external audit and the Best Value review. There are vacancies in all services across the department, which is a concern and a number of vacancies have not been filled in order to contribute to the work being undertaken to restrict growth in the budget.

4.8 Financial Performance – Q3 – 2023/24

4.8.1 Revenue Outturn Position

The projected revenue outturn for the Corporate Services Directorate is £12,179k (see Appendix E); this is an underspend of £0,291k compared to the Directorate's approved revenue budget of £12,469k.

The projected underspend includes savings budgets, which are projected to be overachieved at Quarter 3, as follows:

Description/Service Area	Revised Budget £000	Projected Savings £000	Projected Variance £000
Vacancy Savings:	(358)	(806)	448
1% Savings	(141)	(227)	86
Savings Reviews:			
Staffing Review	(100)	(100)	-

Centralisation of Support Functions	(60)	-	(60)
Savings from Self-Insurance	(300)	(300)	-
Additional Income from Property Portfolio	(100)	-	(100)
Total	(1,059)	(1,433)	374

4.8.2 The following are the main budget challenges and resulting variances across the Directorate at Quarter 3 within the service areas.

Employee Costs

There have been a significant number of vacant posts across the Directorate during the year due to delays getting posts recruited to.

At the end of Quarter 3 the number of full-time equivalent vacant posts were:

Service Area	Budgeted Posts - FTEs	Vacant Posts at Q3 FTE	% of Total Budgeted FTEs
Directorate	2.0	-	-
Change Programme	7.6	1.3	17%
Assets, Commissioning & Procurement	19.6	2.9	15%
Finance	60.9	3.7	6%
Governance & Law	20.0	2.0	10%
Human Resources	38.6	3.3	8%
ICT	30.2	1.4	5%
Total	178.9	14.6	8.2%

By projecting the estimate time to recruit to posts, the resulting projected underspend on employee costs across the Directorate to the end of the year is estimated at £806k.

The projected underspend balances to the vacancy savings at paragraph 4.7.1 as follows:

Description	£000
Projected Underspend	806
Directorate Vacancy Savings Budget met	(358)
Total	448

4.8.3 Operating Costs

The main budget challenges across the Directorate on operating costs by service area can be summarised as follows:

Finance

The projected overspend is mainly relates to the cost of Non-Domestic Rates reliefs (£52k) due to the 2023/24 budget figure being set too low in error.

Governance & Law

The projected underspend mainly relates to a projected underspend of £119k on insurance claims. This is offset by an overspend of £56k due to increased insurance premiums.

4.8.4 Projected Capital Outturn

The projected outturn on capital projects across the Directorate is £2,924k, which is on budget for both Asset, Commissioning & Procurement and ICT projects (see Appendix F). The projected underspend for Finance relates to the delayed implementation of the Integra Centros project costing £118k.

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. The Council uses customer feedback and complaint analysis, both internal and external to drive service change and service improvement.

6.2 Human Resources and Organisational Development:

Care is taken to ensure that staff are involved and informed about changes arising from service developments that might affect them; that HR are closely involved and that relevant Council policies are followed.

Ensuring staff feel valued and supported especially through periods of challenge and change is a key consideration for the Corporate Services Management Team.

The Human Resources Partnership Group (HRPG), Corporate Services Health and Safety Forum and Corporate Services Consultation Forum provide regular opportunities for staff representatives including representatives of recognised trades unions, to raise and discuss issues with managers.

Staff in Corporate Services are under increasing pressure from high demands for support across a range of improvement and development/ change projects across the Council adding to the continuing service challenges arising from routine work programmes.

Staff turnover in some areas of Corporate Services has increased over the last 12 months.

We have been successful in recruiting to key posts including Executive Manager - Finance, Executive Manager - HR,

	<p>Executive Manager - ICT, Procurement Manager and Resilience Advisor. A number of posts have not been filled in order to reduce the growth in budgets. The staffing complement across Corporate Services has reduced by 7.8%.</p> <p>It is increasingly important to be able to plan our work efficiently and effectively in order to make workloads across the Department manageable with reduced staffing levels.</p>
6.3 Equality, Diversity and Human Rights:	The Council uses Equalities Impact Assessments to ensure its services are supporting those most in need and not making inequalities worse. Our Best Value audit has identified that we need to ensure consistency across the Council in carrying out Equality Impact Assessments.
6.4 Legal:	<p>The Council has a statutory duty to report its progress in achieving Best Value. This report is integral to complying with that obligation.</p> <p>There are a number of projects and key actions within the Corporate Services quarterly performance overview 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>This report demonstrates that Corporate Services, under the remit of the Policy and Resources Committee, are projected to spend less than their Council approved revenue budget, and less than their approved capital budget by £0.291m and 0.195m respectively.</p> <p>The Council's overall projected revenue outturn at Quarter 3 is overspent of (£1.696m), which includes the £0.212m underspend in this report, this will increase the unsustainable budget draw on Reserves to (£12.198m) if no remedial action is taken.</p>
6.6 Assets and Property:	There are no implications for assets and properties arising directly from this report. An Asset Investment Plan update is presented to Policy and Resources Committee and the Council on a regular basis.
6.7 ICT and New Technologies:	There are no ICT implications arising directly from this report.
6.8 Environmental:	There are no environmental implications arising directly from this report.
6.9 Risk Management:	The risks with regard to the high workload and competing priorities for Corporate Services pose risks for all services across the Council. Regular updates on the challenges faced by Corporate Services are presented to the Council's

	Corporate Management Team when it sits as the Council's Risk Board.	
6.10 Policy and Delegated Authority:	The remit of Policy and Resources Committee includes consideration of the work of Corporate Services Department and therefore the quarterly performance reports for Corporate Services are presented to Policy and Resources Committee.	
6.11 Previously Considered by:	None.	

Contact Details:

Susan Msalila, Executive Manager Change Programme
Susan.msalila@shetland.gov.uk

Jim MacLeod, Performance & Improvement Officer
James.MacLeod@shetland.gov.uk

29 February 2024

Appendices:

Appendix A– Projects and Actions

Appendix B – Corporate Services Performance Indicators

Appendix C – Complaints

Appendix D – Outstanding Audit Recommendations

Appendix E – Corporate Projected Revenue Outturn Position – Quarter 3 – 2023/24

Appendix F – Corporate Projected Capital Outturn Position – Quarter 3 – 2023/24

Appendix G – Corporate Services Risk Register

Background Documents

[Our Ambition 2021-2026](#)

Shetland Islands Council – Audit of Best Value, August 2022:

[Best Value Assurance Report: Shetland Islands Council \(audit-scotland.gov.uk\)](#)

END

Appendix A - PPMF Projects and Actions - Corporate Services Directorate



Generated on: 07 March 2024 09:30

OUR AMBITION

2.02 Our Organisational values and culture	"As a council, we are ambitious for our community and are demanding of ourselves as an organisation. We have an unwavering focus on ensuring Shetland and its people thrive. The council's Values and Behaviours Statement underpins everything we do."
--	---


01 For the council to be a fabulous place to work	Our ambition is for the council to be a fabulous place to work , through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.
---	---

Code & Title	Description	Dates		Progress	Progress Statement
NWW1.4.2 Trauma Informed Approach	Raise awareness of a trauma informed approach within services led by trauma informed champions.	Planned Start	01-Oct-2022		Working on a clear governance structure and an approach to local capacity building to ensure trauma informed practice is embedded across the Council and partner organisations.
		Actual Start	01-Oct-2022	<div><div>85%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2026	Expected success	
Denise Morgan; Ingrid Smith		Due Date	31-Mar-2024		
Jackie Watt		Completed Date		Likely to meet target	

02 Deliver excellent services to the public.	We will maintain a clear focus on delivering excellent services to the public.
--	---

Code & Title	Description	Dates		Progress	Progress Statement
NWW1.3.4 Project Planning	Anticipate and prepare for programmes/priorities (Our Ambition / Change Programme) e.g. through the Management Network	Planned Start	01-Apr-2022		Improvements underway in Change Programme Project content, with links to Corporate Plan Aims. Discussions still underway and Governance Improvements being discussed with CMT.
		Actual Start	01-Apr-2022	<div><div>85%</div></div>	
Managed by & Assigned to		Original Due Date	01-Apr-2021	Expected success	
Susan Msalila		Due Date	31-Dec-2023		
Susan Msalila		Completed Date		Likely to meet target	

04 We will develop a modern, efficient and flexible workforce	We will develop a modern, efficient and flexible workforce with the right values, behaviours and skills through delivering the actions in our Workforce Strategy .
---	--







Code & Title	Description	Dates		Progress	Progress Statement
WP08 Pay & Grading Model	Review of the Council's pay and grading model to ensure the provision of a fair pay and grading model, fit for the future, enabling the Council to attract and retain talent, and remain competitive.	Planned Start	01-Apr-2022		Given the continued vacancy for Executive Manager - Human Resources and pressures of work this project will be delayed. Scoping will now take place in Autumn 2024.
		Actual Start	09-Jan-2022	<div><div>5%</div></div>	
		Original Due Date	31-Dec-2026	Expected success	
		Due Date	31-Aug-2026		
		Completed Date		Experiencing issues, risk of failure to meet target	



Code & Title	Description	Dates		Progress	Progress Statement
WP10 Workforce Development Policy	Refresh the Workforce Development Policy to reflect a new approach to talent and development promoting a culture of personal responsibility.	Planned Start	01-Jan-2022		New Learning at Work Policy to be presented to LNCT/EJCC/P&R in Q4/March committee cycle when the refreshed approach to workforce development has been supported by the new Executive Manager, HR.
		Actual Start	18-Oct-2022	<div><div>90%</div></div>	
		Original Due Date	31-Mar-2023	Expected success	
		Due Date	30-Nov-2023		
		Completed Date		Likely to meet target	

05 We will use technology to support modern, accessible customer interactions

We will **use technology to support modern, accessible customer interactions**, to be a catalyst for cross-council service improvement, and support flexible working practices.

Code & Title	Description	Dates		Progress	Progress Statement
FI01 HR and Payroll System upgrade / replacement project	Project to investigate upgrade or replacement of current CHRIS21/HR21 HR and Payroll system before it goes end of life (expected 24/25)	Planned Start	20-Feb-2023		Options appraisal report with recommendations produced for the Project Board
		Actual Start	07-Mar-2023	<div><div>15%</div></div>	
		Original Due Date	31-Dec-2024	Expected success	
		Due Date	31-Dec-2024		
		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
FI02 Future MS Office upgrade project	Project to replace current Microsoft Office 2016, and Microsoft Exchange (email) suite before it goes end-of-life in October 2025	Planned Start	28-Feb-2023		BJC approved by Council on 13th Dec 2023 for 24/25 financial year
		Actual Start	29-Mar-2023	<div><div>25%</div></div>	
Managed by & Assigned to		Original Due Date	31-Oct-2025	Expected success	
James Cunningham		Due Date	31-Oct-2025		
James Sawkins		Completed Date		Likely to meet target	
Code & Title	Description	Dates		Progress	Progress Statement
OA197 Health and Social Care ICT system	Implement the new Health and Social Care ICT system (SWIFT Replacement)	Planned Start	01-Apr-2022		Report produced for CMT of issues with supplier due to them pulling out of the market
		Actual Start	01-Sep-2021	<div><div>50%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2023	Expected success	
James Cunningham		Due Date	31-Mar-2025		
James Cunningham		Completed Date		Experiencing issues, risk of failure to meet target	
Code & Title	Description	Dates		Progress	Progress Statement
OA203 Evaluate Integra Financial Management System	Replace or upgrade current financial system (Integra)	Planned Start	01-Jun-2023		BJC approved by Council as past of AIP
		Actual Start	02-Feb-2023	<div><div>30%</div></div>	
Managed by & Assigned to		Original Due Date	31-Dec-2023	Expected success	
James Cunningham		Due Date	31-Oct-2024		
James Sawkins		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA207 Card Payment PCI DSS Compliance	Project for investigating Payment Card Industry Data Security Standard (PCI DSS) Compliance compliance for the various Council wide card payment systems. This is ahead of v4 of the compliance standards become mandatory after 31st March 2024.	Planned Start	01-Apr-2022	 <div><div>80%</div></div>	Telephone payment system installed in live, however we require a new upgrade to AIM to correct issues introduced by the Access Group in the process. The latest version is installed on AIM test and finance staff are re-testing before live rollout. Finance do not intend to launch the new Telephone facility until the issues with AIM are resolved. We have also been informed by the Access Group that we will have to move to the AIM Cloud version to remain compliant. As and when that happens, that will change the PCI DSS requirements again. But we will press on as we are until we learn more.
		Actual Start	06-May-2022		
		Original Due Date	31-Mar-2024	Expected success	
		Due Date	29-Mar-2024		
		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA208 HR & Payroll Business Transformation	Project looking at digitising various HR and Payroll processes, using Firmstep	Planned Start	01-Apr-2022	 <div><div>65%</div></div>	Request a Recruitment now launched, work continues on the remaining forms.
		Actual Start	01-Sep-2020		
		Original Due Date	31-Mar-2024	Expected success	
		Due Date	31-Mar-2024		
		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA276 GIS Plotting of Council Land	Project to digitize Council titles, create an interactive map of council owned land/buildings for the public and council staff	Planned Start	01-Mar-2021	 <div><div>100%</div></div>	All project targets met.
		Actual Start	01-Mar-2021		
		Original Due Date	31-Mar-2022	Expected success	
		Due Date	02-Feb-2024		
		Completed Date	01-Feb-2024	Likely to meet target	

08 Deliver our priorities through effective leadership, governance and democratic processes.

We will **work with our partners and our community** to deliver our priorities through effective leadership, governance and democratic processes.

Code & Title	Description	Dates		Progress	Progress Statement
WP17 Leadership Skills	Develop and deliver effective leadership skills programme that support new ways of working and service transformation	Planned Start	01-Apr-2022		Leadership skills e-learning ongoing. New Team Leader level leadership development programme proposals received. To be aligned with workforce planning requirements.
		Actual Start	01-Jan-2022	<div><div>55%</div></div>	
Managed by & Assigned to		Original Due Date	31-Dec-2026	Expected success	
Ingrid Smith		Due Date	30-Jun-2024		
Jackie Watt		Completed Date		Likely to meet target	

09 Medium Term Financial Plan

We will **develop a Medium Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money.** This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards.

Code & Title	Description	Dates		Progress	Progress Statement
OA133 Shetland Amenity Trust review	Complete a full review and options appraisal for SAT activities in consultation with key stakeholders including SCT and HIE	Planned Start	01-Apr-2021		SOC presented to SIC 30 June 2021. Update report on 24 November 2021 recommended a 2 year SLA with detailed monitoring arrangements to be developed and implemented from 1 April 2022. This will allow SAT to develop and implement changes to demonstrate the viability of their revised business plan, which is the basis for the Status Quo option in the OBC and FBC for services commissioned by the Council including Museum and Archives. Work undertaken by SAT has addressed immediate issues and new monitoring arrangements are in place and working well. No further action required. Project in the process of being closed down.
		Actual Start	23-May-2022	<div><div>90%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2023	Expected success	
Christine Ferguson		Due Date	31-Mar-2024		
Christine Ferguson		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA134 Emergency Planning and Resilience review	Review function, roles, resource levels, capacity	Planned Start	01-Apr-2021		Proposals for change including with regard to Emergency Planning and Resilience were presented to Policy and Resources Committee on 14 February 2022. P&R requested further work and more detailed proposals. Budget constraints and limited staff availability have affected the resource allocation to this review. The 1FTE dedicated post for Emergency Planning and Resilience has been vacant following the retirement of the Resilience Adviser in November 2023. Temporary arrangements were put in place to cover the vacancy and an appointment has now been made. The incoming post holder will review the arrangements and propose a new timeline for the review of this function.
		Actual Start	01-Apr-2021	<div><div>25%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2022	Expected success	
Christine Ferguson		Due Date	01-Apr-2024		
Christine Ferguson		Completed Date		Experiencing issues, risk of failure to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA135 Knab Site Redevelopment Programme	Knab Site Redevelopment Programme	Planned Start	01-Apr-2021	<div><div></div></div>	Phase 2 demolition underway. Planning application for infrastructure phase submitted.
		Actual Start	11-Nov-2021	<div><div>15%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2026	Expected success	
Robert Sinclair		Due Date	31-Mar-2030	<div><div></div></div>	
Robert Sinclair		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA249 Museum Store	Option appraisal on new/existing museum store	Planned Start	01-Oct-2022	<div><div></div></div>	Options appraisal being refined.
		Actual Start	01-May-2022	<div><div>15%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2024	Expected success	
Robert Sinclair		Due Date	31-Mar-2024	<div><div></div></div>	
Robert Sinclair		Completed Date		Likely to meet target	

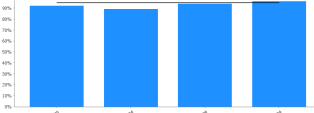
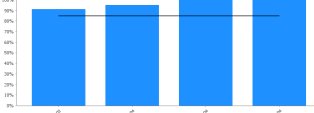
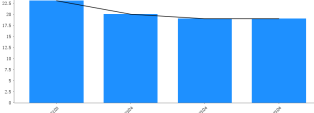
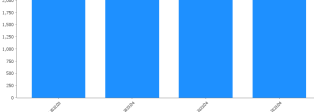
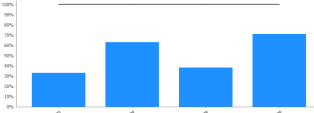
10 Promote and deliver social and economic value through effective procurement and contract management practices

We will **promote and deliver social and economic value** through effective procurement and contract management practices. Wherever possible, we will continue to spend our money locally to support local businesses and organisations.

Code & Title	Description	Dates		Progress	Progress Statement
OA194 Procurement Review	Review roles, responsibilities, processes and performance with reference to Scotland Excel Annual Report and training outcomes	Planned Start	01-Apr-2022		A project officer has been assigned to this project, and advice sought from Scotland Excel - although this has not been as helpful as expected. Resource demands on key staff are hindering progress, however some headway has been made reviewing Contract Standing Orders, comparing with other organisations, and deciding on a bottom up approach to produce guidance which is helpful in the more straightforward procurements.
		Actual Start	01-Apr-2022	<div><div>10%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2023	Expected success	
Robert Sinclair		Due Date	31-Mar-2024		
Graeme MacDonald		Completed Date		Experiencing issues, risk of failure to meet target	

Appendix B - PPMF Performance Indicators (Quarterly)- Chief Executive and Corporate Services Directorate

Generated on: 07 March 2024

Code & Short Name	Previous Years		Quarters				Graphs	Past performance & future improvement Statements
	2021/22	2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
	Value	Value	Value	Value	Value	Value	Target	
F01 FOISA responded to within 20 day limit - Corporate & Executive Services	85.5%	87.5%	92%	89%	94%	96%	95%	 <p>86 out of 90 responses made in 20 working days - 4 requests responded to over 20 days - 3 requests closed as not responded to (over 60 days wait) - 32 open requests as at 22 January.</p>
FI02 Percentage % of ICT projects which are on time and within budget	92.25%	95.25%	91%	95%	100%	100%	85%	 <p>1 of 20 out of tolerance</p>
FI09 Number of open ICT Projects	20.25	21.75	23	20	19	19	19	 <p>Performance: 85% of projects to be completed within project tolerance with regard to both budget and timescale.</p> <p>Of 25 projects, 2 did not meet time or budget targets.</p> <p>Improvement: To improve the planning of projects to enable accurate planning with regard to budget and timescale and document aspects outwith our control</p>
FI10 Service Requests and Incidents Manually Logged	2,160.67	2,154.25	2,102	2,174	2,072	2,092		 <p>1467 Incidents</p> <p>605 Service Requests</p>
FL01 Data Subject Requests - % responded to within 30 days	16.88%	34.25%	33%	63%	38%	71%	100%	 <p>Q3 - 5 out of 7 responded to in 30 calendar days - 71% within 30 days.</p> <p>YTD - 13 out of 26 responded to in 30 calendar days - average response time 59 days - 50% within 30 days.</p>

	Previous Years		Quarters						
Code & Short Name	2021/22	2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24	Q3 2023/24	Graphs	Past performance & future improvement Statements
	Value	Value	Value	Value	Value	Value	Target		
OPI-4C-A Sick %age - Chief Executive's "Directorate"	1.1%	2.1%	2.1%	2.1%	1.3%	2.4%	4.0%		<p>Performance can be impacted upon by a single longer-term absence. However, these figures are at a positive level and well below the Council target that we expect to maintain.</p> <p>Improvement: We will continue to monitor closely and hope to maintain these good results.</p>
OPI-4C-F Sick %age - Corporate Services Directorate	1.3%	3.0%	4.1%	2.4%	2.2%	1.9%	4.0%		<p>Performance: We continue to promoting and support employee health and wellbeing, including mental health which is making a positive difference to our sickness levels</p> <p>Improvement: We continue to apply the Council's "maximising attendance" policies and procedures and we predict that the levels in the Directorate will remain significantly below target and well below the average for the Council for 19/20</p>
OPI-4E-F Overtime Hours - Corporate Services Directorate	3,205	2,481	305	364	452	348			<p>Performance: Overtime is worked where necessary, to provide Best Value.</p> <p>Improvement: Current action is cost effective and no improvement action is planned.</p>
OPI-4G-A Employee Miles Claimed - Chief Executive's "Directorate"	1,487	1,009	138	59	197	293			
OPI-4G-F Employee Miles Claimed - Corporate Services Directorate	25,857	11,318	1,672	1,592	660	1,675			<p>Performance: Reductions due to some staff moving back to 8 North Ness. Lowest Q4 and annual figure recorded since 2011 restructure.</p> <p>Improvement: Mileage claimed is within budget and only used when necessary to deliver the service. Managers continue to follow the council's policy on employee mileage.</p>

Appendix B (cont) - Sickness Absences - All Directorates (for comparison)

NOTE: Sickness absences are seasonal, therefore quarters are compared to the same quarters in previous years

Generated on: 07 March 2024

Short Name	Years			2 years ago	Last year	This year
	2020/21	2021/22	2022/23	Q3 2021/22	Q3 2022/23	Q3 2023/24
	Value	Value	Value	Value	Value	Value
Sickness Percentage - Whole Council	3.2%	4.4%	4.9%	4.3%	4.4%	4.0%
Sick %age - Chief Executive's "Directorate"	0.6%	1.1%	2.1%	0.8%	0.8%	2.4%
Sick %age - Children's Services Directorate	2.5%	4.0%	4.4%	4.1%	4.4%	3.5%
Sick %age - Community Health & Social Care Directorate	6.0%	6.9%	7.5%	6.4%	5.9%	6.1%
Sick %age - Corporate Services Directorate	1.1%	1.3%	3.0%	1.2%	3.0%	1.9%
Sick %age - Development Directorate	1.7%	3.2%	5.1%	3.2%	4.7%	3.5%
Sick %age - Infrastructure Directorate	2.9%	4.0%	4.0%	3.9%	3.1%	3.5%

Appendix C - Outstanding Audit Recommendations - Corporate Services

Generated on: 07 March 2024 09:30

Rows are sorted by Priority, Original Due Date

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Governance & Law	18/19 Business Continuity - Recommendation 2	An up-to-date version of the Council's preferred BCP template should be issued to all Services to update/create their plans. This will ensure a consistent approach throughout the Council. Completed plans should be sent to Emergency Planning and Resilience. The Executive Manager – Governance & Law should ensure that all services throughout the Council are covered by an up to date BCP and should report to CMT/Risk Board periodically on the compliance with the Business Continuity policy. BCPs should include out of hours contact details for key personnel to ensure the recovery of a service can happen in a timeous manner	1	31-Oct-2019	Jan Riise	A report detailing the updated Policy and revised Business Impact Analysis and Business Continuity Plan templates was agreed at Corporate Management Team on 27th June 2023. These were then uploaded to Sharepoint and circulated to Directorates and Services for completion on 7th July 2023. A number of services have uploaded their completed plans to the Sharepoint page. Due to annual leave, completing other priorities and staff shortages this is still ongoing for the remainder of services.	30-Jun-2023
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 5	As part of the review of the CSOs, CPT management should consider whether NCA forms should be mandatory for direct awards below £50k by all Service departments. At a minimum, procuring officers in Service departments must be reminded to evidence the CSO condition to satisfy the appropriate Executive Manager that the requirement is not readily obtainable from more than one supplier, service provider, or contractor, and it can be demonstrated that no equivalent is available, or otherwise for technical reasons or due to time restraints. This must be clearly documented and authorised by a senior officer and regularly reviewed to ensure that these arrangements continue to remain appropriate and provide value for money. Through the spend analysis in recommendation 4, CPT management must identify where direct awards are regularly being made for the supply goods, works or services to the Council without quotes being obtained and review these to establish whether this is appropriate or whether alternative procurement arrangements could be implemented.	1	31-Jan-2021	Robert Sinclair	See comment in 19/20 Procurement recommendation 1 (above).	31-Mar-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 2	Management should ensure that the current exercise to review and update the CSOs is finalised and approved by the relevant Council body. Once completed, these must be notified and made available to all officers with procurement responsibilities across the Council. CPT management should also ensure that detailed operational procedures and appropriate training and guidance is developed for non-procurement specialist staff within other Services to raise their awareness of and understanding of the CSOs and legislative procurement requirements.	1	31-Mar-2021	Robert Sinclair	See comment in 19/20 Procurement recommendation 1 (above).	31-Mar-2024
Human Resources	20/21 Health and Safety Arrangements - Recommendation 7	As part of the data cleansing exercise in preparation for the new system, all incidents which are sitting as "Pending Investigation" should be reviewed, and action taken to close/update. Going forward and following the implementation of any new system, management should reintroduce periodic checks to identify incidents that have not been marked as complete with Services contacted to ensure appropriate investigation has been undertaken and the system thereafter updated. A reminder should be issued to all Services regarding the requirement to fully investigate all incidents and complete/record details on the Health and Safety system.	1	31-Mar-2021	Ingrid Smith	Partially implemented. The data has been cleansed and migration to the new system is complete. The new Health and Safety system will be used for incident recording and monitoring; documented procedures on how this will work have still to be developed and have been delayed due to resource availability.	30-Sep-2023
Human Resources	20/21 Health and Safety Arrangements - Recommendation 3	Following the appointment of a Health and Safety (H&S) Advisor, an agreed programme of audits should be agreed and thereafter undertaken, reported, and monitored as necessary.	1	30-Jun-2021	Ingrid Smith	Work on audits focusing on Fire Risk Assessments initially with broader inspections to be rolled out once system and templates built.	30-Sep-2023
Human Resources	20/21 Health and Safety Arrangements - Recommendation 4	The Risk Board should identify all premises which do not have an up-to-date premises inspection and instruct premises managers to undertake these as a matter of priority. A communication should be issued to premises managers reminding them of their responsibilities per the Premises Managers Handbook. An ongoing monitoring regime should be introduced to identify cases where premises inspections become overdue with appropriate escalation arrangements. This could potentially be built into the requirements for the replacement health and safety system.	1	30-Sep-2021	Ingrid Smith	Resources required to develop templates not available due to prioritisation of other modules. Work ongoing to develop templates when possible.	31-Aug-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Change Programme; Corporate Services Directorate	21/22 Performance Management incl. Statutory Performance Indicators (SPIs) - Recommendation 4	<p>Management should develop enhanced guidance and template documents to help ensure that the performance is being reported on a consistent basis, includes all required performance information and demonstrates a clear link between performance and strategic or directorate objectives.</p> <p>Thereafter, management should ensure that elected members are provided with support and training as required to assist them with their role in scrutinising the new performance information.</p>	1	31-Dec-2021	Susan Msalila	<p>A standard template has been developed and is now in use by all Directorates.</p> <p>Performance Management training will be delivered to members as part of an extended training programme, a plan for this is expected to be in place by the end of June 2023.</p>	30-Jun-2023
Corporate Services Directorate; Governance & Law	20/21 Business Continuity and Lessons Learned post COVID 19 - Recommendation 1	<p>Management should ensure that agreed standard BCP templates are developed for use across the Council. Templates should incorporate all relevant aspects of good practice in Business Continuity Planning including identifying and documenting key business areas, critical functions, potential business impacts, key contacts and details of who is responsible for testing the effectiveness of plans and providing training to appropriate staff.</p> <p>Thereafter:</p> <ul style="list-style-type: none"> . The agreed template should be distributed to all Services. . Services should be advised to update their BCPs to reflect the requirements of the agreed template, ensuring that appropriate arrangements for a formal testing schedule and providing training to appropriate staff are put in place. . Arrangements should be put in place to ensure that BCPs are reviewed and approved by senior officers. . Arrangements should be developed to ensure that all BCPs are reviewed and where necessary updated on a regular basis. Where any significant changes are made these should be reviewed and authorised by a senior officer. . BCPs should clearly link into DR plans. 	1	31-Dec-2021	Jan Riise	<p>Completion of the templates and approval by Corporate Management Team on 27th June largely addressed the various components of this action. However, only when all services have completed their plan up-dates will 100% be achieved. 31st Dec is a realistic objective.</p>	31-Dec-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Change Programme; Corporate Services Directorate	21/22 Performance Management incl. Statutory Performance Indicators (SPIs) - Recommendation 1	<p>Management should review and update the Performance Management Framework (PMF) document to ensure that it is fit for purpose and is aligned to the Council's organisational needs.</p> <p>Once updated, management should:</p> <ul style="list-style-type: none"> . Share the document with all relevant parties; . Ensure a process of periodic review is in place for the PMF; . A clear implementation plan for the rollout of the PMF is agreed and documented; and The roles and responsibilities for the rollout of the PMF are clearly defined, documented and understood by the officers involved. 	1	31-Mar-2022	Susan Msalila	The updated PMF is being resubmitted to Policy and Resources on 5th June 2023 for approval. Once approved, arrangements for the rollout of the PMF across the organisation will be agreed and taken forward.	30-Jun-2023
Community Care - Resources; Community Health & Social Care Services (IJB); Finance	21/22 Management of Cash in Community Health and Social Care Services - Recommendation 1	<p>Management should, in conjunction with Finance (where appropriate):</p> <ul style="list-style-type: none"> . Agree and introduce a service wide process for the management of service users' funds. This should be documented, include templates for recording and reconciling of funds and address the issues noted in the observation. . Ensure that the review and update of the petty cash procedures is completed as soon as possible. . Review and update the Hansel Fund procedures to address the points noted in the observation. . Consider if staff training on the new/updated procedures, is required, and if so, ensure it is completed as soon as practically possible. <p>Once completed/updated the documented procedures should be issued to all relevant staff.</p>	1	31-Aug-2022	Jaine Best; Paul Fraser; Clare Scott	Audit carried out across all Adult Services service areas and confirmed that the recommendations are in place.	31-Jul-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate	21/22 Information Security Management - Recommendation 4	Management should ensure an Information Risk Register is put in place. The Register should be reported and monitored through an appropriate governance board on a regular basis.	1	31-Aug-2022	Christine Ferguson	<p>Existing Information Governance related risks were presented to the IGB on 28 March 2023 along with a new draft Information Governance risk register for consideration. It was agreed that the triggers for each risk focused more on ICT, and a full review of the wording, terminology and focus of existing risks on the SIC and service risk registers should be reviewed and updated.</p> <p>Progress on this area of work will be discussed at the next Information Governance Board meeting, on 29 June, with a view to finalising all risk registers in the Autumn.</p> <p>In the meantime, information security risks are managed well and are monitored by the Information Governance Board, the Council's Risk Board and by the Council as part of the Council-wide Risk Register. Assurances remain that there are adequate control measures in place.</p>	30-Nov-2023
Corporate Services Directorate	21/22 Use of Consultants - Recommendation 4	<p>Management should:</p> <ul style="list-style-type: none"> . Review, update, and reissue IR35 guidance to all staff. This should clearly highlight the need to conduct a formal CEST assessment where a proposed contract is to be delivered by an individual/sole-trader, partnership, or personal service company. . Introduce a corporate register to document each CEST assessment undertaken, the outcome, and a date for formal review. Arrangements should also be made to hold electronic copies of all CEST assessments in a central location (these requirements should be included in the documented guidance). . Review the cases identified during the sample testing to identify if any lessons can be learned, if any cases need to be reported to HMRC, and for any engagements which remain ongoing undertake a CEST assessment immediately and act upon this as required. Determine if there are any other ongoing engagements in the Council that have not been assessed using the CEST tool and ensure that the assessments are completed as soon as possible. 	1	30-Sep-2022	Christine Ferguson	<p>Partially implemented.</p> <p>The current IR35 Guidance has been re-issued to staff (confirmed by Audit Glasgow).</p> <p>See comment in 21/22 Use of Consultants Recommendation 1 (above).</p>	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Change Programme; Corporate Services Directorate	21/22 Change Programme - Recommendation 1	<p>Management should develop formal guidance for the Programme which provides direction on the:</p> <ul style="list-style-type: none"> . Scope of projects to be included; and . The process to be followed for the evaluation of project proposals for inclusion in the Programme. <p>Once the guidance is in place, management should agree a list of projects to be captured within the Programme for reporting to the Programme Board. A process of review and update should be established to ensure that it continues to reflect details of current Programme projects and the link to achieving the Our Ambition.</p> <p>Management should formalise the arrangements in place to link the Programme to the financial budget to ensure that identification and allocation of resource requirements is aligned to the Programme priorities and savings/benefits being realised from the Programme can be effectively tracked.</p>	1	30-Sep-2022	Christine Ferguson	<p>Progress has been delayed due to resourcing challenges.</p> <p>The Change Programme Delivery Plan for 2023/24 was presented to Policy & Resources Committee on 14 November 2022. with the final version due to be presented to the Council for approval.</p> <p>Once approved, the required guidance documentation will be developed and rolled out across the organisation. A Change Manager Network is being developed and is expected to be established by the end of June 2023 and they will play a key role in driving this forward.</p> <p>Guidance to be drafted 30 June 2023 followed by engagement and rollout by 31 December 2023.</p>	31-Dec-2023
Corporate Services Directorate	21/22 Compliance with Procurement Arrangements - Recommendation 5	<p>Management should ensure that the cases of non-compliance identified in the sample testing are reviewed to:</p> <ul style="list-style-type: none"> . Identify lessons learned and opportunities for improvement; and . Determine if the issues are more widespread, and if so, take steps to address this, including ensuring a robust audit trail is maintained. <p>Management should remind all staff that they must comply with procurement rules, and to seek clarification if required.</p>	1	30-Sep-2022	Christine Ferguson	See comment in 21/22 Compliance with Procurement Arrangements Recommendation 3 (above).	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Change Programme; Corporate Services Directorate	21/22 Change Programme - Recommendation 3	<p>Management should ensure that work on the Project Management Toolkit is completed as soon as possible and that it provides guidance and templates which will support staff to:</p> <ul style="list-style-type: none"> . Identify, manage and report project risks, issues, resource requirements and constraints and dependencies of a project; and . Assess and document how the project links to the key priorities set out in Our Ambition. <p>The guidance should also include processes for:</p> <ul style="list-style-type: none"> . The review and scrutiny of project documentation; and . A standardised approach for the capture, review, evaluation and sharing of lessons learned. <p>Once finalised the Project Management Toolkit, and the requirement to adhere to it, should be communicated to all staff. Management should also consider if key staff should receive project management training, and if so, ensure this is delivered as soon as possible.</p>	1	30-Nov-2022	Christine Ferguson	<p>Progress has been delayed due to resourcing challenges.</p> <p>Work on developing the toolkit is planned to commence in June 2023 with work on this recommendation now due to be completed by 31 December 2023.</p>	31-Dec-2023
Change Programme; Corporate Services Directorate	21/22 Change Programme - Recommendation 6	<p>Management should review and update the reporting arrangements in place for the Programme, ensuring it is included in the appropriate Committee Business Workplan(s) and reported in line with these.</p> <p>If management still consider Directorate level reporting on the Programme appropriate, arrangements for this should be agreed, documented and embedded within the Performance Management Framework.</p>	1	30-Nov-2022	Christine Ferguson	<p>Progress has been delayed due to resourcing challenges.</p> <p>We will engage with the Corporate Management Team (CMT) (as the Programme Board) to determine the most appropriate reporting arrangements for the Programme. Thereafter, work will commence in embedding the agreed process into the reporting arrangements in place.</p> <p>Reporting arrangements expected to be agreed with CMT by 30 June 2023 and fully embedded by 30 June 2024</p>	30-Jun-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Finance	21/22 NDR & CT Changes - Recommendation 7	<p>Management should review and investigate the variances identified in our data analytics work to ascertain whether the inaccuracies may be more widespread. If any potential system errors are identified these should be escalated to the software developer as a matter of urgency, with action taken to ensure all accounts which received WCR have been calculated correctly.</p> <p>Management should ensure that formal testing scripts are developed and implemented for all UAT which is carried out for future NDR and CT system updates. After testing is undertaken, the completed scripts should be subject to management review and sign off before the system updates are implemented in the live system.</p>	1	31-Dec-2022	Paul Fraser	<p>Shetland has 990 cases of WCRS, Management have reviewed 868 cases, all of which have been identified as correct. There are a further 122 cases which have a value of under £30, a decision has been taken to do a sample check of 10% of these cases, therefore a further 13 cases have been reviewed and have been identified as correct.</p> <p>There is one case that was incorrect and this is with the software suppliers for a solution, as no update from the software supplier has been received a chase was placed on this call recently and we are awaiting an update.</p> <p>The Principal Revenues & Benefits Officer had previously reviewed the release notes for both NDR & CT before implementation, these have now been date stamped as reviewed and the Team Leader of Revenues & Benefits has signed off that all steps have been completed. This will continue to be done going forward.</p>	30-Jun-2023
Corporate Services Directorate	21/22 Compliance with Procurement Arrangements - Recommendation 3	<p>Management should:</p> <ul style="list-style-type: none"> . Remind all relevant parties that the Director of Corporate Services must sign off all NCA forms. . Ensure that the NCA forms in use are updated to include the requirement for Director of Corporate Services approval. . Implement an approval process for NCAs required where Corporate Services are the contracting service. <p>Once the form and process have been updated these should be reflected in all relevant documented procedures and shared with all staff.</p>	1	31-Dec-2022	Christine Ferguson	<p>On 18 September 2023 the revised Contract Standing Orders and Procurement Strategy (Ref: ACP-11-23-F) were presented to Policy and Resources Committee and approved; work will now progress on the remaining recommendations.</p>	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate	21/22 Use of Consultants - Recommendation 1	<p>Good Practice Guidance Management should adopt the Scottish Government good practice guidance on the Use of Consultants. A formal internal procedure document should be developed which includes:</p> <ul style="list-style-type: none"> . The circumstances in which it would be appropriate to engage a consultant. . The conditions which should be met before a consultant is appointed. . The requirement to justify the engagement of a consultant to demonstrate value-for-money compared to in house delivery. . The requirement to apply the Scottish Government's "Three-Part-Test" to any consultancy engagement to determine if it in fact relates to another professional service. . The applicable procurement and financial processes to be followed. <p>Thereafter the procedure should be made available to all staff.</p> <p>Procurement Strategy Management should review and update the current Procurement Strategy and the associated suite of procurement documentation to include:</p> <ul style="list-style-type: none"> . Clarification on the circumstances in which a formal business case is required to support the procurement process. . Contact details for the procurement section. <p>Thereafter, management should ensure that all procurement guidance and templates/forms are made available to all staff.</p>	1	31-Jan-2023	Christine Ferguson	On 18 September 2023 the revised Contract Standing Orders and Procurement Strategy (Ref: ACP-11-23-F) were presented to Policy and Resources Committee and approved; work will now progress on the remaining recommendations.	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate	21/22 Use of Consultants - Recommendation 2	Management should issue a reminder to all relevant officers that completion and authorisation of an NCA form is compulsory when proposing to make a non-competitive appointment. When such an appointment is made this must be recorded on the corporate register to allow for monitoring and scrutiny by the Procurement Team. All Service Directors should be required to submit a report to the Procurement Team outlining all NCAs in place within their service on at least a six-monthly basis. The Procurement Manager should then cross reference this report against the NCA register to ensure that all applicable cases have been appropriately recorded and documented. Management should also consider introducing a requirement for high-value NCAs (e.g., over £50k) to be reviewed and approved by a representative from another team, such as Legal Services or Internal Audit.	1	31-Jan-2023	Christine Ferguson	See comment in 21/22 Use of Consultants Recommendation 1 (above).	30-Sep-2023
Corporate Services Directorate	21/22 Use of Consultants - Recommendation 3	Management should ensure that a process is put in place which requires all contract extensions to be formally scrutinised and approved by both the relevant Director and the Procurement Team. Where proposed extensions are approved, this should be formally documented. Management should also ensure that a formal contract is put in place for all future consultancy engagements. These contracts should clearly outline key deliverables or outputs in a defined schedule of work. Management should fully investigate the cases noted in the observation to determine the reason why payments were made in excess of agreed contract rates or continued to be made without a formal contract being in place. Management should consider if any formal action is required following their investigations.	1	31-Jan-2023	Christine Ferguson	See comment in 21/22 Use of Consultants Recommendation 1 (above).	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Change Programme; Corporate Services Directorate	21/22 Change Programme - Recommendation 4	<p>The PMO should ensure that arrangements are in place to receive regular updates for all projects under remit of the Programme, this could be through regular highlight reports to the PMO or setting a timetable for rolling review of each project. The PMO should then determine the information that should be presented to the Programme Board on an exception reporting basis.</p> <p>The PMO should agree and formalise the arrangements and responsibilities for:</p> <ul style="list-style-type: none"> . The escalation and reporting of significant risks and issues from individual projects; . Prioritisation, allocation and review of finite resources across the projects in the Programme and communication of this to the relevant parties; and . Reporting lessons learned to the Programme Board. <p>The PMO should also introduce:</p> <ul style="list-style-type: none"> . A Programme Risks and Issues Log to capture and monitor those which may impact the delivery of the Programme; and . A master lessons learned log that can be utilised by all relevant parties. 	1	31-Jan-2023	Christine Ferguson	First time follow up. No update provided yet.	31-Dec-2023
Corporate Services Directorate; Finance; Governance & Law	22/23 Gifts and Hospitality - Recommendation 1	<p>Each Director should ensure that they maintain a gifts and hospitality register for the employees within that Directorate.</p> <p>Management should ensure that offers which are made or received and subsequently declined are also recorded on the register.</p> <p>The relevant policies should be updated to include this requirement and be communicated to all staff.</p>	1	28-Feb-2023	Paul Fraser; Jan Riise	<p>Draft policy produced. Draft report being prepared for P&R on 4th December with immediate implementation following.</p> <p>Failed to meet original target, subject to committee approval will likely meet new target date.</p>	31-Mar-2024
Human Resources	22/23 Compliance with the Protecting Vulnerable Groups Membership Scheme - Recommendation 1	<p>Management should investigate how the instances of incorrect PVG scheme membership occurred to identify if changes are required to the existing processes to prevent this reoccurring.</p> <p>Management should review the instance of admin errors and duplicate files to determine if data cleansing of the HR system is required.</p>	1	28-Feb-2023	Ingrid Smith	Given ongoing absences in HR this action will now be completed by end of December 2023	31-Aug-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Finance	21/22 NDR & CT Changes - Recommendation 5	Management should ensure that, where subsidy control restrictions apply, relief application forms are updated to include a section where applicants are required to declare the amount of any financial assistance they have received from the Government and/or other public bodies in the past three years. During processing, staff should be required to review the stated value of assistance to ensure that this does not breach the upper limit outlined in the TCA. This should include contacting the Council's Grants Team to confirm if the applicant has received any other Council subsidies. If an award of relief would result in financial assistance in excess of the limit, management should ensure that the application is rejected, or the value of relief capped as appropriate. A process to ensure the applicant is advised of the decision and the reasons for this should also be put in place.	1	31-Mar-2023	Paul Fraser	The additional declaration section has now been added to the application form. Arrangements have been put in place to make staff aware of the processes to be followed and to discuss any queries that are identified. However, formal guidance/procedure notes have still to be put in place and progress on this has been delayed due to available resources and competing priorities.	30-Sep-2023
Finance; Infrastructure Services Directorate	22/23 Ports and Harbours Finance Processes - Recommendation 2	Management should ensure that a full review of the financial administration and stock management arrangements for Ports & Harbours is conducted to ensure they remain fit-for-purpose. Process Guides should be updated to reflect any changes made and these should cover all required areas. Once complete, these should then be subject to approval at the appropriate and communicated to all relevant parties.	1	31-Mar-2023	Paul Fraser	Initial meetings have taken place to agree the outline of process guides and a clearly defined relationship between Sella Ness based staff and staff in 8 North Ness to support month end closure processes.	31-Dec-2023
Finance; Infrastructure Services Directorate	22/23 Ports and Harbours Finance Processes - Recommendation 4	On completion of the procedural review outlined at recommendation 2, management should remind all relevant officers of the importance of adhering to the invoicing procedures and their requirements, including retention of supporting documentation. Management should also address the errors identified during this audit review. Management should also ensure that a clear segregation of duties is in place to prevent a credit being applied to a customer account without the required approval. This should be formally recorded for audit trail purposes.	1	31-Mar-2023	Paul Fraser	Initial meetings have taken place to agree the outline of process guides and a clearly defined relationship between Sella Ness based staff and staff in 8 North Ness to support month end closure processes.	31-Dec-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Finance; Infrastructure Services Directorate	22/23 Ports and Harbours Finance Processes - Recommendation 1	<p>Senior Management should ensure that a policy, which outlines the eligibly criteria for Account Card holders is developed.</p> <p>This should then be subject to approval at the appropriate level. Once approved the policy should be communicated to all relevant parties and thereafter subject to ongoing review, monitoring, and scrutiny.</p> <p>Action should also be taken in respect of current Account Card holders and a review undertaken to determine if they are still eligible.</p>	1	31-Mar-2023	Paul Fraser	<p>The Interim Ferry Fare and Ticketing Review (ISD-03-22-F) was presented to Environment & Transport Committee and Policy and Resources Committee on 14 March. The use of account cards for non-business/commercial users ceased on 1 April 2023 and this change was communicated to customers and stakeholders. A proposal to write-off de minimis invoices was presented to Policy and Resources Committee on 5 June 2023.</p> <p>A Fare Policy Review is being undertaken by ZetTrans during 2023/24 and this will include inter-island ferries. For the duration of the review account card holders can still access discounted fares but will be required to pay at or in advance of travel.</p>	31-Mar-2024
Finance; Infrastructure Services Directorate	22/23 Ports and Harbours Finance Processes - Recommendation 5	Senior Management should review the current arrangements and determine whether the financial administration team based at Sella Ness, or some of their key tasks should be incorporated into the central finance team, to allow for a more consistent, efficient, and effective approach between all parties involved.	1	31-Mar-2023	Paul Fraser	Initial meetings have taken place to agree the outline of process guides and a clearly defined relationship between Sella Ness based staff and staff in 8 North Ness to support month end closure processes.	31-Dec-2023
Assets, Commissioning and Procurement; Corporate Services Directorate	21/22 Compliance with Procurement Arrangements (Corporate) - Recommendation 1	As a matter of urgency management should progress and implement all outstanding procurement recommendations. This should be overseen and progressed by an appropriate officer within the Council, seeking specialist advice and guidance where required.	1	30-Jun-2023	Robert Sinclair	On 18 September 2023 the revised Contract Standing Orders and Procurement Strategy (Ref: ACP-11-23-F) were presented to Policy and Resources Committee and approved; work will now progress on the remaining recommendations.	30-Sep-2023
Assets, Commissioning and Procurement; Corporate Services Directorate	21/22 Compliance with Procurement Arrangements (Corporate) - Recommendation 2	<p>The Procurement Strategy should be reviewed, updated and approved. Once approved the strategy should be shared with all relevant parties and published on the Council's website.</p> <p>Management should ensure that arrangements are in place to produce an annual procurement report; this should be presented to the relevant Committee and submitted to Scottish Government in advance of the deadline.</p>	1	30-Jun-2023	Robert Sinclair	On 18 September 2023 the revised Contract Standing Orders and Procurement Strategy (Ref: ACP-11-23-F) were presented to Policy and Resources Committee and approved; work will now progress on the remaining recommendations.	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Change Programme; Corporate Services Directorate	22/23 Complaints Handling (Corporate) - Recommendation 2	Corporate Services and Housing Services Management should liaise to determine if the management of complaints received by the Housing Service should be moved onto the Council's Pentana Risk system to address the issues noted in the observation. If moving to the Council's system is not deemed appropriate action should be taken by Housing Management to address the issues and risks noted in the observation.	1	30-Jun-2023	Christine Ferguson	Work has commenced on an options appraisal for the best solution for Housing complaint recording. Due to resourcing challenges this has been delayed; however, the aim is for a preferred solution to be in place within this financial year.	30-Jun-2023
Human Resources	22/23 Succession and Workforce Planning Arrangements (Corporate) - Recommendation 1	Management should: • Develop and agree operational workforce plans for each of the Directorates. These should include details of the responsible officer(s) and target date(s). • Agree a timetable for updates to be provided to HR to support monitoring of the overall Workforce Plan.	1	31-Jul-2023	Ingrid Smith	A guide has been developed to support managers develop and agree operational workforce plans. However, a plan to formally roll this out across the Council has still to be agreed. The second part of the recommendation cannot be taken forward until the initial operational workforce plans are in place.	31-Jan-2024
Assets, Commissioning and Procurement; Infrastructure Services Directorate	22/23 Inter - Island Ferry Service: Asset Management Arrangements (Infrastructure) - Recommendation 1	Management should ensure that an AMS and AMP is developed with input from all relevant parties. This should then be subject to approval at the appropriate level. Once approved the AMS and AMP should be communicated to all relevant parties and thereafter subject to ongoing review, monitoring and scrutiny.	1	31-Dec-2023	Robert Sinclair		31-Dec-2023
Change Programme; Corporate Services Directorate	22/23 Complaints Handling (Corporate) - Recommendation 1	Management should: i. Identify the key roles across the organisation which are expected to complete mandatory CHP training and ensure that these staff complete the CHP training as a matter of priority. ii. Introduce a programme of refresher CHP training to ensure that staff knowledge and skills are kept up to date. iii. Ensure that a process for the monitoring of CHP training completion rates is introduced within all Directorates, and that completion rates are reported into the CMT. iv. Remind all staff of the need to record all complaints received.	1	31-Mar-2024	Christine Ferguson		31-Mar-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	23/24 Council Tax Discounts and Exemptions (Corporate) - Recommendation 4	<p>Management should:</p> <p>Review the full sample findings provided by Internal Audit and ensure that appropriate corrective action is taken.</p> <p>Share the findings from the sample with all staff and provide training if required to ensure that similar errors do not happen going forward.</p> <p>Make the addition of account notes mandatory for all updates in the CT system and communicate this requirement to all processing staff.</p> <p>Inform staff that where applications are completed online with a customer the declaration must be read to, and agreed by, the customer and a record of this held in the notes.</p> <p>Ensure that the procedures created for recommendation two clearly outlines which discount and exemption form must have a completed application and, where applicable, the evidence required for each.</p> <p>For key areas of misunderstanding (as opposed to isolated errors), such as in relation to 'prohibited by law' etc. work should be undertaken to identify and review all relevant CT accounts (not only those within the sample).</p>	1	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Finance	23/24 Council Tax Discounts and Exemptions (Corporate) - Recommendation 5	<p>Management should ensure that:</p> <p>As part of the procedures at recommendation two, the types of discounts and exemptions which require future end dates or regular review are identified and documented.</p> <p>Staff are advised to use future end dates where appropriate.</p> <p>An ongoing programme of reviews is agreed and responsibility for co-ordinating the reviews assigned. The reviews should then be completed in line with the programme/timetable.</p>	1	31-Mar-2024	Paul Fraser		31-Mar-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	23/24 Council Tax Discounts and Exemptions (Corporate) - Recommendation 3	<p>Management should ensure that a suitable officer is assigned responsibility for staying up to date with relevant CT legislation changes.</p> <p>The responsible officer should ensure that changes required because of legislation amendments are communicated to the relevant staff and both the Council's website and documented procedures (recommendation two) are updated accordingly.</p> <p>Management should review applications received to identify any which may have been refused/granted in error due to lack of awareness of the legislation changes applicable from 01 April 2023 and action appropriately.</p>	1	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Governance & Law	18/19 Business Continuity - Recommendation 3	Each plan should be updated to reflect the requirement to contact Assets, Commissioning and Procurement Service (ACP) (previously Capital Programme Service) in the event of an incident as they will have the best knowledge of accommodation that is available to relocate services. Consideration should be given to whether the larger primary and high/junior high schools should have specific plans in place for recovery in the event of an incident.	2	31-Oct-2019	Jan Riise	The template has been altered to reflect the requirement to contact Assets, Commissioning and Procurement Service for accommodation requirements. As previously reported the Schools Service have advised that primary and high / junior schools will not have individual plans. 100% completion will only be achieved when all plans have been updated.	30-Jun-2023
Corporate Services Directorate; Governance & Law	18/19 Business Continuity - Recommendation 4	Services should contact Emergency Planning and Resilience who will be able to provide guidance on testing methods for BCPs. As a minimum, a desktop exercise should be carried out with the Section Recovery Team to ensure it appears practical on paper and that different scenarios have been considered. Data Protection implications must be considered in relation to the storage of, and access to, all plans, and must be included in any policy, strategy or framework.	2	31-Oct-2019	Jan Riise	<p>Exercising of plans has not progressed yet as plans are still being updated. This will be part of the BC Programme as it progresses.</p> <p>The Policy, Templates and Plans are held on a secure SharePoint site with access for Directors, Executive Managers and Team Leaders.</p>	30-Jun-2023
Corporate Services Directorate; Finance	19/20 Ledger Interfaces - Recommendation 1	The documentation explaining interface details should be completed by staff with the appropriate technical knowledge. Finance should ensure this documentation is kept up to date	2	31-Dec-2020	Paul Fraser	Confirmation received from Audit Glasgow that recommendation is complete.	31-Dec-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 3	CPT management should update the Contract Request Forms to ensure that these reflect not only ERDF grant funding retention periods but any other funder requirements which may involve extended retention periods. Where such cases are identified, suitable arrangements should be agreed with the Service to ensure records are readily accessible for the duration required by the grant funding body. Management should arrange for the Document Retention and Destruction Schedule to be reviewed at appropriate intervals to ensure that it remains up-to-date, fit for purpose and reflects current requirements.	2	31-Dec-2020	Christine Ferguson	See comment in 19/20 Procurement recommendation 1 (above).	30-Sep-2023
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 1	CPT management should ensure that: 1. Clear guidance and arrangements for ensuring that Services notify CPT about any contracts above £10,000 are developed and officers with procurement responsibilities across the Council are made aware of these procedures which they are required to follow; 2. In conjunction with the regular review of Council-wide spend analysis per recommendation 4, the contract register is reviewed on a regular basis to enable areas of non-contract spend or non-compliant procurement practices to be more effectively identified and appropriate action taken; and 3. The contract register is updated to include details of the duration of any period, if any, for which contracts can be extended in line with the requirements of the CSOs.	2	31-Jan-2021	Robert Sinclair	On 18 September 2023 the revised Contract Standing Orders and Procurement Strategy (Ref: ACP-11-23-F) were presented to Policy and Resources Committee and approved; work will now progress on the remaining recommendations.	31-Mar-2024
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 4	CPT management should ensure that effective arrangements are developed to enable Council-wide spend analysis reports to be produced and reviewed on a regular basis to enable identification of non-compliance with CSOs. This should include an analysis by the CPT of instances where aggregated spend with suppliers indicates regulated procurement exercises should be undertaken. Where instances are found where Service departments have awarded contracts to suppliers of £10k and above and not notified the CPT, the CPT should also ensure these are included on the Contract Register.	2	31-Mar-2021	Robert Sinclair	See comment in 19/20 Procurement recommendation 1 (above).	31-Mar-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 8	Management should develop appropriate procedures to ensure compliance with the Code of Conduct in order that Employees' Interest Forms are reviewed, updated, and signed on an annual basis. Thereafter, prior to any procurement exercise being undertaken, confirmation must be sought that employees involved in the procurement have an up-to-date Employees' Interest Form in place and that any declarations made do not pose a potential conflict.	2	31-Mar-2021	Robert Sinclair	See comment in 19/20 Procurement recommendation 1 (above).	31-Mar-2024
Change Programme; Corporate Services Directorate	21/22 Performance Management incl. Statutory Performance Indicators (SPIs) - Recommendation 3	Management should ensure that the information being captured on Pentana performance management system in relation to the reporting of the "Our Ambition" Corporate plan is complete, accurate and includes target information. Management should advise all directorates that, where it is not appropriate to include a target against a specific indicator, an explanation for this should be provided.	2	31-Oct-2021	Susan Msalila	Work is ongoing to ensure that locally recorded targets are updated to the performance management system to ensure that a full suite of performance information is included in the performance reports. An exercise to ensure comparability of data across external and internal reporting arrangements is also being completed to ensure consistency in reporting	30-Jun-2023
Corporate Services Directorate	19/20 Procurement - Recommendation 6	Management should ensure that appropriate anti-fraud, bribery and corruption training is developed and delivered to all staff with procurement responsibilities to ensure that they remain aware of issues relating to fraud and corruption and also understand what action they are required to take if fraud or corruption is identified or suspected.	2	31-Dec-2021	Christine Ferguson	See comment in 19/20 Procurement recommendation 1 (above).	30-Sep-2023
Human Resources	20/21 Health and Safety Arrangements - Recommendation 1	A new Health and Safety Strategy should be developed at the earliest opportunity once it becomes clearer what the new normal working arrangements will be for the Council. The Health, Safety and Welfare Policy should be reviewed to ensure content is up to date.	2	31-Mar-2022	Ingrid Smith	Work focusing on system implementation taking resources from review of Strategy, which will be based on the H&S Management system.	30-Nov-2023
Human Resources	20/21 Health and Safety Arrangements - Recommendation 2	As part of the migration to a new Health and Safety Management System, arrangements should be put in place to ensure that all risk assessments are recorded on the system in a timely manner. Thereafter these should be monitored to ensure that all required information is being captured with risk assessment content reviewed as required	2	30-Apr-2022	Ingrid Smith	CMT approved use of system across Council in December 2023 with all RAs to be migrated by 2024. H&S Team working with all Departments to achieve this.	31-Aug-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate	21/22 Information Security Management - Recommendation 1	Management should develop an Information Security Policy. The policy should be appropriately approved, made available to staff, be reviewed at suitable intervals and apply to all staff.	2	31-Aug-2022	Christine Ferguson	<p>The Council's Information Governance Policy and Framework was approved by the Council on 13 February 2023. This Policy sets out the various responsibilities of the Information Governance Board and its members, senior officers and support staff.</p> <p>The Council's Data Protection Policy was also approved by the Council on 13 February 2023, and is now published on the Council's website. The Data Protection Policy has some guidance on information security.</p> <p>A draft Information Security Policy, which is intended to consolidate governance, ICT and Data Protection policy statements into one document, is in development, along with supplemental procedures including - SIC Information Protection Classification Scheme and Information Handling Rules. Progress is delayed due to a need for staff working in this area to focus on other areas of information governance with statutory deadlines or higher risks, as well other reviews and prioritised work within the section. This will be discussed at the next Information Governance Board meeting, on 29 June, with a view to completing this area of work in the Autumn.</p> <p>In the meantime, information security risks are managed well, are being monitored by the Information Governance Board, the Council's Risk Board and by the Council as part of the Council-wide Risk Register, and assurances remain that there are adequate control measures in place.</p>	30-Nov-2023
Corporate Services Directorate	21/22 Information Security Management - Recommendation 6	Management should ensure guidance is developed and communicated to staff on good practice for the physical security of records.	2	31-Aug-2022	Christine Ferguson	<p>The auditor was provided with the mins from the Information Governance Board Meeting 29 June 2023.</p> <p>Good practice guidance will be included within the Information Classification and Protective Marking procedures which are still in draft as a little work is required on them. No revised date for implementation was provided.</p>	30-Nov-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Finance	21/22 NDR & CT Changes - Recommendation 2	Management should ensure that documented procedures are put in place which cover the processes for: • Awarding all types of NDR relief. • Collating, reviewing, approving and publishing relief recipient data online. • Collating, reviewing, approving and submitting Scottish Government NDR returns. Management should ensure that more than one member of staff is involved in the process for compiling the data for publication/return to Scottish Government. Version control should be implemented on all procedures to manage and track changes to the documents. The procedures should be circulated to all NDR staff, stored electronically in an accessible location and be subject to regular review/update.	2	31-Dec-2022	Paul Fraser	Due to ongoing resourcing issues and competing priorities work on this recommendation has been delayed.	30-Sep-2023
Finance	21/22 NDR & CT Changes - Recommendation 3	Management should review and update the Rural Rates Relief Policy, ensuring it remains relevant and accurately reflects current legislation. Once updated, the Policy should be approved and made available to all relevant parties and programmed for periodic review and update. Management should implement a rolling programme of review to ensure that Rural Rates relief applicants remain eligible for the relief and still wish to receive it. Consideration should also be given to extending these reviews to other NDR relief types.	2	31-Dec-2022	Paul Fraser	To date we have reviewed 1,101 Small Business Bonus Relief cases, with 492 cases remaining for all the other relief and exemption categories. The new policy document is currently being developed and will be presented to the December meeting of the P&R Committee.	31-Dec-2023
Assets, Commissioning and Procurement; Corporate Services Directorate	21/22 Compliance with Procurement Arrangements - Recommendation 4	Methodology and corresponding guidance for calculating expected contract value should be included in the operational procedures to be developed and shared with staff (2019/20 Review: Recommendation 2).	2	31-Dec-2022	Robert Sinclair	See comment in 21/22 Compliance with Procurement Arrangements Recommendation 3 (above).	28-Feb-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate	21/22 Use of Consultants - Recommendation 5	Management should put in place guidance to set out the expected format and nature of contract management activities, where these are not undertaken by the Procurement Team. This should include a requirement for a formal contract management framework for all future consultancy and professional service engagements. Staff should be required to undertake regular assessments of contractor performance against the terms set out in the framework – such as key deliverables, outputs or performance indicators. Thereafter the procedure should be circulated to all staff with responsibility for contract management.	2	31-Jan-2023	Christine Ferguson	See comment in 21/22 Use of Consultants Recommendation 1 (above).	30-Sep-2023
Change Programme; Corporate Services Directorate	21/22 Change Programme - Recommendation 2	Management should develop and agree a formal plan to detail how the Programme will be embedded within the Council and ensure that clear and SMART objectives are set for delivering the Programme. Management should finalise and implement the formal Communication and Reporting Framework as outlined in the CPPF. The PMO should regularly monitor the implementation of the Programme and the Communication and Reporting Framework to ensure actions are progressing as expected, highlighting any concerns to the Programme Board for further scrutiny and decision making as required.	2	31-Jan-2023	Christine Ferguson	This recommendation will be completed in line with 21/22 Change Programme Recommendation 1 (above).	31-Dec-2023
Corporate Services Directorate; Governance & Law	22/23 Gifts and Hospitality - Recommendation 2	Management should: . Develop and introduce operational guidelines for staff in relation to gifts and hospitality, ensuring that the points noted in the observation are included. . Create a standard template for use across the Council to record offers of gifts and hospitality including all key information related to the offer, this should be used for all offers whether accepted or declined. . Issue periodic communications to all employees reminding them of the requirement to comply with the policy and guidelines. Management should also consider if regular reminders to staff at higher risk of offers/undue influence, such as senior officers and procurement staff, are required	2	28-Feb-2023	Jan Riise	Draft policy produced. Draft report being prepared for P&R on 4th December with immediate implementation following. Failed to meet original target, subject to committee approval will likely meet new target date.	31-Dec-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Finance	21/22 NDR & CT Changes - Recommendation 1	<p>Management should:</p> <ul style="list-style-type: none"> • Review and update the NDR information currently available on the Council website in relation to Rural Rates relief, including the addition of a Rural Settlement List. • Include information and up to date application forms on the Council's website for all NDR reliefs which could apply in Shetland, such as Fresh Start and Business Growth Accelerator. • Assess the feasibility of introducing online application forms for NDR relief to improve customer service and reduce postage costs. 	2	31-Mar-2023	Paul Fraser	NDR relief application forms as well as the Rural Settlement List now available on the Council website.	31-Dec-2023
Finance; Infrastructure Services Directorate	22/23 Ports and Harbours Finance Processes - Recommendation 3	<p>Management should put in place appropriate financial monitoring and stock control arrangements and update process guides to reflect these.</p> <p>Management should put in place appropriate checks (e.g., by selecting a regular sample of cases) to ensure that processes are followed and invoices which are produced are accurate. Evidence of the checks undertaken should be retained.</p>	2	31-Mar-2023	Paul Fraser	Initial meetings have taken place to agree the outline of process guides and a clearly defined relationship between Sella Ness based staff and staff in 8 North Ness to support month end closure processes.	31-Dec-2023
Corporate Services Directorate	22/23 Complaints Handling - Recommendation 3	<p>Management should:</p> <p>i. Investigate the areas identified which did not comply with the CHP and ensure that staff are aware of the requirement to fully complete all details and attach all correspondence and documentation to the system.</p> <p>ii. As per recommendation 1, staff should complete the training course and ensure they are familiar with operational procedures for logging and updating complaints.</p> <p>Senior Management within Planning should review the ongoing complaint and provide a resolution so it can be closed as soon as possible.</p> <p>Where complaints have not been resolved within the agreed timescales, Management should ensure that the CMT is provided with sufficient detail around the issues contributing to the delay to allow them to undertake effective scrutiny of the handling of the complaint</p>	2	31-Mar-2023	Christine Ferguson	Quarterly "learning" reports going to CMT highlighting missing data. Individual missing details being highlighted and completed Require staff have now completed the on-line training	30-Sep-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	21/22 Shetland Pension Fund - Review of Ad Hoc Payments (Corporate) - Recommendation 2	An action plan should be put in place to ensure that all key supporting documentation within members' files are held electronically as soon as possible and to ensure the administration of the pension fund is carried out entirely electronically moving forward. In the interim, where possible, paper files should be stored in adequate fire-resistant cabinets and steps should be taken to secure the documentation within each file to minimise the risk of any being misplaced.	2	30-Jun-2023	Paul Fraser	June 2023 update: Partially implemented. The ongoing planning complaint has been closed. Work on the remaining elements of the recommendation is ongoing but has been delayed due to resource availability.	31-Mar-2024
Human Resources	22/23 Succession and Workforce Planning Arrangements (Corporate) - Recommendation 2	Management should: • Report progress against the plan on a regular basis to PRC. As part of this process, management should review and, where relevant, update the plan to ensure that it continues to be aligned to the Council's strategic priorities. • Implement monitoring and reporting arrangements for the key progress measures identified within the plan.	2	30-Jun-2023	Ingrid Smith	A Workforce Plan update was presented to Policy and Resources Committee in June 2023. The second part of this recommendation will be addressed when the new Executive Manager for HR is in post.	31-Mar-2024
Human Resources	22/23 Attendance Management (Corporate) - Recommendation 2	Management should determine suitable storage arrangements for absence documentation to ensure it can be easily accessed if required. These arrangements should be documented, in conjunction with recommendation one, and shared with all relevant parties. Electronic options for uploading and retaining documentation should be considered as part of this recommendation.	2	30-Sep-2023	Ingrid Smith		30-Sep-2023
Corporate Services Directorate; Finance	21/22 Shetland Pension Fund - Review of Ad Hoc Payments (Corporate) - Recommendation 1	Management should: • Ensure that the procedure to be followed for 'transfers out' is documented and made available to all relevant staff; • Review and update all documented procedures to ensure they are reflective of current working practices; • Establish and adhere to a timetable for periodic review of the procedures to ensure they remain up to date.	2	31-Oct-2023	Paul Fraser	Staffing issues have delayed the review of procedures the situation is beginning to improve, and it is hoped that the procedures will be reviewed by the end of March 2024.	31-Mar-2024
Human Resources	22/23 Attendance Management (Corporate) - Recommendation 1	Management should ensure that the Maximising Attendance Policy and Procedures are reviewed, updated, and approved as soon as possible. As part of the review management should consider the inclusion of managers' guides in relation to the practicalities of the processes.	2	30-Nov-2023	Ingrid Smith		30-Nov-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Finance	22/23 Payroll Verification: Community Health and Social Care Services (Community Health and Social Care) - Recommendation 1	Community Health and Social Care Services management should: Remind managers that the relevant HR paperwork should be submitted to HR and/or the Payroll Team on a timely basis. Investigate the circumstances which led to the discrepancies noted to identify whether there are wider issues which should be addressed.	2	13-Dec-2023	Paul Fraser		30-Sep-2023
Corporate Services Directorate; Finance	23/24 Shetland Pension Fund - Compliance with Cyber Security Principles (Corporate) - Recommendation 1	Management should: Review and update the CIRP to ensure that this contains all necessary information and up to date details for the incident response team. Arrangements for the future review of the plan should be formally documented. Ensure that the overdue testing of the CIRP is completed as soon as possible and annually thereafter. Document the process to be followed for testing the CIRP and ensure that version control information is updated to record any changes made following testing.	2	13-Dec-2023	Paul Fraser		31-Dec-2023
Change Programme; Corporate Services Directorate	21/22 Change Programme - Recommendation 5	Management should develop guidance which details: . Roles and Responsibilities of the Programme Board; and . Joint working arrangements with the PMO. Management should ensure that documented guidance is made available to the Programme Board, senior management and Elected Members to help them understand their roles and responsibilities in relation to the Programme. Management should ensure that a ToR is in place for the Project Management Network, and the roles and responsibilities of those involved should be clearly documented. This should be completed as soon as practically possible.	2	31-Dec-2023	Christine Ferguson	Progress has been delayed due to resourcing challenges. Once established, the Change Manager Network will take responsibility for developing the guidance and documentation required. The Change Manager Network will be established by 30 June 2023 and the guidance is expected to be in place by the end of December 2023.	31-Dec-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	22/23 Accounts Payable (Creditors) (Corporate) - Recommendation 1	Management should ensure that details of manual orders and used order books are collated on a regular basis and subject to trend analysis to ensure they are being used only when appropriate. Management should review the requirement to have manual order books, if possible, use should be minimised or withdrawn.	2	31-Dec-2023	Paul Fraser		31-Dec-2023
Corporate Services Directorate; Finance	22/23 Shetland Pension Fund - Altair Application (Corporate) - Recommendation 1	Pension fund management should review the current archive storage arrangements and determine whether further safeguards can be put in place to prevent unauthorised access to pension fund data. Fund management should also define and document the fund's retention requirements and implement a process thereafter for the management and safe disposal of these records, when they meet the defined timescale.	2	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Finance	22/23 Shetland Pension Fund - Altair Application (Corporate) - Recommendation 2	Pension fund management should ensure that the BCP is tested on an annual basis and a record of this is maintained. The outputs of the test should be assessed and reflected in the BCP.	2	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Human Resources	22/23 Community Asset Transfers (Development) - Recommendation 2	Senior Management should: Review and update the employee Register of Interests form to ensure that it captures all relevant details, including, but not limited to, employees' spouse's interests. Determine if all employees are required to complete the form or if it will be restricted to certain groups, for example those above a certain grade or working in a high-risk area. Following the review and update of the form all relevant employees should complete and return the new form for management review. This exercise should be completed on an annual basis. Completed forms should be retained for future reference. Update the Employee Code of Conduct to reflect the changes made to the process.	2	31-Mar-2024	Ingrid Smith		31-Mar-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	23/24 Council Tax Discounts and Exemptions (Corporate) - Recommendation 1	(i) Management should ensure that the Council Tax information available on the website is reviewed for completeness and accuracy and corrections/updates made as soon possible. (ii) Senior management should ensure that they have a clear understanding of the Council Tax premiums available for current and proposed use, and that these are communicated accurately to Elected Members at the appropriate time(s) for decision making.	2	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Finance	23/24 Shetland Pension Fund - Compliance with Cyber Security Principles (Corporate) - Recommendation 3	Management should: Update the ToR for the Pension Fund's Board and Committee to ensure that these reflect the members' risk responsibilities, including those relating to cyber/information security. Liaise with the CMT Risk Board to agree a process to provide the Pension Fund's Board and Committee with updates on cyber/information security risks which may impact the Pension Fund. Review the current reporting arrangements in place to determine if any improvements should be made to ensure the Pension Fund's Board and Committee members are provided with updates on Internal Audit reviews undertaken which have cyber/information security or wider relevance to the Pension Fund.	2	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Finance	23/24 Shetland Pension Fund - Compliance with Cyber Security Principles (Corporate) - Recommendation 2	Management should: Review and update the Pension Fund BCP document to ensure that this documents the reporting arrangements to be followed by the Pension Fund in the event of a cyber incident taking place. Ensure that Pension Fund staff are provided with training on the process to be followed in the event of a cyber/information security event occurring. Ensure that a hard copy of the Pension Fund BCP is available to Pension Fund staff and any other relevant parties. Update the Pension Fund BCP to reflect, where possible, staff job titles rather than staff names.	2	31-Mar-2024	Paul Fraser		31-Mar-2024

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	23/24 Shetland Pension Fund - Compliance with Cyber Security Principles (Corporate) - Recommendation 5	Management should: Determine if completion of the Information Security course should be mandatory for all staff across the Council. Consider introducing annual refresher courses, or a requirement to re-take the existing course (if still relevant) on an annual basis. Consider if the current cyber/information security training arrangements are sufficient for the Pension Fund's Board and Committee members.	2	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Finance	23/24 Shetland Pension Fund - Compliance with Cyber Security Principles (Corporate) - Recommendation 4	Management should ensure that assurances in relation to information/cyber security controls is sought from its third-party providers, where applicable. This can be a standalone request and does not need to impact on the existing data sharing agreements.	2	30-Jun-2024	Paul Fraser		30-Jun-2024
Corporate Services Directorate; Finance	22/23 Payroll Verification: Corporate Services and Executive Services (Corporate) - Recommendation 1	CS management should liaise with management from across all Council Directorates to agree and implement a process of employee payroll verification. This should be undertaken on a biennial basis.	2	31-Dec-2024	Paul Fraser		31-Dec-2024
Assets, Commissioning and Procurement; Corporate Services Directorate	19/20 Procurement - Recommendation 7	CPT management should formalise arrangements to enable both difficulties experienced and areas which worked well with individual procurement exercises to be formally recorded and shared with relevant officers across the Council to benefit future procurement work.	3	31-Jan-2021	Robert Sinclair	See comment in 19/20 Procurement recommendation 1 (above).	31-Mar-2024
Corporate Services Directorate	21/22 Information Security Management - Recommendation 7	Management should consider the introduction of a data classification scheme and ensure that this is applied to all documents thereafter. In doing so the Council should also consider the protections that should be applied to each data classification and ensure that these are communicated to staff.	3	31-Aug-2022	Christine Ferguson	Information classification has been used in the development of Information Asset Registers, and guidance has been drafted for further consideration by the IGB. Consideration will be given to formalising an information classification scheme as part of ongoing Information Security Policy development work, and an update will be presented to the Information Governance Board in June 2023, with a view to completing this area of work in the Autumn.	30-Nov-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Human Resources	22/23 Compliance with the Protecting Vulnerable Groups Membership Scheme - Recommendation 3	The operational guidance should be updated to ensure it addresses the points noted in the observation. Once updated this should be issued to all relevant staff.	3	31-Jan-2023	Ingrid Smith	Given ongoing absences in HR this action will now be completed by end of December 2023.	31-Dec-2023
Corporate Services Directorate; Governance & Law	22/23 Gifts and Hospitality - Recommendation 3	Management should identify an officer to collate the gifts and hospitality registers on a periodic basis and review for completeness, appropriateness, and trends. Issues identified from the review should be addressed, either through guidance for those accepting offers or by escalating to senior management. Following the periodic review, offers accepted or declined by senior officers should be extracted and reported to the relevant Council Committee for scrutiny.	3	28-Feb-2023	Jan Riise	Draft policy produced. Draft report being prepared for P&R on 4th December with immediate implementation following. Failed to meet original target, subject to committee approval will likely meet new target date.	31-Dec-2023
Human Resources	22/23 Compliance with the Protecting Vulnerable Groups Membership Scheme - Recommendation 2	Management should ensure that, as a minimum, a light touch review of the PVG Policy and Procedure is completed as soon as possible and that guidance in relation to volunteers is included. Once changes are introduced by Disclosure Scotland, the Policy and Procedure should be reviewed in full. Revised versions of the Policy and Procedure should be made available to all relevant staff in a timely manner.	3	31-Mar-2023	Ingrid Smith	Given ongoing absences in HR this action will now be completed by end of December 2023.	31-Aug-2023
Corporate Services Directorate; Finance	22/23 Grant Applications and Offers (Corporate) - Recommendation 1	Management should ensure that the existing procedures are updated or supplemented to include the areas noted in the observation. Once finalised the procedures should then be re-communicated and made available to all relevant staff.	3	31-Oct-2023	Paul Fraser		31-Oct-2023
Corporate Services Directorate; Finance	22/23 Grant Applications and Offers (Corporate) - Recommendation 2	Management should ensure that the: Grant register templates are updated to record matched funding details. Existing registers are reviewed and, where appropriate, updated to include matched funding requirements for each grant.	3	31-Oct-2023	Paul Fraser		31-Oct-2023

Service	Title	Recommendation	Priority 1(high)- 3(low)	Original Due Date	Responsible Officer	Latest Note	Revised Due Date
Corporate Services Directorate; Finance	22/23 Shetland Pension Fund - Altair Application (Corporate) - Recommendation 5	Pension fund management should implement a risk based process for routinely reviewing audit trail data. In doing so management should verify that a sample of transactions can be traced back to a legitimate business requirement / approved request.	3	31-Mar-2024	Paul Fraser		31-Mar-2024
Corporate Services Directorate; Finance	23/24 Council Tax Discounts and Exemptions (Corporate) - Recommendation 2	<p>Management should ensure that operational procedures and guidance are developed for all discounts and exemptions which are, or may be, relevant to the Council's area.</p> <p>Once completed these should be made available to all relevant staff and subject to regular review (at least annual).</p> <p>Management should consider if training is required to complement the introduction of the documented procedures, and if a training programme for new staff should be developed.</p>	3	31-Mar-2024	Paul Fraser		31-Mar-2024
Development Services Directorate; Finance; Planning	20/21 Planning Application Process - Recommendation 1	Management should introduce a reconciliation process to ensure that planning fees received reconcile with the amount banked. Evidence of these reconciliations should be maintained for future reference.		31-Aug-2021	Paul Fraser; Iain McDiarmid	Work is ongoing, in conjunction with the Council's finance team, to address this recommendation but has been delayed by other work commitments and priorities.	31-Aug-2024

Appendix D - Complaints - Chief Executive & Corporate



This shows all complaints that were open during the Quarter.
Frontline complaints should be closed within 5 working days
Investigations should be closed within 20 working days

Generated on: 07 March 2024

Behaviour/Attitude of staff

ID	Stage Title	Received Date	Status	Closed Date	Service /Directorate	Days Elapsed	Complaint Upheld?
COM-23/24-1928	Frontline	07-Dec-2023	Closed	14-Dec-2023	Chief Executive	6	Not Upheld

Policy & Resources Committee

1. Projected Revenue Outturn Position 2023/24

Service Area	2023/24 Original Annual	2023/24 Revised Annual	2023/24 Projected Outturn	2023/24 Projected Outturn Variance
	Budget £000	Budget £000	Quarter 3 £000	Quarter 3 £000
Director of Corporate Services	434	451	444	7
Change Programme	445	322	322	-
Assets, Commissioning & Procurement	1,262	1,041	1,071	(30)
Finance	3,672	3,680	3,753	(73)
Governance & Law	2,153	1,710	1,650	60
Human Resources	2,934	2,849	2,896	(47)
ICT	2,064	2,042	2,042	-
Vacancy Factor - Corporate Svs	(358)	448	-	448
Savings Review - Corporate Svs	(560)	(160)	-	(160)
1% Savings - Corporate Svs	(141)	86	-	86
Total Controllable Costs	11,905	12,469	12,178	291

An explanation of the main outturn variances by service at Quarter 3 are set out below:

1.1 Director of Corporate Services

At Q3 there are no significant projected variances.

1.2 Change Programme

At Q3 there are no significant projected variances. Projected staffing vacancies for the year have been utilised to meet the vacancy factor for Corporate Services £147k.

1.3 Assets, Commissioning & Procurement

At Q3 there are no significant projected variances. Projected staffing vacancies for the year have been utilised to meet the vacancy factor for Corporate Services £187k.

Additional income projected to be generated by the Council's property portfolio has been used to meet the 1% Savings Target for the Directorate £95k.

1.4 Finance

The projected **overspend** is mainly due to the cost of several server upgrades (£27k) and the cost of Non-Domestic Rates reliefs (£52k). This is a result of the 2023/24 budget figure being set too low in error.

Projected staffing vacancies for the year have been utilised to meet the vacancy factor for Corporate Services £159k.

1.5 Governance & Law

The projected **underspend** is mainly due to a lower value of insurance claims being made during the year than budgeted for £119k, this is offset by an increase in insurance premiums on existing policies (£56k).

Projected staffing vacancies for the year have been utilised to meet the vacancy factor for Corporate Services £73k.

Projected underspend on budget established for insurance projects has been used to meet the 1% Savings Target for Directorate £100k.

1.6 Human Resources

At Q3 there are no significant projected variances. Projected staffing vacancies for the year have been utilised to meet the vacancy factor for Corporate Services £181k.

1.7 ICT

At Q3 there are no significant projected variances. Projected staffing vacancies for the year have been utilised to meet the vacancy factor for Corporate Services £71k.

Additional income projected to be generated service level agreements has been used to meet the 1% Savings Target for the Directorate £32k.

1.8 Vacancy Factor

Corporate Services are projecting to achieve their Vacancy Factor target of (£378k). Total underspend on staffing across the Directorate is projected to be (£806k) for the year, an over achievement of £448k.

1.9 Savings Review

- Staffing Review of £100k – achieved;
- Centralisation of Support Functions £60k – still to be achieved;
- £300k increased self insurance – achieved. (Further background information in GL-08-23 property savings on insurance contracts and GL-08-23 appendix 1); and
- £100k additional income from property portfolio – in progress.

1.10 1% Savings

Corporate Services are projecting to achieve their 1% Savings Target (£141k). Total savings and additional income across the Directorate are projected to be (£227k), an over achievement of £86k.

Policy & Resources Committee

1. Projected Capital Outturn Position 2023/24

Service Area	2023/24 Original Annual Budget £000	2023/24 Revised Annual Budget £000	2023/24 Projected Outturn Quarter 3 £000	Projected Outturn Variance Quarter 3 £000
Assets, Commissioning & Procurement	491	2,253	2,253	-
Finance	-	118	-	118
ICT	672	672	672	-
Total Controllable Costs	1,163	3,043	2,925	118

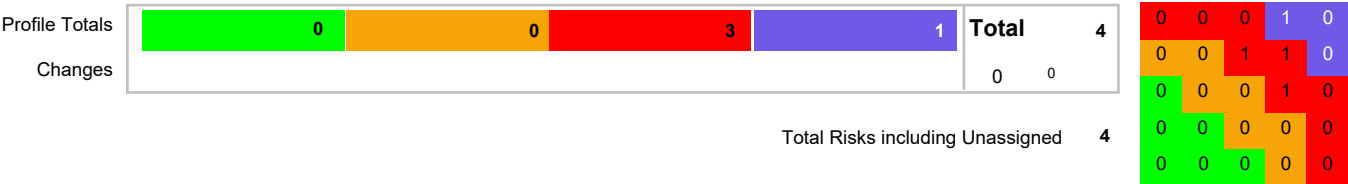
An explanation of the main outturn variances by service at Quarter 3 are set out below:

Finance

The projected underspend relates to the delayed implementation of the Integra Centros system costing £118k. No spend expected this financial year.

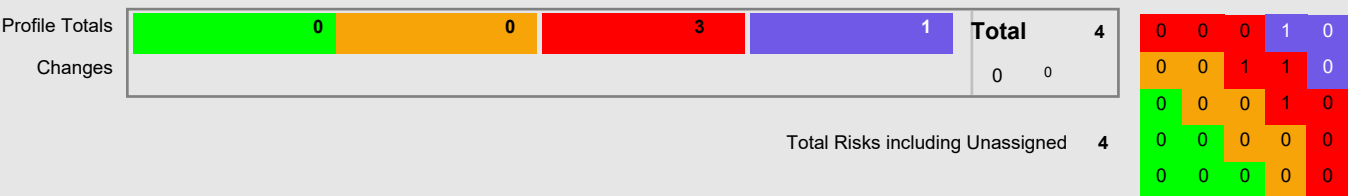
Directorate Details

Directorate



Risk Register - Corporate Services

Manager Christine Ferguson



Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Corporate Services provides a range of functions - Finance, Human Resources' Recruitment and Workforce Development, Change Programme, ICT, Governance, Legal, Contract Compliance, Capital Programme - to enable Council departments to deliver services to communities across Shetland. There are vacancies in key posts in Corporate Services Department, and the organisation is already experiencing the impacts from those shortages of key staff. Additional vacancies in key posts are anticipated.	Staff number/skills shortage	Christine Ferguson	B0014		13/10/2023
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Loss of key staff, resignation, retirement, sickness absence.	Increasing pressure on teams within Corporate Services, stress for remaining staff, impact on staffing and services. Impactful delays in the provision of essential support to frontline services, impact on services, service-users and communities, censure by external regulators. Less capacity to manage and to transform, change management failure, negative impacts on strategic, financial, medium and long term planning. Our Ambition not achievable. Lost opportunities, poorer outcomes.	• There are range of controls in place: Acting up arrangements are in place where necessary to ensure compliance with regulatory requirements; HR take innovative approaches to recruitment in order to attract a pool of candidates; Change programme projects are progressing for the purpose of transforming services, including through digitisation. Work is ongoing to prioritise the change programme and hence to ensure the organisation can accommodate strategic and transformative change. The Corporate Consultation forum and North Ness safety forum are held regularly. They provide staff with the opportunity to exchange information, discuss pressures and raise issues of concern. <i>Christine Ferguson</i>	In Progress	Very High 20 Major Almost Certain	

Review Comments

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Our Ambition - Change Programme challenges. The Council launched Our Ambition in 2021, an ambitious	Change management failure	Christine Ferguson	B0013	22/11/2023	22/08/2024

Risk Register - Corporate Services

five year vision. The Change Programme is the mechanism by which that vision will be delivered. The intended outcomes of the Change programme are to manage growth, support the development of more sustainable services and support the delivery of the Council's commitments in Our Ambition. Corporate Management Team sits as the Programme Board for the Change Programme meeting quarterly. The Council is undergoing a period of significant change against a background of external pressures from local and national factors. The Council's response and recovery to COVID-19 continues to shape and challenge how we deliver services and manage the Change programme.

There is a risk that Corp Services have insufficient information and decisions from the Council in order to prepare a SMART Change Programme Delivery Plan. This would result in failure to support and deliver change projects/programmes and failure to achieve target outcomes set out in Our Ambition.

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Competing priorities and demands on the organisation Workload pressures on staff Scarce resources in terms of staff, expertise, money and support services. Unique posts and small teams mean those services are more vulnerable should a member of staff leave. A lack of detailed programme/project timelines and resourcing requirements; Revised budget post Scottish Govt settlement – budget-setting challenges, requirement to make savings now and in the future - the new MTFP places ambitious financial targets on the organisation; Implementing various pay and conditions requirements; The planned governance reviews, organisation-wide project work, service redesign, the National Care Service review; Competing demands on the organisation; Vacancies particularly in some areas (Teaching, Care, Planning) and for unique posts, recruitment exercise. Additional pressures across the workforce from Covid-19	The organisation cannot demonstrate "right shape, right skills, right culture" and hence struggles to deliver the services that communities require, within available resources; Impact on planned work particularly corporate/ strategic review and strategy development. Organisation cannot achieve, or is delayed in achieving, the MTFP savings. Lack of capacity to focus upon opportunities for change, or at points of transition such as when vacancies arise – opportunities missed, organisation is mainly reactive; Difficulty in recruiting, which is already experienced across the organisation and is acute in some services; Impacts on services and outcomes for the community including levels of employment if the SIC fails to maintain an effective workforce - the SIC as an employer is a significant factor in the sustainability of communities both in terms of service provision and employment opportunities; Causes or exacerbates additional cost from unanticipated service demand, with impacts from managing sudden vulnerabilities of fragile communities being of particular concern – with resulting further impact on service delivery, impact on service users,	<ul style="list-style-type: none"> • HR continually reviews the council's HR policies and processes to ensure they support the Workforce Strategy and the wider organisation plans and priorities. Responding and recovering from the pandemic is also reflected in the Workforce Strategy that provides a framework to focus attention and prioritise work. Supporting and promoting flexible working and transforming HR transactions and workflow will help streamline processes; widening employee self-service which will minimise the demands it places on our staff. Consultation has taken place with departmental management teams to develop a workforce plan for the Council that reflects the workforce needs and challenges for services in the short, medium and long term. We will also continue to prioritise employee well-being, fairness, equality and support through this change. <i>Marie Gordon</i> • Various plans are in place: Our financial planning process is more robust and in line with other planning processes. The risks to Directorate and Service plans are articulated and considered in reports. The Risks for new initiatives including the allocation of resources are considered at Project start up and kept under review. The Corporate Plan, Our Ambition 21-25 provides a framework for the councils work programme and priorities. <i>Paul Fraser</i> • Various controls are in place: Discussions across directorate management teams and at CMT allow and ensure effective and timely sharing of information; Reporting to P&R and SIC provide effective and timely information and decision-making. <i>Christine Ferguson</i> 	In Progress	High	
				16 Major Likely	
			In Progress		
			In Progress		

Risk Register - Corporate Services

	impact on communities.				
Review Comments Reviewed 22/11/2023					
Details		Risk type	Responsible Officer	Risk Ref	Last Review date
Financial - overspend - Potential for a reduction in financial resilience due to the failure to deliver the current year budget.		Economic / Financial - Other	Paul Fraser	B0006	22/11/2023
Triggers		Consequences	Control Measures	Control Status	Current Risk Rating
Overspending. Making inappropriate spending / resource decisions. Income from customers lower than anticipated.		Draw from Council reserves, ultimately if not addressed, reserves run out. No flexibility to address unexpected or unplanned situations that might arise.	<p>• A robust process of budget setting, performance monitoring and engagement between Finance and Service is in place.</p> <p>This will ensure that Council finances are under constant scrutiny and regularly reported through management and to Committees. It provides opportunity for the Council to take corrective action as soon as possible and to minimise any impact. The Council has in place financial regulations and procedures to provide controls for finance within which officers must operate.</p> <p>Engagement with Councillors through seminars and individual meetings as required is a feature of the process.</p> <p><i>Paul Fraser</i></p>	Implemented	High
Review Comments Reviewed, no change 22/11/2023					
Details		Risk type	Responsible Officer	Risk Ref	Last Review date
Workload, competing demands - It is recognised that there is a risk across the Council that work will not be scheduled or completed timeously as there is an anticipated increase in workload across all departments in the coming months. This is due to a number of factors including additional work needed on service redesign projects and the activities associated with budget setting for future years. The national Care Service Review is likely to have a significant impact in the months and years to come, and the impacts from EU exit are likely to continue and increase.		Deadlines - failure to meet	Christine Ferguson	B0009	22/11/2023
There is a significant backlog in some areas caused by the opportunity costs experienced over the last 2 years arising from COVID 19 effects. This will make it difficult to commit resources to other work / new projects.					
Triggers		Consequences	Control Measures	Control Status	Current Risk Rating
Additional work needed on service redesign projects and the activities associated with budget setting for future years. Covid 19 recovery, National Care Service Review		Workload, pressure on staff, deadlines may be missed, opportunity costs should other planned work be displaced. Council doesn't deliver its plans.			High
					12
					Significant
					Likely

Risk Register - Corporate Services

		<ul style="list-style-type: none">• Corporate Services management team will keep work programmes under review and report issues to CMT and P&R Committee as appropriate. Redesign work e.g. work to implement the Commissioning and Procurement Framework, the actions from the Third Sector Review and the implementation of the Community Empowerment Act will be supported by additional project resources funded by the Funding for Change budget. <p>Corporate Services will provide additional resources to assist with change projects across the Council through its Project Management Office function.</p> <p><i>Christine Ferguson</i></p>	In Progress	
Review Comments	Reviewed 22/11/2023			
0.00 0.00 0.00 0.00				

Risk Register - Corporate Services

0.00	0.00	0.00		
0.00	0.00	0.00	0.00	0.00

Totals	4				
--------	---	--	--	--	--

(Status Flag = "ACTIVE" AND Record Type = 1) and Status Flag=ACTIVE - Business Unit Code=B - ISNULL(Project Code)

0.00	0.00	0.00	0.00	0.00	0.00
------	------	------	------	------	------



Meeting(s):	Policy & Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	2024/25 Budget and Charging Proposals – Corporate & Executive Services	
Reference Number:	F-12-24-F	
Author / Job Title:	Paul Fraser, Executive Manager - Finance	

1.0 Decisions / Action required:

That the Policy & Resources Committee **RECOMMENDS** that the Council **APPROVE**:

- 1.1 the budget for 2024/25 included in this report and set out in detail in the Budget Proposals by Activity (Appendix 2) and Schedule of Charges (Appendix 3) to be included in the overall Shetland Islands Council Budget Book.

2.0 High Level Summary:

- 2.1 The purpose of this report is to enable the Policy & Resources Committee to consider the controllable budget for the services within the Corporate and Executive Services Directorate.
- 2.2 The proposed 2024/25 budgets for the services which report to this Committee totals £14.839m.
- 2.3 Appendix 1 of this report shows the proposed budgets for 2024/25 reconciled by Committee. Appendix 2 shows the 2024/25 budgets by activity. Appendix 3 details the proposed schedule of charges which have been incorporated into the proposed budgets.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council is legally required to make arrangements for the proper administration of its financial affairs which includes the setting of balanced budgets and having due regard for its ongoing financial sustainability. The principle of financial sustainability is enshrined in 'Our Ambition 2021-26':

"We will develop a Medium-Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards"
- 3.2 The Medium-Term Financial Plan 2023-2028 sets out the guiding principles under which the Council will develop its budgets. Annual revenue budgets summarise how the Council plans to deploy its resources at service level to

facilitate day-to-day service delivery, but also the delivery of priorities set out in 'Our Ambition 2021-26'. Achieving the priorities set out in 'Our Ambition 2021-26' will be key to achieving long-term sustainability for Shetland.

4.0 Key Issues:

- 4.1 The budget has been prepared taking account of the following:
- no pay award included in service budgets, with a lump sum for an equivalent 3% pay award being held centrally in the corporate contingency budget for allocation during 2024/25 once a pay settlement is reached;
 - vacant posts have been removed from service budgets with provision held in the contingency as required;
 - income charges increased by 4.9% unless otherwise justified; and
 - government funding and additional burdens.

The Director of Corporate Services and Executive Manager of Executive Services have developed the budget proposals, as shown in the table below:

Budget Position	Corporate Services	Executive Services	Total
	£000	£000	£000
2023/24 Original Budget	12,408	2,019	14,427
Funding for 23/24 pay award allocation from Contingency	487	72	559
Budget Transfers between Departments	(582)	36	(546)
2023/24 Revised Budget	12,313	2,127	14,440
Growth, Inflation and Income Reduction	1,945	45	2,024
Savings and New Income Generation	(1,433)	(158)	(1,824)
2024/25 Proposed Budget	12,825	2,014	14,839

4.2 Growth and/or Income Reduction

List of Growth and/or Income Reduction Items (over £50k)	Corporate Services	Executive Services	Recurring Growth	One-off Growth
	£000	£000	£000	£000
Removal of Vacancy Factor, 1% Savings Target and Savings Reviews from 23/24 budget setting	679	20	699	

Upgrade to Microsoft 365 (CRP-33-23 SIC Min ref 84/23)	525		525	
Gigabit Fibre to slow-link School Sites (CRP-34-23 SIC Min ref 85/23)	66		66	
Increase in Non Domestic Rates due on Scatsta Airport	95		95	
Feasibility Study for Museum Store (ACP-06-21 SIC Min ref 51/21)	150			150
Repair works to Sea Wall at North Ness Business Park	70			70
Various other growth items under £50k	360	25	419	
Total Growth and/or Income Reduction	1,945	45	1770	220

4.3 Savings and/or New Income Generation

List of Savings and/or New Income Generation (over £50k)	Corporate Services £000	Executive Services £000	Recurring Savings £000	One-off Savings £000
13 FTE Vacant posts transferred to the Contingency Budget	(531)	(98)		(629)
2.8 FTE Vacant Posts Removed from Budget	(171)		(171)	
Actuarial pension decrease from 22% to 19% across the Service	(193)	(44)	(371)	
Additional income from Property Portfolio	(180)		(180)	
Savings arising from the demolition of the old Anderson High School	(208)		(208)	
Various other items under £50k	(151)	(16)	(142)	
Total Savings and/or New Income Generation	(1,433)	(158)	(963)	(629)

4.4 Appendix 1 sets out a reconciliation showing how the Council's overall budget proposals including proposed savings for the services within the Directorates are aligned to the remit of the Committees.

4.5	Appendix 2 sets out the 2024/25 budget by activity. For comparison purposes the 2023/24 revised budget has also been included, and the change in full-time equivalent staff numbers.
4.6	The proposed charges included in the budget proposals are attached as Appendix 3 and will be included in the overall Shetland Islands Council Budget Book.
5.0 Exempt and/or confidential information:	
5.1	None
6.0 Implications :	
6.1 Service Users, Patients and Communities:	No changes to services are proposed in this report.
6.2 Human Resources and Organisational Development:	<p>All budget proposals with staffing implications will be actioned in line with relevant Council policies and with HR advice.</p> <p>The detailed budget proposals presented to this Committee include proposals to decrease the Council's headcount by 16.5 Full Time Equivalent (FTE) posts compared to 2023/24. 13 FTE for vacant posts have been transferred to the Contingency budget. If and when posts are recruited to budget will be transferred back to the service.</p> <p>The approval of the contingency in the overall revenue budget will allow in year budgetary provision for existing vacant posts, on a fixed term or permanent basis, and there is therefore authority to proceed with recruitment and appointment to roles that exist currently, but are unfilled. Flexibility will also be available to create amended posts replacing existing, unfunded vacant posts, where a new approach provides a better overall solution to achieving outcomes, following consultation with Human Resources and Finance.</p> <p>Should services identify any further, additional staffing requirements during the course of the year, approval will be required from the relevant functional committee and Policy and Resources prior to the commencement of any recruitment activity.</p>
6.3 Equality, Diversity and Human Rights:	No changes to services are proposed in this report.

6.4 Legal:	<p>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 and to secure that the proper officer of the authority has responsibility for the administration of those affairs. That officer in Shetland Islands Council is the Executive Manager – Finance who is responsible for the presentation of budget proposals as part of appropriate financial management arrangements.</p>
6.5 Finance:	<p>The proposed budget for 2024/25 for the services within the remit of this Committee amount to £14.839m, which is an increase of £0.399m compared to the 2023/24 revised budget. Of this increase, £1.770m relates to recurring growth and £0.220m is one-off growth. This is offset by £0.963m recurring savings and £0.629m one-off savings. These proposal forms part of the overall Council budget of £169m.</p> <p>In order to achieve financial balance in 2024/25, the overall Council budget of £169m will require additional support from Reserves of £46m of which £23m is considered unsustainable.</p> <p>Based on budget value, 8.8% or £1.9m of the £23m additional support required can be attributed to the proposed budget for services that fall within the remit of this Committee.</p>
6.6 Assets and Property:	<p>None arising from this report.</p>
6.7 ICT and new technologies:	<p>None arising from this report.</p>
6.8 Environmental:	<p>None arising from this report.</p>
6.9 Risk Management:	<p>There are numerous risks involved in planning the delivery of services for the future and the awareness of these risks is critical to successful budgeting, as assumptions are required.</p> <p>These budgeted 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 main budget risks for services reporting to this Committee are:</p> <ul style="list-style-type: none"> • rising inflationary pressures; • unfunded pay awards;

	<ul style="list-style-type: none"> • savings proposals not being achieved; <p>These risks are mitigated by using a realistic approach and the most up-to-date information when setting the budget.</p> <p>The inclusion in the overall Council budget of a corporate cost pressure and contingency budget to support unexpected additional costs and the availability of usable reserves ensure that the Council is prepared for other significant unforeseen events.</p>	
6.10 Policy and Delegated Authority:	The Policy & Resources Committee has delegated authority to advise the Council in the development of service objectives, policies and plans concerned with service delivery. Approval of the revenue budget requires a decision of Council, in terms of Section 2.1.3 of the Council's Scheme of Administration and Delegations.	
6.11 Previously considered by:	n/a	n/a

Contact Details:

Steven Brown, Management Accountant, steven.brown@shetland.gov.uk 28 February 2024

Appendices:

Appendix 1 - 2024/25 Reconciliation of Directorates' Proposed Budgets to Committees

Appendix 2 - 2024/25 Budget Proposals by Activity – Policy & Resources Committee

Appendix 3 - 2024/25 Schedule of Charges – Policy & Resources Committee

2024/25 Reconciliation of Directorates' Proposed Budgets to Committees

Directorate	Development Committee £000	Education & Families Committee £000	Environment & Transport Committee £000	Policy & Resources Committee £000	Total £000
Executive & Corporate Services				14,839	14,839
Children's Services		59,391			59,391
Health & Social Care				32,642	32,642
Integration Joint Board				(1,263)	(1,263)
Development Services	8,978	418	9,112		18,508
Infrastructure Services			41,525		41,525
TOTAL	8,978	59,809	50,637	46,218	165,642

Executive & Corporate Services
2024/25 Budget Proposals by Activity

F-12-24 - Appendix 2

Service	Activity	How this Service helps us to achieve Our Ambitions	2023/24 Revised Budget FTEs	2024/25 Proposed Budget FTEs	Change (Increase)/ Decrease FTEs	2023/24 Revised Budget £	2024/25 Proposed Budget £	Change (Increase)/ Decrease £	Proposed Changes to Service Level
Executive Services	Chief Executive, Leadership & Support	Providing strategic officer leadership to the organisation to ensure delivery of everything in Our Ambition 2021-26	5.50	4.00	1.50	599,281	531,897	67,384	No Material Change
Executive Services	Member Development & Support	Our ambition is for the council to be a fabulous place to work, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.	5.22	4.79	0.43	258,764	238,457	20,307	No Material Change
Executive Services	Communications	Our communications will enable us to clearly explain the challenges and opportunities to our workforce, community, partners and other key stakeholders, and to engage them in being a part of the solutions, further strengthening these vital relationships and collaborative working.	2.95	2.95	0.00	193,332	193,430	(98)	No Material Change
Executive Services	Business Support	We will maintain a clear focus on delivering excellent services	9.00	8.00	1.00	349,843	316,242	33,601	No Material Change
Executive Services	Registration Service	We are committed to our Organisational Values and we will maintain a clear focus on delivering excellent services to the public.	1.57	1.76	(0.19)	39,165	44,364	(5,199)	No Material Change
Executive Services	Pensioners	N/A	0.00	0.00	0.00	29,578	26,486	3,092	No Material Change
Council Members	Elected Members	Elected Members set out the strategic political vision through Our Ambition 2021-26 and will maintain an active role in monitoring to ensure delivery.	0.00	0.00	0.00	676,976	663,170	13,806	No Material Change
Executive Services	1% Savings	Excellent financial management arrangements, will ensure we are continuing to keep to a balanced and sustainable budget.	0.00	0.00	0.00	(20,000)	0	(20,000)	No Material Change
EXECUTIVE SERVICES TOTAL			24.24	21.50	2.74	2,126,939	2,014,046	112,893	
Directorate	Corporate Services Directorate	By supporting the Council to be a fabulous place to work, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.	2.00	2.00	0.00	186,999	185,823	1,176	No Material Change
Directorate	Pensioners	N/A	0.00	0.00	0.00	154,215	147,079	7,136	No Material Change
Directorate	Internal Audit	Internal Audit is a fundamental and integral part of the Council's governance framework, providing assurance regarding key controls including financial controls and increasingly providing scrutiny against a wider scope, which will include strategic plans and direction flowing from Our Ambition 2021-26 and the Council's duty of Best Value.	0.00	0.00	0.00	110,000	110,000	0	No Material Change
Change Programme	Change Programme	The PMO and Performance and Improvement staff in Corporate Services support change activity across the Council; sharing best practice through a programme management network involving programme and project managers from all departments. "Excellent stops being excellent if we stop improving - we have to innovate and change to stay relevant" (Ref: Our Ambition 2021-26).	7.56	4.81	2.75	468,366	267,901	200,465	Reduced capacity to provide in-house support on change initiatives
Assets, Commissioning & Procurement	Estates Management	Providing support to businesses and entrepreneurs and, through commercial activity, working towards a smaller base budget from 2022 onwards.	4.60	3.85	0.75	359,517	98,546	260,971	No Material Change
Assets, Commissioning & Procurement	Asset Strategy	Supports our Recovery and Renewal Framework by taking the lead in building a more sustainable Shetland.	1.80	1.55	0.25	125,598	108,207	17,391	No Material Change
Assets, Commissioning & Procurement	Procurement	We will promote and deliver social and economic value through effective procurement and contract management processes. Wherever possible, we will continue to spend our money locally to support local businesses and organisations.	2.92	2.52	0.40	197,756	174,302	23,454	No Material Change
Assets, Commissioning & Procurement	Contract Compliance	We will promote and deliver social and economic value through effective procurement and contract management processes.	0.99	0.86	0.13	67,635	59,797	7,838	No Material Change
Assets, Commissioning & Procurement	Capital Programme Management	Delivering our priorities through effective leadership, governance and democratic processes.	0.35	0.35	0.00	36,037	35,611	426	No Material Change

Service	Activity	How this Service helps us to achieve Our Ambitions	2023/24 Revised Budget FTEs	2024/25 Proposed Budget FTEs	Change (Increase)/ Decrease FTEs	2023/24 Revised Budget £	2024/25 Proposed Budget £	Change (Increase)/ Decrease £	Proposed Changes to Service Level
Assets, Commissioning & Procurement	Project Management	We will promote and deliver social and economic value through effective procurement and contract management processes.	3.97	3.47	0.50	267,994	382,324	(114,330)	No Material Change
Assets, Commissioning & Procurement	Design Services	We will promote and deliver social and economic value through effective procurement and contract management processes. We will contribute directly to the development of early learning and childcare by delivering a programme of capital works to support service delivery.	3.97	3.47	0.50	267,994	232,324	35,670	No Material Change
Finance	Executive Manager	This is a statutory requirement under Section 95 of the Local Government Act 1973 and has overall responsibility for making proper arrangements of the Council financial affairs. We will develop a Medium Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards small base budget from 2022 onwards.	1.27	1.27	0.00	432,594	453,692	(21,098)	No Material Change
Finance	Management Accounting	Management Accountancy is a fundamental aspect of the proper administration of our financial affairs and is required as part of our statutory obligations. We also provide support, advice and analysis to facilitate services to further the delivery of wider Council priorities within legislation.	18.32	17.33	0.99	997,086	929,129	67,957	No Material Change
Finance	Financial Accounting	Financial Accountancy is a fundamental aspect of the proper administration of our financial affairs and is required as part of our statutory obligations.	4.35	4.35	0.00	221,072	217,219	3,853	No Material Change
Finance	Treasury	Treasury management is an essential function of the council that enables the delivery of day-to-day services and facilitates future investment in services to achieve Our Ambitions 2021-26.	2.64	2.10	0.54	125,355	92,690	32,665	No Material Change
Finance	Revenues	We will maintain a clear focus on delivering Excellent Service to the public. This team also plays an important part in raising revenue from rates, council tax and sales which form an important part of our budget and enables services to be delivered.	11.70	11.29	0.41	632,977	659,448	(26,471)	No Material Change
Finance	Benefits Administration	We will maintain a clear focus on delivering excellent service to the public. Ensuring our services are targeted and make a difference to those people who need them most.	6.46	6.11	0.35	614,168	594,814	19,354	No Material Change
Finance	Payroll	We will maintain a clear focus on delivering excellent service to our workforce, as the largest employer in Shetland, we make a direct contribution to Shetland's economic wellbeing.	11.81	11.94	(0.13)	585,904	587,783	(1,879)	No Material Change
Finance	Payments	We will maintain a clear focus on delivering excellent service to the public. This team also plays an important part in ensuring payment of suppliers to support economic development in the community.	3.97	3.97	0.00	180,843	179,443	1,400	No Material Change
Governance & Law	Executive Manager & Admin Support	Delivering our priorities through effective leadership, governance and democratic processes.	1.14	1.14	0.00	122,605	120,975	1,630	No Material Change
Governance & Law	Committee Services	We are committed to our Organisational Values, we will maintain a clear focus on delivering excellent services to the public and we will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes.	4.84	4.51	0.33	278,862	265,504	13,358	No Material Change
Governance & Law	Legal Services	We are committed to our Organisational Values, we will maintain a clear focus on delivering excellent services to the public and we will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes.	9.91	8.57	1.34	659,692	599,954	59,738	No Material Change.

Service	Activity	How this Service helps us to achieve Our Ambitions	2023/24 Revised Budget FTEs	2024/25 Proposed Budget FTEs	Change (Increase)/ Decrease FTEs	2023/24 Revised Budget £	2024/25 Proposed Budget £	Change (Increase)/ Decrease £	Proposed Changes to Service Level
Governance & Law	Licensing	We are committed to our Organisational Values, we will maintain a clear focus on delivering excellent services to the public and we will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes.	0.00	0.00	0.00	(62,433)	(62,485)	52	No Material Change
Governance & Law	Emergency Planning & Resilience	We are committed to our Organisational Values, we will maintain a clear focus on delivering excellent services to the public and we will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes.	1.00	1.00	0.00	117,890	116,176	1,714	No Material Change
Governance & Law	Insurance	Delivering our priorities through effective governance and financial monitoring.	3.15	2.94	0.21	766,716	753,631	13,085	No Material Change
Human Resources	Policy & Employment Support	The HR Service contributes to delivering Our Ambition by working to create a working environment which sustains current jobs and creates new ones (2.5 that helps people, including the young, EU Citizens to remain in or relocate to Shetland to live, work, study and raise families (2.1, 2.3). We lead and manage the recruitment of our workforce which represents over a fifth of the local working age population and our workforce development team provide learning and development opportunities for our workforce that support Shetland's Tertiary education and training sector and help attract talent to the Isles and enable the council to grown its own labour force (2.5, 2.6). Our teams provide dedicated support, advice and training to Health and Care services ensuring staff have the skills they need to provide care in our community and in leading the work to ensure our employee benefits and remuneration contribute to the health and wellbeing of our community and contributing to a fairer Shetland (2.8, 2.9). HR is also key to delivering the Council's Ambition to be a fabulous place to work through enabling and supporting the provision of "exceptional employee experience" (3.2).	14.89	14.32	0.57	879,558	915,591	(36,033)	No Material Change
Human Resources	Workforce Development	See above	13.83	12.72	1.11	707,942	639,867	68,075	No Material Change
Human Resources	Staff Welfare	See above	6.60	5.50	1.10	484,501	459,343	25,158	No Material Change
Human Resources	Employability Project	See above	0.12	0.07	0.05	25,968	24,115	1,853	No Material Change
Human Resources	Childcare Vouchers	See above	0.00	0.00	0.00	5,105	5,000	105	No Material Change
Human Resources	Risk Management	See above	1.76	1.76	0.00	105,299	99,924	5,375	No Material Change
Human Resources	Training	See above	0.00	0.00	0.00	822,123	861,600	(39,477)	No Material Change
ICT	Executive Manager	The ICT Service contributes to the realisation of Our Ambition by providing a modern, flexible, resilient digital infrastructure to enable front line staff and support staff to carry out their work delivering excellent service to the people of Shetland. We ensure that systems are secure, up to date, and fit for purpose.	1.00	1.00	0.00	80,144	62,197	17,947	No Material Change
ICT	ICT Projects	As above	11.66	11.02	0.64	939,370	1,446,285	(506,915)	Increased demand on revenue expenditure as Council systems are migrated to cloud-hosted solutions
ICT	ICT Support	As above	10.50	9.92	0.58	819,020	828,425	(9,405)	No Material Change
ICT	ICT Operations	As above	7.00	6.61	0.39	307,231	272,450	34,781	No Material Change

Service	Activity	How this Service helps us to achieve Our Ambitions	2023/24 Revised Budget FTEs	2024/25 Proposed Budget FTEs	Change (Increase)/ Decrease FTEs	2023/24 Revised Budget £	2024/25 Proposed Budget £	Change (Increase)/ Decrease £	Proposed Changes to Service Level
Corporate Services	Vacancy Factor, 1% Savings Target and Savings Reviews	Excellent financial management arrangements, will ensure we are continuing to keep to a balanced and sustainable budget.	0.00	0.00	0.00	(778,856)	(100,000)	(678,856)	Vacancy Factor and 1% Savings Target not included in 2024/25. Achieved savings from completed Savings Reviews have been incorporated into the relevant activity lines above. The figures mean a 7.8% reduction in staff across Corporate Services in 24/25.
CORPORATE SERVICES TOTAL			176.08	162.33	13.76	12,312,847	12,824,684	(511,837)	
OVERALL TOTAL - POLICY & RESOURCES COMMITTEE			200.32	183.83	16.50	14,439,786	14,838,730	(398,944)	

2024/25 Savings Proposals

Service	Activity	Savings Proposal Description	2024/25 Proposed Savings £
Assets, Commissioning & Procurement	Estates Management	Generate additional income from property portfolio	100,000
TOTAL - POLICY & RESOURCES COMMITTEE			100,000

2024/25 Schedule of Charges

All charges are exclusive of VAT where applicable.

Director or Executive Manager	Activity	Charge	Unit	2023/24 Charge £	2024/25 Charge £	Variance %
Executive Manager - Executive Services	Town Hall	Meeting/ talk/ workshop (Maximum of 60 people)	per hour	27.00	28.00	3.7
Executive Manager - Executive Services		Small Event Booking / Minor Kitchen Use (Maximum of 60 people)	per hour	30.00	32.00	6.7
Executive Manager - Executive Services		Small Event Booking / Full Kitchen Use (Maximum of 60 people)	per hour	35.00	37.00	5.7
Executive Manager - Executive Services		Meeting/ talk/ workshop (More than 60 people)	per hour	43.00	45.00	4.7
Executive Manager - Executive Services		Large Event Booking / Minor Kitchen Use (More than 60 people)	per hour	45.00	50.00	11.1
Executive Manager - Executive Services		Large Event Booking / Full Kitchen Use (More than 60 people)	per hour	50.00	55.00	10.0
Executive Manager - Executive Services		Wedding / Dinner Dance (Maximum of 60 people)	per hour	35.00	37.00	5.7
Executive Manager - Executive Services		Wedding / Dinner Dance (More than of 60 people)	per hour	56.00	60.00	7.1
Executive Manager - Executive Services		Kitchen (Catering Use)	per hour	30.00	32.00	6.7
Executive Manager - Executive Services		Clean Up Charge	per event	170.00	180.00	5.9
Executive Manager - Executive Services		Preparation Time before event (Evening (Up to 10:30pm) and Saturday)	per hour	25.00	31.00	24.0
Executive Manager - Executive Services		Preparation Time before event (Late Evening (After 10:30pm) and Sunday)	per hour	29.00	34.00	17.2
Executive Manager - Executive Services		Evening (Up to 10:30pm) and Saturday Surcharge - Applied to the applicable hourly rate for the event.		0.25	0.25	0.0
Executive Manager - Executive Services		Late Evening (After 10:30pm) and Sunday Surcharge - Applied to the applicable hourly rate for the event.		0.40	0.40	0.0
Executive Manager - Executive Services		Cancellation Charges - cancellation of room bookings must be confirmed at least 5 days before the date or the full charge is payable. These bookings will not be transferred to another date.		25% of full charge	25% of full charge	0.0
Executive Manager - Executive Services		Up Helly Aa	per hour	65.00	70.00	7.7
Executive Manager - Executive Services		Up Helly Aa - Cleaning Costs	per event	650.00	700.00	7.7
Executive Manager - Executive Services		Use of Meeting Equipment	per event	12.00	13.00	8.3
Executive Manager - Executive Services		Tea & Coffee	per person	1.70	2.00	17.6
Executive Manager - Executive Services		Set of Cutlery Items	per item	0.60	1.00	66.7
Executive Manager - Executive Services		Crockery Items	per item	0.35	0.50	42.9
Executive Manager - Executive Services		Tea / Coffee Pot	per item	1.25	1.50	20.0
Executive Manager - Executive Services		Water Jugs	per item	0.75	1.00	33.3
Executive Manager - Executive Services		Hot Water Boiler / Urn	per item	n/a	30.00	new charge
Executive Manager - Executive Services		Hot Box	per item	n/a	50.00	new charge
Executive Manager - Executive Services		Stacking Chair	per item	0.70	1.00	42.9

Executive Manager - Executive Services		Table 4 ft or 6 ft	per item	6.50	7.00	7.7
Executive Manager - Executive Services		Chair Covers (Wedding)	per item	0.60	1.00	66.7
Executive Manager - Executive Services		Table Cloths (Wedding)	per item	2.50	3.00	20.0
Executive Manager - Executive Services		Performing Rights Society Charges - cost of licence will depend on the nature of event This will be determined at the time of booking.	per event	Various	Various	
Executive Manager - Executive Services		Souvenirs	per item	Various	Various	
Executive Manager - Executive Services	Civil Marriages	Registration Office - office hours - no guests - accommodation and attendance fee	per event	63.00	66.00	4.8
Executive Manager - Executive Services		Registration Office - office hours - no guests	per event	125.00	155.00	24.0
Executive Manager - Executive Services		Registration Office - office hours - no guests - TOTAL CHARGE	per event	218.00	221.00	1.4
Executive Manager - Executive Services		Registration Office - office hours - guests - accommodation and attendance fee	per event	119.00	125.00	5.0
Executive Manager - Executive Services		Registration Office - office hours - guests	per event	125.00	155.00	24.0
Executive Manager - Executive Services		Registration Office - office hours - guests - TOTAL CHARGE	per event	274.00	280.00	2.2
Executive Manager - Executive Services		Registration Office - outwith office hours - guests - accommodation and attendance fee	per event	175.00	184.00	5.1
Executive Manager - Executive Services		Registration Office - outwith office hours - guests	per event	125.00	155.00	34.0
Executive Manager - Executive Services		Registration Office - outwith office hours - guests - TOTAL CHARGE	per event	330.00	339.00	2.7
Executive Manager - Executive Services		Outwith Registration Office (authorised venue)	per event	125.00	155.00	24.0
Executive Manager - Executive Services		Outwith Registration Office (authorised venue) - attendance fee	per event	230.00	242.00	5.2
Executive Manager - Executive Services		Outwith Registration Office (authorised venue) - TOTAL CHARGE	per event	385.00	397.00	3.1
Executive Manager - Executive Services		Travel Costs for a Registrar attendance at an Approved Place - up to 5 miles from Registration Office	per event	5.00	5.00	0.0
Executive Manager - Executive Services		Travel Costs for a Registrar attendance at an Approved Place - up to 10 miles from Registration Office	per event	10.00	10.00	0.0
Executive Manager - Executive Services		Travel Costs for a Registrar attendance at an Approved Place - up to 20 miles from Registration Office	per event	20.00	20.00	0.0
Executive Manager - Executive Services		Travel Costs for a Registrar attendance at an Approved Place - Over 20 miles	per event	40.00	40.00	0.0
Executive Manager - Executive Services		Ferry fares at standard return costs will be added to the travel costs where appropriate	per event	variable	variable	
Executive Manager - Executive Services		All Accommodation and Attendance Fees include non-refundable amount	per event	40.00	42.00	5.0
Team Leader - Legal Services	Property Enquiry Certificates LICENSING (Scotland) Act 2005 (New)	Property Enquiry Certificates	per certificate	124.00	130.00	4.8
Executive Manager - Governance & Law		Initial premises application fee - category 1	per application	200.00	200.00	0.0
Executive Manager - Governance & Law		Initial premises application fee - category 2	per application	800.00	800.00	0.0
Executive Manager - Governance & Law		Initial premises application fee - category 3	per application	1100.00	1100.00	0.0
Executive Manager - Governance & Law		Initial premises application fee - category 4	per application	1300.00	1300.00	0.0
Executive Manager - Governance & Law		Initial premises application fee - category 5	per application	1700.00	1700.00	0.0
Executive Manager - Governance & Law		Initial premises application fee - category 6	per application	2000.00	2000.00	0.0
Executive Manager - Governance & Law		Annual premises licence fee - category 1	per application	180.00	180.00	0.0
Executive Manager - Governance & Law		Annual premises licence fee - category 2	per application	220.00	220.00	0.0
Executive Manager - Governance & Law		Annual premises licence fee - category 3	per application	280.00	280.00	0.0

Executive Manager - Governance & Law		Annual premises licence fee - category 4	per application	500.00	500.00	0.0
Executive Manager - Governance & Law		Annual premises licence fee - category 5	per application	700.00	700.00	0.0
Executive Manager - Governance & Law		Annual premises licence fee - category 6	per application	900.00	900.00	0.0
Executive Manager - Governance & Law		Vary premises licence 29(1) substitution of manager	per application	31.00	31.00	0.0
Executive Manager - Governance & Law		Vary premises licence 29(1) minor	per application	20.00	20.00	0.0
Executive Manager - Governance & Law		Vary premises licence 29(1) other	per application	165.00	165.00	0.0
Executive Manager - Governance & Law		Transfer by licence holder 33(1) with variation	per application	245.00	245.00	0.0
Executive Manager - Governance & Law		Transfer by licence holder 33(1) with no variation	per application	165.00	165.00	0.0
Executive Manager - Governance & Law		Transfer by another person 34(1) with variation	per application	245.00	245.00	0.0
Executive Manager - Governance & Law		Transfer by another person 34(1) with no variation	per application	165.00	165.00	0.0
Executive Manager - Governance & Law		Temporary premises licence 47(2)	per application	245.00	245.00	0.0
Executive Manager - Governance & Law		Occasional licence 56(1)	per application	10.00	10.00	0.0
Executive Manager - Governance & Law		Extended hours 68(1)	per application	10.00	10.00	0.0
Executive Manager - Governance & Law		Personal licence 72(1)	per application	50.00	50.00	0.0
Executive Manager - Governance & Law		Replacement personal licence 92(1)	per application	40.00	40.00	0.0
Executive Manager - Governance & Law		Replacement premises licence 53(1)	per application	40.00	40.00	0.0
Executive Manager - Governance & Law	Raffles Gambling Act 2005)	Small society lottery registration	per application	40.00	40.00	0.0
Executive Manager - Governance & Law		Annual renewal fee	per application	20.00	20.00	0.0
Executive Manager - ICT	ICT	Vodafone calls & charges		variable	variable	
Executive Manager - ICT		Equipment recharge		variable	variable	
Executive Manager - Governance & Law	Insurance section	Insurance administration fee		variable	variable	
Executive Manager - Governance & Law		Insurance recharge		variable	variable	
Executive Manager - Governance & Law		Insurance IPT		variable	variable	
Executive Manager - Governance & Law		3rd party claim reimbursement		variable	variable	
Team Leader - Legal Services	Legal	Recharge legal fees on leases		variable	variable	
Team Leader - Legal Services		Legal fees relating to property sales		variable	variable	
Team Leader - Legal Services		Legal fees relating to crofting transactions		variable	variable	
Team Leader - Legal Services		Road adoption plans	per application	44.00	46.00	4.5
Team Leader - Administration	Admin	Children's Panel support		variable	variable	
Team Leader - Administration		Elections		variable	variable	
Team Leader - Accountancy	Sullom Voe Terminal Site	Sullom Voe rent		variable	variable	
Executive Manager - Finance	Total Gas Plant	Base rent		variable	variable	
Team Leader - Accountancy	Recoverable Costs: SIC Pension Fund	Strain costs		variable	variable	
Team Leader - Accountancy		Administration fee		variable	variable	
Team Leader - Accountancy		Recharges		variable	variable	
Team Leader - Accountancy	Recoverable Costs: Charitable Trust	Payroll costs		variable	variable	
Payroll Supervisor	Accountancy	Pension Fund admitted bodies		variable	variable	
Team Leader - Accountancy		VAT only invoice - FOR FINANCE USE ONLY		variable	variable	
Team Leader - Accountancy		Sale of assets - vessels		variable	variable	
Team Leader - Accountancy		Sale of assets - other		variable	variable	
Team Leader - Accountancy		Sale of assets to country outwith the UK		variable	variable	
Team Leader - Accountancy		Sale of land/property		variable	variable	
Team Leader - Accountancy		Sale of land/property (Opted to Tax)		variable	variable	
Team Leader - Accountancy		Revised requisition for Valuation Joint Board		variable	variable	

Team Leader - Accountancy		Disbursements relating to property sales		variable	variable	
Team Leader - Accountancy		Mareel sub lease		variable	variable	
Executive Manager - Human Resources	Overpayment	Recoup overpayment of salary		variable	variable	
Executive Manager - Human Resources	Workforce Development	Recharge course fees to third parties		variable	variable	
Team Leader - Revenues & Benefits	Revenues	Discretionary housing payments		variable	variable	
Team Leader - Revenues & Benefits		Rent allowances		variable	variable	
Team Leader - Revenues & Benefits		BID Levy - rateable value £0 - £2,500		200.00	200.00	0.0
Team Leader - Revenues & Benefits		BID Levy - rateable value £2,501 - £5,000		300.00	300.00	0.0
Team Leader - Revenues & Benefits		BID Levy - rateable value £5,001 - £7,500		400.00	400.00	0.0
Team Leader - Revenues & Benefits		BID Levy - rateable value £7,501 - £10,000		500.00	500.00	0.0
Team Leader - Revenues & Benefits		BID Levy - rateable value £10,001 - £15,000		600.00	600.00	0.0
Team Leader - Revenues & Benefits		BID Levy - rateable value £15,001 - £20,000		700.00	700.00	0.0
Team Leader - Revenues & Benefits		BID Levy - rateable value £20,001+		850.00	850.00	0.0
Management Accountancy	Management Accountancy	Fishing quota		variable	variable	
Team Leader - Accountancy	Valuation Joint Board	Sale of published registers and lists		variable	variable	
Team Leader - Accountancy		Funding		variable	variable	
Team Leader - Accountancy		Asset valuation under SLA		variable	variable	
Team Leader - Asset & Properties	Asset Services	Cost of insurance premium for leased properties		variable	variable	
Team Leader - Asset & Properties		Rent of Scatsta Quarry		variable	variable	
Team Leader - Asset & Properties		Busta Estatecroft rents		variable	variable	
Team Leader - Asset & Properties		Burra Estatecroft rents		variable	variable	
Team Leader - Asset & Properties		Grazing lets & site rent		variable	variable	
Team Leader - Asset & Properties		Operating lease		variable	variable	
Team Leader - Asset & Properties		Operating lease - Vatable		variable	variable	
Team Leader - Asset & Properties		Premises letting		variable	variable	
Team Leader - Asset & Properties		Solarhus service charge		variable	variable	
Team Leader - Asset & Properties		Plans relating to property sales		variable	variable	
Team Leader - Asset & Properties		Viking disturbance & rent		variable	variable	
Executive Manager - Assets, Commissioning & Procurement	Capital Programmes EM	Hours worked		variable	variable	
Executive Manager - Assets, Commissioning & Procurement		Costs incurred		variable	variable	



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Corporate Services – Directorate Plan 2024 - 2027	
Reference Number:	CRP-08-24-F	
Author / Job Title:	Christine Ferguson Director of Corporate Services	

1.0 Decisions / Action Required:

- 1.1 That Policy and Resources Committee **RECOMMEND** that Shetland Islands Council **APPROVE** the Corporate Services Directorate Plan – 2024-27; and:
- 1.2 That the Shetland Islands Council **RESOLVES** to **APPROVE** the Corporate Services Directorate Plan 2024-2027, subject to any necessary amendments as a result of decisions on the SIC Budget Book 2024/25.

2.0 High Level Summary:

- 2.1 This report presents the Corporate Services Departmental Plan 2024-27 (Appendix A) for approval. The Directorate Plan contains information on major activities; planned service developments; the corporate support requirements for major projects across the Council; performance measures and risks.

All actions and performance indicators (PIs) contained in the Corporate Services Directorate Plan will be included in Quarterly Performance Reports to Policy and Resources Committee.
- 2.2 Detailed information regarding each Service within Corporate Services Department is included in individual Service Plans, which are available separately.
- 2.3 The biggest challenge facing Corporate Services is the pressure on staff across all service areas caused by competing priorities and the volume of work arising from the continuing need to support all services with service delivery and the demands of improvement programmes/ projects.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council's Corporate Plan: 'Our Ambition 2021-26' was approved on 16 December 2020 (Min Ref: SIC 91/20). Corporate Services Directorate Plan 2024 - 2027 links to the following priorities in Our Ambition:

“Our Organisational Values and Culture “

- ✓ “Our ambition is for the **Council to be a fabulous place to work**, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.
- ✓ We will maintain **a clear focus on delivering excellent services to the public**.
- ✓ We will **deliver strong leadership of place, enabling, facilitating and stimulating opportunities** for Shetland.
- ✓ We will **develop a modern, efficient and flexible workforce** with the right values, behaviours and skills through delivering the actions in our Workforce Strategy.
- ✓ We will **use technology to support modern, accessible customer interactions**, to be a catalyst for cross-council service improvement, and support flexible working practices.
- ✓ We will **be a learning organisation** with a culture that supports psychological safety, intellectual bravery, experimentation, innovation and a willingness to learn from our mistakes, our experiences, and from employee, customer and community feedback, without fear or defensiveness.
- ✓ **Our communications will enable us to clearly explain the challenges and opportunities** to our workforce, community, partners and other key stakeholders and to engage with them in being part of the solutions, further strengthening these vital relationships and collaborative working.
- ✓ We will work **with our partners and our community** to deliver our priorities through effective leadership, governance and democratic processes.
- ✓ We will **develop a Medium Term Financial Plan to help us become more financially sustainable and resilient; safeguarding public funds while achieving value for money**. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022/23 onwards.
- ✓ We will **promote and deliver social and economic value** through effective procurement and contract management practices. Wherever possible, we will continue to spend our money locally to support local businesses and organisations.”¹

4.0 Key Issues:

Directorate Plan 2024 – 2027

4.1 Priorities in the Plan include:

¹ SIC Corporate Plan, Our Ambition 2021-26 <https://www.shetland.gov.uk/ourambition>

1. Support for Islands Deal projects including the Knab Redevelopment.
2. Learning at Work Policy and Plan
3. Implementation of MS365 as a replacement for MSOffice 2016
4. Replacement Social Care Case Management System
5. National Care Service
6. Information Governance Review
7. Ferry replacement programme, including Fair Isle Ferry
8. Digital connectivity
9. Asset Investment Plan priorities
10. Procurement Review

4.2 Risks and Service Challenges

- 4.2.1 The biggest risk for Corporate Services is the pressure on staff across all service areas caused by competing priorities and the volume of work arising from the continuing need to support all services with service delivery and meet the demands of improvement programmes/projects effectively and efficiently.
- 4.2.2 Associated risks are set out in the Corporate Services Risk Register, which is presented as part of the Corporate Services Quarter 3 Performance Report on today's agenda.
- 4.2.3 The staffing levels across all services are under review with vacancies not filled in some instances. The staffing levels as reported in the 2024/25 budget proposals, which are the subject of a separate report on today's agenda, show a 7.8% decrease across the department as a whole. This will require careful monitoring and efficient and effective work plans to ensure that the focus is maintained on the Council's priorities both in terms of day-to-day service delivery and in terms of the improvement programmes/projects across all departments. This is reflected in the Directorate Plan attached at Appendix A.

5.0 Exempt and/or Confidential Information:

5.1 None.

6.0 Implications:

6.1 Service Users, Patients and Communities:	Effective planning, performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public. The Council uses customer feedback and complaint analysis, both internal and external to drive service change and service improvement.
6.2 Human Resources and Organisational Development:	Staff in Corporate Services are under increasing pressure from high demands for support across a range of improvement and development/ change projects across the Council adding to the continuing service challenges arising from routine work programmes.
6.3 Equality, Diversity and Human Rights:	There are no direct Equality, Diversity and Human Rights implications arising directly from this report.

6.4 Legal:	There are no direct Legal implications arising directly from this report.	
6.5 Finance:	Resources for Corporate Services to undertake the planned activity in 2024/25 described in this report has been included in the 2024/25 Budget Book, which is also presented for approval in this Committee cycle. Any future years' activity proposals will need to be built into the annual budget setting exercises, in line with available funding, and the Council's Medium Term Financial Plan.	
6.6 Assets and Property:	There are no implications for assets and properties arising directly from this report.	
6.7 ICT and New Technologies:	There are no ICT implications arising directly from this report.	
6.8 Environmental:	There are no environmental implications arising directly from this report.	
6.9 Risk Management:	The risks with regard to the high workload and competing priorities for Corporate Services pose risks for all services across the Council and for timely implementation of solutions to address Internal Audit recommendations.	
6.10 Policy and Delegated Authority:	The approval of plans which are part of the Council's Planning and Performance Management Framework, are reserved to the Council (Paragraph 2.1.3(4) of the SIC Scheme of Administration and Delegations – Part C). Therefore this report is presented to the Council for consideration of the Corporate Services Directorate Plan 2024-2027 attached at Appendix A.	
6.11 Previously Considered by:	None.	

Contact Details:

Christine Ferguson, Director of Corporate Services

christine.ferguson@shetland.gov.uk

Susan Msalila, Executive Manager Change Programme

susan.msalila@shetland.gov.uk

28 February 2024

Appendices:

Appendix A– Corporate Services Directorate Plan 2024-2027

Background Documents

[Our Ambition 2021-2026](#)

END

Corporate Services Directorate Plan 2024-27

**Corporate Services
2024-27 Directorate Plan**

“Delivering Professional Solutions Together”

Introduction

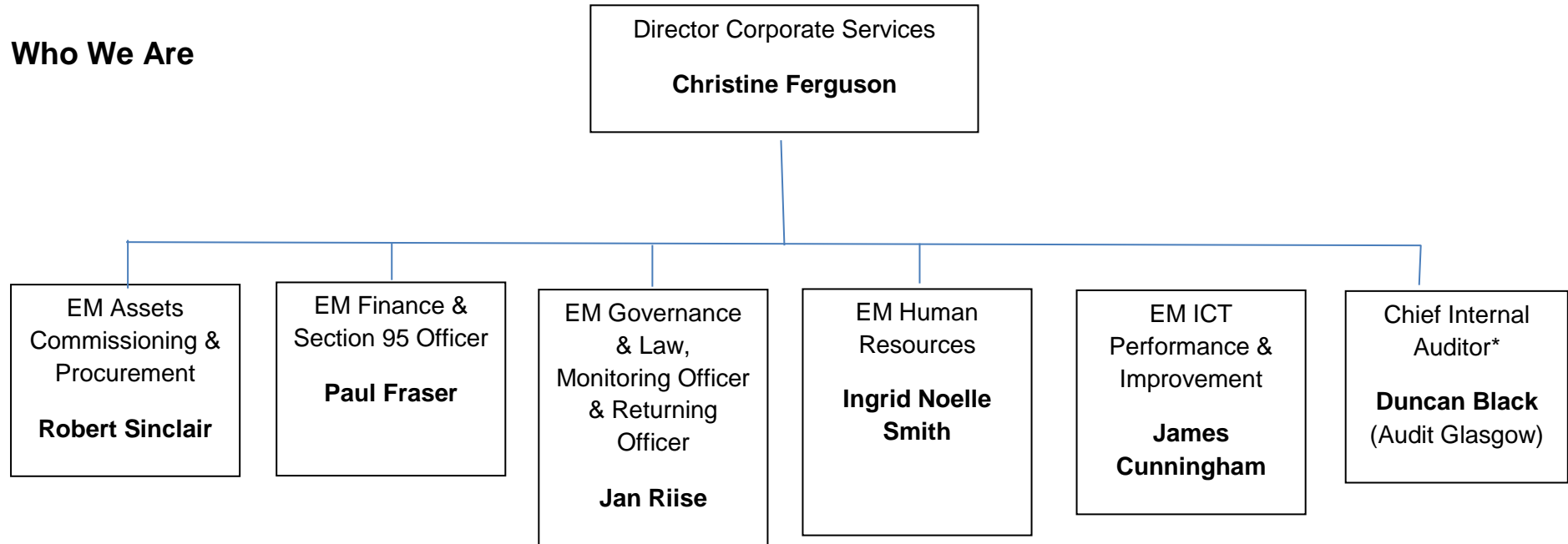
The Council's Performance Management Arrangements require each Director to produce a 3-Year Directorate Plan, which is refreshed annually. Directorate Plans are considered by the relevant committee(s); approved by the Council as part of the budget setting exercise in February/March each year and published on the Council's website.

Directorate Plans contain information on major activities, planned service developments, performance measures and risks. Detailed information regarding each Service is included in individual Service Plans.

Corporate Services comprise a range of services that support all the activities of the Council:

- **Assets, Commissioning and Procurement:** corporate landlord function, asset management, capital programme management, design services, capital project management, corporate procurement function, contract compliance
- **Finance:** S95 statutory function, management accounts, treasury management, benefits administration, payments, invoicing, income, rents, rates and Council Tax administration, arrears, payroll & pensions
- **Governance & Law:** Monitoring Officer statutory function, legal services, committee services, insurance, emergency planning & resilience, elections,, conveyancing, contracts, leases, SIC representation at Court and Tribunals, Data Protection and Freedom of Information Compliance, corporate records management and information governance, Data Protection Officer role
- **Human Resources:** employment strategies / policies & practice, employee relations including with trades unions, workforce planning, employee development, employee health & well-being, health & safety, risk management support
- **ICT, Performance & Improvement:** ICT strategy, systems analysis, project management & implementation; ICT operations, service desk, system / user / technical support, data centre management; and ICT security. Customers include all Council staff, elected Members, some third sector organisations & NHS Shetland (service desk first point of contact). Performance & Improvement - service redesign; change management; change project & programme support; programme and project management and Business Case development; performance management policy, processes and reporting.
- **Internal Audit** (provided through a contract with Audit Glasgow):.audit planning, annual audit programme, audit opinion on reports and annually, audit & follow up monitoring reports to the Audit Committee; whistleblowing, fraud prevention, disciplinary investigations

Who We Are



Drivers for Change – 2024-27:

- SIC Corporate Plan “Our Ambition 2021-2026”
- Shetland’s Partnership Plan 2018 – 2028
- SIC Medium Term Financial Plan 2023-2028
- Internal and External Audit Report Findings and Recommendations

SIC Corporate Plan “Our Ambition 2021-2026”

The activities and work programmes of Corporate Services contribute to the following priorities:

“Our Organisational Values and Culture “

- ✓ “Our ambition is for the **Council to be a fabulous place to work**, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.
- ✓ We will maintain **a clear focus on delivering excellent services to the public**.
- ✓ We will **deliver strong leadership of place, enabling, facilitating and stimulating opportunities** for Shetland.
- ✓ We will **develop a modern, efficient and flexible workforce** with the right values, behaviours and skills through delivering the actions in our Workforce Strategy.
- ✓ We will **use technology to support modern, accessible customer interactions**, to be a catalyst for cross-council service improvement, and support flexible working practices.
- ✓ We will **be a learning organisation** with a culture that supports psychological safety, intellectual bravery, experimentation, innovation and a willingness to learn from our mistakes, our experiences, and from employee, customer and community feedback, without fear or defensiveness.
- ✓ **Our communications will enable us to clearly explain the challenges and opportunities** to our workforce, community, partners and other key stakeholders and to engage with them in being part of the solutions, further strengthening these vital relationships and collaborative working.
- ✓ We will work **with our partners and our community** to deliver our priorities through effective leadership, governance and democratic processes.
- ✓ We will **develop a Medium Term Financial Plan to help us become more financially sustainable and resilient; safeguarding public funds while achieving value for money**. This will ensure we are well placed to respond to

the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022/23 onwards.

- ✓ We will **promote and deliver social and economic value** through effective procurement and contract management practices. Wherever possible, we will continue to spend our money locally to support local businesses and organisations.”¹

The day to day activities of Corporate Services support the work of all Council Services and include work programmes that maintain robust systems in order to secure the highest possible standards in terms of how the Council operates, aiming for:

- High standards of leadership and management
- High standards of corporate governance
- Excellent financial management arrangements
- Sound investment and disinvestment plans based on comprehensive Business Cases²
- Efficient commissioning and procurement arrangements
- Excellent standards of customer care
- Excellent information and communications systems
- Excellent information governance and records management systems

Corporate Services also provide a range of services directly to the public; details are provided in individual Service Plans, which are available separately.

Shetland’s Partnership Plan 2018-2028

¹ SIC Corporate Plan, Our Ambition 2021-26 <https://www.shetland.gov.uk/ourambition>

² “The Green Book” <https://www.gov.uk/government/collections/the-green-book-and-accompanying-guidance-and-documents>

The Shetland Partnership Plan is a plan for all partners and communities in Shetland.

The Shetland Partnership's Shared Vision is:

"Shetland is a place where everyone is able to thrive; living well in strong, resilient communities; and where people and communities are able to help plan and deliver solutions to future challenges" and

Our Shared Priorities are:

Participation – People participate and influence decisions on services and use of resources

People – Individuals and families thrive and reach their full potential

Place – Shetland is an attractive place to live, work, study and invest

Money – All households can afford to have a good standard of living"³

Corporate Services contribute to the work of the Shetland Partnership:

- directly, for example, the administration of a range of benefits through the Finance Service contributes to the desired outcome that "all households can afford to have a good standard of living"; and
- indirectly ensuring through sound governance that all policies and decisions of the Council are aligned to Shetland Partnership outcomes.

SIC Medium Term Financial Plan 2023-2028

³ <https://www.shetland.gov.uk/downloads/file/1085/shetland-partnership-plan>

The Council's Medium Term Financial Plan (MTFP) forecasts a range of financial scenarios that may arise in the future. The Central Scenario reflects the most probable outcome, or the mid-case estimate of our likely financial position going forward.

Report F-42-23 D1 noted: the central scenario of the Plan forecasts a cumulative budgetary deficit of £81.3m by 2027/29 (2022 MTFP: £106.4m cumulative deficit). The upside and downside scenarios forecast cumulative budgetary deficits by 2027/28 of between £30.8m and £135.4m respectively (2022 MTFP: £50.6m and £157.9m). The wide range between the most optimistic and most pessimistic scenarios is indicative of the inherently uncertain environment in which the Council operates.

This will require a fundamental change in the way the Council provides its services.

Corporate Services Work Plans for 2024-2027 include proposals that will

- seek to achieve a no growth budget for Corporate Services Department in 2024/25; and
- contribute to achieving financial sustainability going forward.

Proposals include:

- | | |
|---|--|
| 1. Self-insurance arrangements monitoring and reporting | 6. Digital solutions |
| 2. Review of corporate support models | 7. Accommodation / Property Review |
| 3. Shared services | 8. Pay and Grading Review |
| 4. Outsourcing | 9. Corporate Services vacancy management |
| 5. Review of procurement arrangements | |

Further details including project plans and progress will be reported regularly in quarterly performance reports to Policy and Resources Committee as the work on these proposals is taken forward.

Best Value Assurance Report August 2022

The Council's Best Value Assurance Report (BVAR) was published by the Accounts Commission on 25 August 2022⁴.

The Accounts Commission findings raise a number of concerns including with regard to:

- Financial Sustainability
- Leadership across the Council
- Performance Management and Reporting
- Pace of transformational change and the need to resource change programmes

A BVAR Strategic Action Plan to support the improvements required was agreed by the Council on 23 November 2022 and a Members' Sounding Board was established.

Work programmes in Corporate Services cover a number of areas of work that formed part of the BVAR Strategic Action Plan. The majority of the actions identified in the plan have now been completed.

The follow up report described an improved position and at a meeting in December 2023, the Audit Commission agreed that the arrangements for the scrutiny of Best Value at the Council would form part of the annual external audit work programme. Currently the Council's external auditors are Audit Scotland.

The following areas of work featured in the BVAR Strategic Action Plan and are core priorities for Corporate Services.

- | | |
|--|----------------------------|
| • Performance Management Arrangements | • Asset Investment Plan |
| • Financial Sustainability | • Procurement Arrangements |
| • Transformational Change / New Technology | • Workforce Planning |

Internal and External Audit Report Findings and Recommendations

⁴ https://www.audit-scotland.gov.uk/uploads/docs/report/2022/bv_220825_shetland.pdf

All Audit Reports are presented to the Council's Audit Committee.

Corporate Services support the work required to address recommendations made in all audit reports.

The majority of the recommendations are with regard to key controls and matters of process and governance requiring significant input from Corporate Services; for example audits of information governance and procurement.

Corporate Services will establish projects and programmes of work as necessary and monitor progress made against all audit recommendations.

The Council's Internal Auditor will present update reports on the progress made to implement solutions to issues identified in internal audit reports to the Council's Audit Committee on a regular basis.

As at 9 February 2024, there were 88 audit recommendations to be addressed of which, 60 were assigned to Corporate Services and 47 of those were overdue.

Work to address audit recommendations will be built into Corporate Services workplans alongside other demands and priorities.

Corporate Services Directorate Plan 2024-27

Corporate Services Contact Details

<p>Director Corporate Services 8NN Lerwick ZE1 0LZ christine.ferguson@shetland.gov.uk 01595 743819</p>	<p>Assets, Commissioning & Procurement 8NN Lerwick ZE1 0LZ robert.sinclair@shetland.gov.uk</p>	<p>Finance 8NN Lerwick ZE1 0LZ paul.fraser@shetland.gov.uk</p>	<p>Governance & Law 8NN Lerwick ZE1 0LZ jan.riise@shetland.gov.uk</p>
<p>Human Resources 8NN Lerwick ZE1 0LZ ingridnoelle.smith@shetland.gov.uk</p>	<p>ICT, Performance & Improvement Computer Centre, Garthspool, Lerwick ZE1 0NY james.cunningham@shetland.gov.uk</p>	<p>SIC Chief Internal Auditor Audit Glasgow Glasgow City Chambers duncan.black@glasgow, gov.uk</p>	

Ends.

Corporate Services - Top Priorities for 2024/27



Generated on: 13 March 2024 09:53

OUR AMBITION

2.02 Our Organisational values and culture

"As a council, we are ambitious for our community and are demanding of ourselves as an organisation. We have an unwavering focus on ensuring Shetland and its people thrive. The council's Values and Behaviours Statement underpins everything we do."

01 For the council to be a fabulous place to work

Our ambition is for the **council to be a fabulous place to work**, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.

Code & Title	Description	Dates		Progress	Progress Statement
NWW1.4.2 Trauma Informed Approach	Raise awareness of a trauma informed approach within services led by trauma informed champions.	Planned Start	01-Oct-2022		Working on a clear governance structure and an approach to local capacity building to ensure trauma informed practice is embedded across the Council and partner organisations.
		Actual Start	01-Oct-2022	<div><div>85%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2026	Expected success	
Denise Morgan; Ingrid Smith		Due Date	31-Mar-2024		
Jackie Watt		Completed Date		Likely to meet target	

02 Deliver excellent services to the public.

We will maintain a **clear focus on delivering excellent services** to the public.

Code & Title	Description	Dates		Progress	Progress Statement
NWW1.3.4 Project Planning	Anticipate and prepare for programmes/priorities (Our Ambition / Change Programme) e.g. through the Management Network	Planned Start	01-Apr-2022		Improvements underway in Change Programme Project content, with links to Corporate Plan Aims. Discussions still underway and Governance Improvements being discussed with CMT.
		Actual Start	01-Apr-2022	<div><div>85%</div></div>	
Managed by & Assigned to		Original Due Date	01-Apr-2021	Expected success	
Susan Msalila		Due Date	31-Dec-2023		
Susan Msalila		Completed Date		Likely to meet target	

04 We will develop a modern, efficient and flexible workforce

We will develop a **modern, efficient and flexible workforce** with the right values, behaviours and skills through delivering the actions in our **Workforce Strategy**.

Code & Title	Description	Dates		Progress	Progress Statement
WP08 Pay & Grading Model	Review of the Council's pay and grading model to ensure the provision of a fair pay and grading model, fit for the future, enabling the Council to attract and retain talent, and remain competitive.	Planned Start	01-Apr-2022		Given the continued vacancy for Executive Manager - Human Resources and pressures of work this project will be delayed. Scoping will now take place in Autumn 2024.
		Actual Start	09-Jan-2022	<div><div>5%</div></div>	
Managed by & Assigned to		Original Due Date	31-Dec-2026	Expected success	
Ingrid Smith		Due Date	31-Aug-2026		
Marie Gordon		Completed Date		Experiencing issues, risk of failure to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
WP10 Learning at Work Policy	Refresh the Learning at Work Policy to reflect a new approach to talent and development promoting a culture of personal responsibility.	Planned Start	01-Jan-2022		Learning at Work policy completed and due to be presented at Policy & Resources Committee for final approval on 20 March 2024
		Actual Start	18-Oct-2022	<div><div>90%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2023	Expected success	
Ingrid Smith		Due Date	20-Mar-2024		
Jackie Watt		Completed Date		Likely to meet target	

05 We will use technology to support modern, accessible customer interactions

We will **use technology to support modern, accessible customer interactions**, to be a catalyst for cross-council service improvement, and support flexible working practices.

Code & Title	Description	Dates		Progress	Progress Statement
FI01 HR and Payroll System upgrade / replacement project	Project to investigate upgrade or replacement of current CHRIS21/HR21 HR and Payroll system before it goes end of life (expected 24/25)	Planned Start	20-Feb-2023		Options appraisal report with recommendations produced for the Project Board
		Actual Start	07-Mar-2023	<div><div>15%</div></div>	
Managed by & Assigned to		Original Due Date	31-Dec-2024	Expected success	
James Cunningham		Due Date	31-Dec-2024		
James Sawkins		Completed Date		Likely to meet target	



Code & Title	Description	Dates		Progress	Progress Statement
FI02 Future MS Office upgrade project	Project to replace current Microsoft Office 2016, and Microsoft Exchange (email) suite before it goes end-of-life in October 2025	Planned Start	28-Feb-2023		BJC approved by Council on 13th Dec 2023 for 24/25 financial year
		Actual Start	29-Mar-2023	<div><div>25%</div></div>	
Managed by & Assigned to		Original Due Date	31-Oct-2025	Expected success	
James Cunningham		Due Date	31-Oct-2025		
James Sawkins		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA197 Health and Social Care ICT system	Implement the new Health and Social Care ICT system (SWIFT Replacement)	Planned Start	01-Apr-2022		Report produced for CMT of issues with supplier due to them pulling out of the market
		Actual Start	01-Sep-2021	<div><div>50%</div></div>	
		Original Due Date	31-Mar-2023	Expected success	
		Due Date	31-Mar-2025		
		Completed Date		Experiencing issues, risk of failure to meet target	
Managed by & Assigned to					
James Cunningham					
James Cunningham					

Code & Title	Description	Dates		Progress	Progress Statement
OA203 Evaluate Integra Financial Management System	Replace or upgrade current financial system (Integra)	Planned Start	01-Jun-2023		BJC approved by Council as past of AIP
		Actual Start	02-Feb-2023	<div><div>30%</div></div>	
		Original Due Date	31-Dec-2023	Expected success	
		Due Date	31-Oct-2024		
		Completed Date		Likely to meet target	
Managed by & Assigned to					
James Cunningham					
James Sawkins					

Code & Title	Description	Dates		Progress	Progress Statement
OA207 Card Payment PCI DSS Compliance	Project for investigating Payment Card Industry Data Security Standard (PCI DSS) Compliance compliance for the various Council wide card payment systems. This is ahead of v4 of the compliance standards become mandatory after 31st March 2024.	Planned Start	01-Apr-2022		Telephone payment system installed in live, however we require a new upgrade to AIM to correct issues introduced by the Access Group in the process. The latest version is installed on AIM test and finance staff are re-testing before live rollout. Finance do not intend to launch the new Telephone facility until the issues with AIM are resolved.
		Actual Start	06-May-2022	<div><div>80%</div></div>	
		Original Due Date	31-Mar-2024	Expected success	
		Due Date	29-Mar-2024		
		Completed Date		Likely to meet target	
Managed by & Assigned to					
James Cunningham					
James Sawkins					We have also been informed by the Access Group that we will have to move to the AIM Cloud version to remain compliant. As and when that happens, that will change the PCI DSS requirements again. But we will press on as we are until we learn more.

Code & Title	Description	Dates		Progress	Progress Statement
OA208 HR & Payroll Business Transformation	Project looking at digitising various HR and Payroll processes, using Firmstep	Planned Start	01-Apr-2022		Request a Recruitment now launched, work continues on the remaining forms.
		Actual Start	01-Sep-2020	<div><div>65%</div></div>	
		Original Due Date	31-Mar-2024	Expected success	
		Due Date	31-Mar-2024		
		Completed Date		Likely to meet target	
Managed by & Assigned to					
James Cunningham					
James Sawkins					

Code & Title	Description	Dates		Progress	Progress Statement
OA276 GIS Plotting of Council Land	Project to digitize Council titles, create an interactive map of council owned land/buildings for the public and council staff	Planned Start	01-Mar-2021		All project targets met.
		Actual Start	01-Mar-2021	<div><div>100%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2022	Expected success	
Robert Sinclair		Due Date	02-Feb-2024		
Kenn Allan; Tracey-Anne Anderson		Completed Date	01-Feb-2024	Likely to meet target	


08 Deliver our priorities through effective leadership, governance and democratic processes.

We will **work with our partners and our community** to deliver our priorities through effective leadership, governance and democratic processes.

Code & Title	Description	Dates		Progress	Progress Statement
WP17 Leadership Skills	Develop and deliver effective leadership skills programme that support new ways of working and service transformation	Planned Start	01-Apr-2022		Leadership skills e-learning ongoing. New Team Leader level leadership development programme proposals received. To be aligned with workforce planning requirements.
		Actual Start	01-Jan-2022	<div><div>55%</div></div>	
Managed by & Assigned to		Original Due Date	31-Dec-2026	Expected success	
Ingrid Smith		Due Date	30-Jun-2024		
Jackie Watt		Completed Date		Likely to meet target	

09 Medium Term Financial Plan

We will **develop a Medium Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money.** This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards.

Code & Title	Description	Dates		Progress	Progress Statement
OA133 Shetland Amenity Trust review	Complete a full review and options appraisal for SAT activities in consultation with key stakeholders including SCT and HIE	Planned Start	01-Apr-2021		SOC presented to SIC 30 June 2021. Update report on 24 November 2021 recommended a 2 year SLA with detailed monitoring arrangements to be developed and implemented from 1 April 2022. This will allow SAT to develop and implement changes to demonstrate the viability of their revised business plan, which is the basis for the Status Quo option in the OBC and FBC for services commissioned by the Council including Museum and Archives. Work undertaken by SAT has addressed immediate issues and new monitoring arrangements are in place and working well. No further action required. Project in the process of being closed down.
		Actual Start	23-May-2022	<div><div>90%</div></div>	
Managed by & Assigned to		Original Due Date	31-Mar-2023	Expected success	
Christine Ferguson		Due Date	31-Mar-2024		
Christine Ferguson		Completed Date		Likely to meet target	



Code & Title	Description	Dates		Progress	Progress Statement
OA134 Emergency Planning and Resilience review	Review function, roles, resource levels, capacity	Planned Start	01-Apr-2021		Proposals for change including with regard to Emergency Planning and Resilience were presented to Policy and Resources Committee on 14 February 2022. P&R requested further work and more detailed proposals. Budget constraints and limited staff availability have affected the resource allocation to this review. The 1FTE dedicated post for Emergency Planning and Resilience has been vacant following the retirement of the Resilience Adviser in November 2023. Temporary arrangements were put in place to cover the vacancy and an appointment has now been made. The incoming post holder will review the arrangements and propose a new timeline for the review of this function.
		Actual Start	01-Apr-2021	<div><div>25%</div></div>	
		Original Due Date	31-Mar-2022	Expected success	
		Due Date	01-Apr-2024		
		Completed Date		Experiencing issues, risk of failure to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA135 Knab Site Redevelopment Programme	Knab Site Redevelopment Programme	Planned Start	01-Apr-2021		Phase 2 demolition underway. Planning application for infrastructure phase submitted.
		Actual Start	11-Nov-2021	<div><div>15%</div></div>	
		Original Due Date	31-Mar-2026	Expected success	
		Due Date	31-Mar-2030		
		Completed Date		Likely to meet target	

Code & Title	Description	Dates		Progress	Progress Statement
OA249 Museum Store	Option appraisal on new/existing museum store	Planned Start	01-Oct-2022		Options appraisal being refined.
		Actual Start	01-May-2022	<div><div>15%</div></div>	
		Original Due Date	31-Mar-2024	Expected success	
		Due Date	31-Mar-2024		
		Completed Date		Likely to meet target	

10 Promote and deliver social and economic value through effective procurement and contract management practices

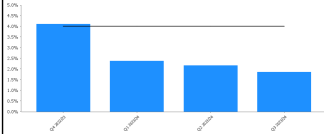
We will **promote and deliver social and economic value** through effective procurement and contract management practices. Wherever possible, we will continue to spend our money locally to support local businesses and organisations.

Code & Title	Description	Dates		Progress	Progress Statement
OA194 Procurement Review	Review roles, responsibilities, processes and performance with reference to Scotland Excel Annual Report and training outcomes	Planned Start	01-Apr-2022		A project officer has been assigned to this project, and advice sought from Scotland Excel - although this has not been as helpful as expected. Resource demands on key staff are hindering progress, however some headway has been made reviewing Contract Standing Orders, comparing with other organisations, and deciding on a bottom up approach to produce guidance which is helpful in the more straightforward procurements.
		Actual Start	01-Apr-2022	<div><div>10%</div></div>	
		Original Due Date	31-Mar-2023	Expected success	
		Due Date	31-Mar-2024		
		Completed Date		Experiencing issues, risk of failure to meet target	
Managed by & Assigned to					
Robert Sinclair					
Graeme MacDonald					

Corporate - Quarterly Performance Indicators



Generated on: 13 March 2024

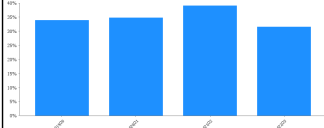
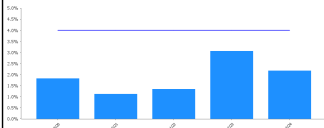
Code & Short Name	Previous Quarters			Q3 2023/24 Target	Graphs	Past performance & future improvement Statements
	Q1 2023/24	Q2 2023/24	Q3 2023/24			
	Value	Value	Value			
OPI-4C-F Sick %age - Corporate Services Directorate	2.4%	2.2%	1.9%	4.0%		<p>Performance: We continue to promoting and support employee health and wellbeing, including mental health which is making a positive difference to our sickness levels</p> <p>Improvement: We continue to apply the Council's "maximising attendance" policies and procedures and we predict that the levels in the Directorate will remain significantly below target and well below the average for the Council for 19/20</p>

Corporate - Yearly Performance Indicators



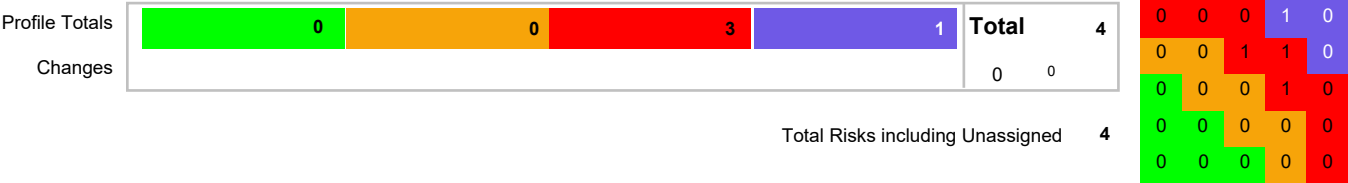
Generated on: 13 March 2024

Code & Short Name	Previous Years			Graphs	Past performance & future improvement Statements
	2020/21	2021/22	2022/23		
	Value	Value	Value		
CORP01 How much of my council's total running costs is spent on administrative support services	1.31%	1.22%			<p>Past Performance: The cost of administrative support is in line with the true support costs as agreed in the LFRs for Corporate Services. Other authorities may include other support, which results in the varying figures being achieved in other authorities. The % has remained relatively static over the last 4 years.</p> <p>Future Improvement: We expect this % will increase as vacancies are filled to support Our Ambitions and Change Programme going forward.</p> <p>2022/23 Target: 1.5%, slightly higher as vacancies are filled</p>

Code & Short Name	Previous Years			Graphs	Past performance & future improvement Statements
	2020/21	2021/22	2022/23		
	Value	Value	Value		
CORP03b Percentage of council employees in top 5% of earners that are women	34.78%	39%	31.54%		<p>Past Performance:</p> <p>This SPI has decreased from 35% to 31.54% due to the top 5% of employees now landing on a single point salary, rather than falling in the middle of a grade which has multiple occupancy..</p> <p>As this Indicator is based on earnings not hierarchy, high earnings in the marine services (a sector that is predominantly male dominated) is reflected in this figure.</p> <p>The senior leadership team (CMT) of the council now has 50% representation by female staff (down from 60%) including the Chief Executive who acts as a positive role model for achieving a gender balance in senior posts. There is currently a vacant post, which was previously occupied by a female.</p> <p>Future Improvement:</p> <p>We continue to develop our management and leadership development opportunities which are widely promoted to encourage applicants from across the council structure.</p> <p>Flexible working including longer term home/hybrid working is being promoted and encouraged wherever possible to support those with caring responsibilities, which evidence indicates falls predominantly on women.</p>
OPI-4C-F Sick %age - Corporate Services Directorate	1.1%	1.3%	3.0%		<p>Performance: We continue to promoting and support employee health and wellbeing, including mental health which is making a positive difference to our sickness levels</p> <p>Improvement: We continue to apply the Council's "maximising attendance" policies and procedures and we predict that the levels in the Directorate will remain significantly below target and well below the average for the Council for 19/20</p>

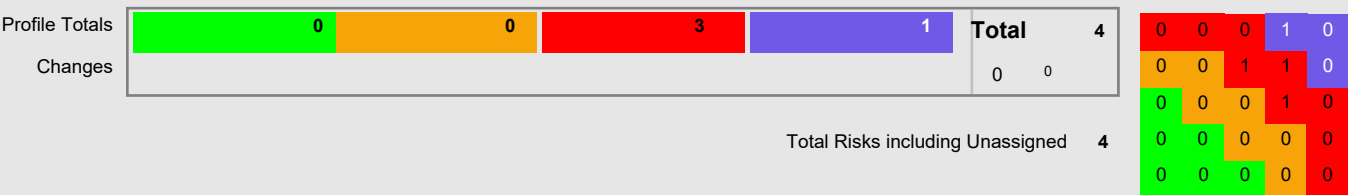
Directorate Details

Directorate



Risk Register - Corporate Services

Manager Christine Ferguson



Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Corporate Services provides a range of functions - Finance, Human Resources' Recruitment and Workforce Development, Change Programme, ICT, Governance, Legal, Contract Compliance, Capital Programme - to enable Council departments to deliver services to communities across Shetland. There are vacancies in key posts in Corporate Services Department, and the organisation is already experiencing the impacts from those shortages of key staff. Additional vacancies in key posts are anticipated.	Staff number/skills shortage	Christine Ferguson	B0014		13/10/2023
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Loss of key staff, resignation, retirement, sickness absence.	Increasing pressure on teams within Corporate Services, stress for remaining staff, impact on staffing and services. Impactful delays in the provision of essential support to frontline services, impact on services, service-users and communities, censure by external regulators. Less capacity to manage and to transform, change management failure, negative impacts on strategic, financial, medium and long term planning. Our Ambition not achievable. Lost opportunities, poorer outcomes.	• There are range of controls in place: Acting up arrangements are in place where necessary to ensure compliance with regulatory requirements; HR take innovative approaches to recruitment in order to attract a pool of candidates; Change programme projects are progressing for the purpose of transforming services, including through digitisation. Work is ongoing to prioritise the change programme and hence to ensure the organisation can accommodate strategic and transformative change. The Corporate Consultation forum and North Ness safety forum are held regularly. They provide staff with the opportunity to exchange information, discuss pressures and raise issues of concern. <i>Christine Ferguson</i>	In Progress	Very High 20 Major Almost Certain	

Review Comments

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Our Ambition - Change Programme challenges. The Council launched Our Ambition in 2021, an ambitious	Change management failure	Christine Ferguson	B0013	22/11/2023	22/08/2024

Risk Register - Corporate Services

five year vision. The Change Programme is the mechanism by which that vision will be delivered. The intended outcomes of the Change programme are to manage growth, support the development of more sustainable services and support the delivery of the Council's commitments in Our Ambition. Corporate Management Team sits as the Programme Board for the Change Programme meeting quarterly. The Council is undergoing a period of significant change against a background of external pressures from local and national factors. The Council's response and recovery to COVID-19 continues to shape and challenge how we deliver services and manage the Change programme.

There is a risk that Corp Services have insufficient information and decisions from the Council in order to prepare a SMART Change Programme Delivery Plan. This would result in failure to support and deliver change projects/programmes and failure to achieve target outcomes set out in Our Ambition.

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Competing priorities and demands on the organisation Workload pressures on staff Scarce resources in terms of staff, expertise, money and support services. Unique posts and small teams mean those services are more vulnerable should a member of staff leave. A lack of detailed programme/project timelines and resourcing requirements; Revised budget post Scottish Govt settlement – budget-setting challenges, requirement to make savings now and in the future - the new MTFP places ambitious financial targets on the organisation; Implementing various pay and conditions requirements; The planned governance reviews, organisation-wide project work, service redesign, the National Care Service review; Competing demands on the organisation; Vacancies particularly in some areas (Teaching, Care, Planning) and for unique posts, recruitment exercise. Additional pressures across the workforce from Covid-19	The organisation cannot demonstrate "right shape, right skills, right culture" and hence struggles to deliver the services that communities require, within available resources; Impact on planned work particularly corporate/ strategic review and strategy development. Organisation cannot achieve, or is delayed in achieving, the MTFP savings. Lack of capacity to focus upon opportunities for change, or at points of transition such as when vacancies arise – opportunities missed, organisation is mainly reactive; Difficulty in recruiting, which is already experienced across the organisation and is acute in some services; Impacts on services and outcomes for the community including levels of employment if the SIC fails to maintain an effective workforce - the SIC as an employer is a significant factor in the sustainability of communities both in terms of service provision and employment opportunities; Causes or exacerbates additional cost from unanticipated service demand, with impacts from managing sudden vulnerabilities of fragile communities being of particular concern – with resulting further impact on service delivery, impact on service users,	<ul style="list-style-type: none"> • HR continually reviews the council's HR policies and processes to ensure they support the Workforce Strategy and the wider organisation plans and priorities. Responding and recovering from the pandemic is also reflected in the Workforce Strategy that provides a framework to focus attention and prioritise work. Supporting and promoting flexible working and transforming HR transactions and workflow will help streamline processes; widening employee self-service which will minimise the demands it places on our staff. Consultation has taken place with departmental management teams to develop a workforce plan for the Council that reflects the workforce needs and challenges for services in the short, medium and long term. We will also continue to prioritise employee well-being, fairness, equality and support through this change. <i>Marie Gordon</i> • Various plans are in place: Our financial planning process is more robust and in line with other planning processes. The risks to Directorate and Service plans are articulated and considered in reports. The Risks for new initiatives including the allocation of resources are considered at Project start up and kept under review. The Corporate Plan, Our Ambition 21-25 provides a framework for the councils work programme and priorities. <i>Paul Fraser</i> • Various controls are in place: Discussions across directorate management teams and at CMT allow and ensure effective and timely sharing of information; Reporting to P&R and SIC provide effective and timely information and decision-making. <i>Christine Ferguson</i> 	In Progress	High	
				16 Major Likely	
			In Progress		
			In Progress		

Risk Register - Corporate Services

		<ul style="list-style-type: none">• Corporate Services management team will keep work programmes under review and report issues to CMT and P&R Committee as appropriate. Redesign work e.g. work to implement the Commissioning and Procurement Framework, the actions from the Third Sector Review and the implementation of the Community Empowerment Act will be supported by additional project resources funded by the Funding for Change budget. <p>Corporate Services will provide additional resources to assist with change projects across the Council through its Project Management Office function.</p> <p><i>Christine Ferguson</i></p>	In Progress		
Review Comments	Reviewed 22/11/2023				
0.00 0.00 0.00 0.00					

Risk Register - Corporate Services

0.00	0.00	0.00		
0.00	0.00	0.00	0.00	0.00

Totals	4					
--------	---	--	--	--	--	--

(Status Flag = "ACTIVE" AND Record Type = 1) and Status Flag=ACTIVE - Business Unit Code=B - ISNULL(Project Code)

0.00	0.00	0.00	0.00	0.00	0.00	0.00
------	------	------	------	------	------	------



Meeting(s):	Policy and Resources Committee	20th March 2024
Report Title:	Community Health and Social Care Planning and Performance Update Q3	
Reference Number:	CC-15-24-F	
Author / Job Title:	Lucy Flaws and Pam Shead, Planning and Performance Officer, NHS Shetland	

1.0 Decisions / Action required:

- 1.1 That the Policy and Resources Committee NOTE the Performance report and update.

2.0 High Level Summary:

2.1 Community Health and Social Care Performance to end of December 2023

This Community Health and Social Care Quarterly Performance Report looks at how strategic priorities are being met, provides information on the general performance including financial and individual service areas, and looks at performance against outcomes and indicators.

- 2.2 A number of appendices are included to give an overview and context around service and system performance:

Appendix A: HSCP Performance Indicators Report, RAG rated with comparison over time

Appendix B: Community Health and Social Care – Financial Performance – Q3 – 2023/24

Appendix C: Community Care Case Studies

Appendix D: Dementia Voices Case Study

Appendix E: Complaints and Feedback

- 2.3 Community Health and Social Care face challenges in regards to the recruitment of staff and pressure on staff across all services.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council's Corporate Plan: 'Our Ambition 2021-26' was approved on 16 December 2020 (Min Ref: SIC 91/20). Community Health and Social Care Directorate's performance links to the following priorities in Our Ambition:

1. Our ambition is for the Council to be a fabulous place to work, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality.

2. We will maintain a clear focus on delivering excellent services to the public.

3. We will develop a modern, efficient and flexible workforce with the right values, behaviours and skills.
4. We acknowledge the role of the IJB in setting the strategic agenda for the provision of health and care for our community and will support the delivery of the services commissioned from us.
5. Working together with NHS Shetland, we will deliver the outcomes in the Integration Joint Board's Strategic Plan.
6. Community care services will continue to support people to be independent and able to live at home in the community.
7. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention.
8. We will manage the change from service provision to self-directed support.
9. We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services
10. We will develop a Medium Term Financial Plan to help us become more financially sustainable and resilient; safeguarding public funds while achieving value for money.


3.2 Delivery of the Strategic Plan relies on partnership working between Shetland Islands Council, NHS Shetland, Shetland Charitable Trust, other regional and national organisations (such as the Scottish Ambulance Service, NHS Grampian and other specialist Health Boards), voluntary sector providers and with individuals and families at the centre of decision making around their health and care needs.

4.0 Key Issues:




- 4.1 Appendix A comprises of the Red Amber and Green (RAG) report for Performance Indicators with figures of our previous quarters, narrative is included against individual indicators in the appendix.
- 4.2 The performance indicator information for SIC delivered services are presented below; however it is important to note that Community Health and Social Care performance is interrelated with NHS Shetland, and the integration of delivery is key in the performance of the system. The following are highlighted for the Committee to note as service areas that have seen improvement in performance from the last quarter:

Service Performance:

This quarter: **Amber** (previous quarter: Red)



Code & Short Name	RAG	Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24	Current Target
ASW001a Percentage of assessments completed on time - Social Work		73.4%	79.8%	69.2%	74.4%	57.3%	66.4%	70%

This quarter: **Green** (previous quarter: Amber)

Code & Short Name	RAG	Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24	Current Target
ASW001b Percentage of assessments completed on time - Community Care Resources		100%	100%	58.8%	77.4%	63.2%	81.8%	70%
CCR005 Occupancy of care homes		75.3%	80%	79.6%	79%	79.6%	82.6%	85%
CCR005a Permanent occupancy of care homes		52%	53%	48.33%	48%	50.67%	54.6%	55%

4.3 The following areas have seen a decline in performance from Q2 as highlighted:

This quarter: **Red** (previous quarter: Amber)

Code & Short Name	RAG	Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24	Current Target
CH-DD-01 Delayed Discharges - total number of people waiting to be discharged from hospital into a more appropriate care setting, once treatment is complete, excluding complex needs codes.		7	11	2	6	3	7	0
CH-DD-02 Delayed Discharges - number of people waiting more than 14 days to be discharged from hospital into a more appropriate care setting, once treatment is complete, excluding complex needs codes.		13	27	3	5	5	5	0

4.4 Delayed Discharges, there are ongoing staffing challenges within community care services, multiagency work to facilitate discharge and to review and minimise delays is ongoing to optimise use of resources for best outcomes.

4.5 Staff sickness continues not to meet the 4% target; staff sickness is managed through the absence management procedures, and return to work discussions are held, with referral to Occupational Health and other support services made as appropriate. However it should be noted that Health and Social care have a high number of front line workers who will be unable to safely carry out duties with vulnerable service users when they have a virus or other illness, where office based workers may be able to work from home.

Case Studies:

4.6 Appendix C – a collection of case studies showing how the Community Care Resources service which includes Care@Home teams and Residential Care Teams help support residents, and how they have been working collaboratively with Dental teams, as well as using innovative solutions and resilience during adverse weather, to provide support and activities that provide social interaction, physical activity, and cognitive stimulation. The case studies also look at how support offered is more than physical care, but also emotional support and motivation which can be a key to supporting people to achieving their desired outcomes.

4.7 Appendix D – a case study on ‘Connecting People Connecting Support’ in Shetland project, which is a service provided for people with dementia in Shetland. New dementia diagnosis numbers are increasing and anticipated to increase by 2024 up

to 429; this project looks at what support is beneficial for those living with dementia and those that support them. The project highlighted the need for better information, support, and Allied Health Professionals involvement in dementia care in Shetland. Further work is needed to implement the project's recommendations and improve care for people with dementia.

- 4.8 Appendix E shows complaints received and also provides an example of the feedback our Community Care Resources teams have received over the Quarter 3 period.

4.9 Financial Performance Quarter 3 - 2023-24

4.9.1 Revenue Outturn Position

The projected revenue outturn for the Community Health and Social Care Directorate is £32.464 (see Appendix B); this is an overspend of (£2.406m) compared to the Directorate's approved revenue budget of £30.059m. Centrally-controlled budgets managed by other Directorates are non-controllable and are expected to be £5.357m, in line with the approved budget.

4.9.2 Capital Outturn Position

No spend is expected on capital projects across the Directorate this financial year. This is an underspend of £0.222m against the Directorates approved budget. The projected underspend relates to the new Care Director system which is currently on hold. An update on this project will be given in report CRP-06-24 which is also being presented to this committee.

4.10 Staffing

There are a significant number of vacant posts across the Directorate, due to difficulties in recruiting to posts.

Within Adult Services and Community Care Resources a significant amount these vacant posts are being covered by staff working additional hours and agency staff at significant cost to the Council.

At the end of Quarter 3 the number of full-time equivalent vacant posts were:

Service Area	Vacant Posts at Q3 FTE	% of Total Budgeted FTEs
Director of Community Health and Social Care	1.4	9%
Adult Services	21.2	15%
Community Care Resources	49.4	12%
Criminal Justice	1.5	22%
Adult Social Work	1.8	6%
Occupational Therapy	0.2	1%

5.0 Exempt and/or confidential information:

- 5.1 None

6.0 Implications :	
6.1 Service Users, Patients and Communities:	<p>The Triple Aim is a framework that describes an approach to optimising health system performance through the simultaneous pursuit of three dimensions:</p> <ul style="list-style-type: none"> • improving the quality of healthcare • improving the health of the population, and • achieving value and financial sustainability. <p>It highlights the importance of working on all three components in parallel and recognises the interconnections; a change in one component can affect the other two, either positively or negatively. The suite of core performance indicators helps to provide reassurance that our service models are delivering a good mix of all three components, to our service users, patients and the wider community. A move towards an outcomes based approach will strengthen this by assessing it from an individual, and family, perspective of 'what difference did we make'.</p>
6.2 Human Resources and Organisational Development:	<p>There continue to be issues with recruitment and retention across multiple areas, these are being addressed through work with the Human Resources team with some positive results.</p>
6.3 Equality, Diversity and Human Rights:	<p>The Joint Strategic Commissioning Plan 2022-25 has undergone EQIA. The Information and Planning teams work with the services to understand how their data reflects inequalities and how to use this to inform improvement work.</p>
6.4 Legal:	<p>The Public Bodies (Joint Working) (Scotland) Act 2014 ("the 2014 Act") established the legislative framework for the integration of health and social care services.</p> <p>The IJB must monitor performance with regard to the functions delegated to the IJB by SIC and NHSS (the Parties) under the terms of the 2014 Act.</p> <p>Performance monitoring allows the Council and IJB to measure performance and monitor progress against delivery of the Strategic Plan and achieving agreed national and local outcomes.</p>
6.5 Finance:	<p>This report demonstrates that Community Health and Social Care Services, under the remit of the Policy and Resources Committee, are projected to spend more than their Council approved revenue budget, and less than their approved capital budget by (£2.405m) and 0.222m respectively.</p> <p>15% of the projected revenue overspend relates to approved budget savings which have not yet been identified. This and other overspends, if not addressed, will add to the Council's unsustainable draw on reserves to fund expenditure.</p>

	The Council's overall projected revenue outturn at Quarter 3 is overspent of (£1.696m), which includes the (£2.405m) overspend in this report, this will increase the unsustainable budget draw on Reserves to (£12.198m) if no remedial action is taken.	
6.6 Assets and Property:	There are no specific issues to address with regard to assets and property.	
6.7 ICT and new technologies:	There are no specific issues to address for ICT and new technologies.	
6.8 Environmental:	There are no specific environmental implications to highlight.	
6.9 Risk Management:	The HSCP Directorate Risk Register has been updated accordingly as the situation described in the main body developed. The IJB has a Risk Management Strategy in place and considers the risks regarding the activities of the IJB itself as a body corporate and also the risks associated with the services provided to meet the obligations of the IJB with regard to the functions delegated by the Council and NHSS on a regular basis.	
6.10 Policy and Delegated Authority:	The responsibility for decisions about the planning and strategic commissioning of all health and social care functions that have been delegated to the IJB sits with the IJB as a statutory public body. Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Committee may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to it by the Council. In accordance with Section 2.2.1(4) of the Council's Scheme of Administration and Delegations, the Policy and Resources Committee has delegated authority to ensure the effectiveness of the Council's planning and performance management framework. Any matters relating to the delivery or provision of the functional services concerned are delegated to the Integration Joint Board.	
6.11 Previously considered by:	Integrated Joint Board	29 February 2024

Contact Details:

Lucy Flaws

Email: lucy.flaws@nhs.scot

Appendices:

- Appendix A: HSCP Performance Indicators Report, RAG rated with comparison over time
- Appendix B: Community Health and Social Care – Financial Performance – Q3 – 2023/24

- Appendix C Community Care Case Studies
- Appendix D: Dementia Voices Case Study
- Appendix E: Complaints and Feedback

Background Documents:

[Our Ambition 2021-2026](#)

END

Performance Management Group - Progress Report Quarterly







Shetland Islands Council


RAG report for reporting progress on PI's to CH&SC.

Generated on: 13 February 2024




Red



Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23 Value	Q3 2022/23 Value	Q4 2022/23 Value	Q1 2023/24 Value	Q2 2023/24 Value	Q3 2023/24 Value		
ASW001 Percentage of assessments completed on time		55.7%	63.7%	43.8%	57.5%	43.4%	48.8%	70%	Operational and staffing pressures on system are limiting progress in improving data capture as noted in previous reports. These pressures are also impacting assessment times. 127 of 260 assessments completed within target.
ASW001d Percentage of assessments completed on time - OT		36.3%	41.3%	19.3%	36.2%	22.9%	19.4%	70%	There has been a lot of work undertaken in relation to this, with a test of change and temporary solution put in place, which has reduced triage time, and offered improvement via dedicated admin support to Triage. However, the volume of referrals received is impacting on the length of time clients with non-urgent needs wait – this issue is of concern and is being monitored closely. 19 of 98 assessments completed on time.
CH-DD-01 Delayed Discharges - total number of people waiting to be discharged from hospital into a more appropriate care setting, once treatment is complete, excluding complex needs codes.		7	11	2	1	3	9	0	
CH-DD-02 Delayed Discharges - number of people waiting more than 14 days to be		13	27	3	5	5	5	0	

Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
discharged from hospital into a more appropriate care setting, once treatment is complete, excluding complex needs codes.									
CH-MH-02 18 weeks referral to treatment for Psychological Therapies (percentage of ongoing waits less than 18 weeks)		51.3%	60.5%	59.8%	77.6%	69%	58.3%	90%	There remains staffing challenges, however opportunities for team and staffing support is being looked into, in particular the possibility of sharing of expertise between NHS Shetland and Orkney. We have , and continue to explore the use of locum staff however this has so far been a complex process. The possibility of sharing expertise with NHS Orkney would provide a more robust and stable structure and we continue to progress this. We have recently utilised a funding stream to reduce waiting lists for CBT through a fixed term therapist.
CJ004 Risk and need assessment completed and case management plans in place within 20 days		100%	40%	100%	100%	50%		100%	Half of cases fell slightly outwith the 20 day period, factors included part-time working impacting capacity and timing.
NA-EC-01 A&E 4 Hour waits (NIP103b)		93.1%	90.5%	87.6%	89.7%	82.6%	84.7%	95%	Note target updated to national 95% target, 98% had been historic stretch target but is no longer in place. Although we are not reaching the target, Shetland are in the top 3 Health Boards for providing access to ED within 4 hours.
OPI-4C-E Sick %age - Community Health & Social Care Directorate		6.3%	5.9%	8.8%	6.8%	7.4%	6.1%	4.0%	A review by adult services has identified that approximately 50% of all sickness in the service is coded 'Infectious (colds/flu/fever/covid)'. Further analysis is required but it may be that the directorate have a higher proportion of staff on sick leave as they






Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
									cannot attend work due to being infectious and presenting a risk to service users.
PH-HI-03 Sustain and embed Alcohol Brief Interventions in 3 priority settings (primary care, A&E, antenatal) and broaden delivery in wider settings.		43	74	130	43	97	131	195	This is a cumulative target across the year rather than representing activity within the month/quarter. Note this is a 75% improvement on the same period last year, and is equivalent to last year's full year total. There are capacity challenges within the Health Improvement team to deliver training and support for others delivering ABIs. There is an opportunity to increase engagement with ABIs and related outcomes by incorporating them effectively in Long Term Condition management conversations, for example in House of Care.

Amber

Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
AS003 Number of incidents of emergency respite provided for adults with Learning Disability/Autistic Spectrum Disorder		2						0	P.I. to be reviewed
ASW001a Percentage of assessments completed on time - Social Work		73.4%	79.8%	69.2%	74.4%	57.3%	66.4%	70%	71 of 107 assessments completed on time in quarter.
ASW001c Percentage of assessments completed on time - Intermediate Care Team		68.8%	77.1%	70%	60%	63.6%	69.8%	70%	30 of 43 assessments completed on time in quarter.




Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
ASW002 Percentage of reviews completed on time		80.8%	85.9%	78%	81.7%	83.3%	88.7%	90%	There have been staffing pressures which may have led to the failure to meet this target however there may also be a level of recording issues which will require exploration.
E01 FOISA responded to within 20 day limit - Health & Social Care Services		100%	55%	100%	50%	82%	82%	95%	9 out of 11 responses made in 20 working days – 2 requests responded to over 20 days – 0 requests closed as not responded to (over 60 days wait) – 1 open request as at 22 January.

Green

Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
AHP001x OT - Critical cases awaiting allocation		5	1	5	3	6	4	10	
AHP002 Percentage Waiting Time from Referral to Treatment for Orthotics Services (18 weeks)		100%	100%	59.3%	93.8%	91.2%	85.9%	90%	
AHP004 Percentage Waiting Time from Referral to Treatment for Podiatry Services (18 weeks)		100%	100%	97.9%	98.3%	100%	99.4%	90%	
AHP006 Number of people receiving home monitoring for health and social care (technology enabled care)		801	781	765	754	754	717	599	
ASW001b Percentage of assessments completed on time - Community Care Resources		100%	100%	58.8%	77.4%	63.2%	81.8%	70%	9 of 11 assessments completed within timescale. Still some data issues as not all units fully recording

Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
									assessments. The service continues to prioritise the collection of meaningful data to comply with SG reporting requirements and to assist with prioritisation and service improvement.
ASW003 Percentage of outcomes for individuals are met	✓	92%	92%	91%	92%	91%	92%	90%	
CCR005 Occupancy of care homes	✓	75.3%	80%	79.6%	79%	79.6%	82.6%	85%	
CCR005a Permanent occupancy of care homes	✓	52%	53%	48.33%	48%	50.67%	54.6%	55%	
CCR005b Respite and short term occupancy in care homes	✓	23.67%	26.67%	31.33%	31%	29.33%	28%	25%	
CCR007 Number of 65 and over receiving Personal Care at Home.	✓	229	240	244	253	238	233	200	
CCR009 Number of people waiting for a permanent residential placement.	✓	11	6	11	9	4	7	10	Target is to have less than 10 people waiting for a permanent residential placement. 6 of these clients are already in an interim placement.
CH-AO-01 Maximum Waiting Time from Referral to First Consultation for Physiotherapy Services - %age of patients seen within 18 weeks	✓	100%	100%	87.7%	98.2%	100%	100%	90%	
CH-DA-01 Clients will wait no longer than 3 weeks from referral received to appropriate drug treatment that supports their recovery.	✓	100%	100%	100%	100%			90%	
CH-DA-02 Clients will wait no longer than 3 weeks from referral received to appropriate alcohol treatment that supports their recovery.	✓	100%	100%	66.7%	100%			90%	Q1 data will be published by Public Health Scotland in September

Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
CH-DA-03 Clients will wait no longer than 3 weeks from referral received to appropriate co-dependency treatment that supports their recovery.	✓	100%	100%	DIV/0	100%			90%	
CH-MH-01 18 weeks referral to treatment for Psychological Therapies (percentage of completed waits less than 18 weeks)	✓	50%	66.7%	52.2%	75.4%	78.4%	84.7%	90%	
CH-MH-04 People with diagnosed dementia who take up the offer of post diagnostic support (ie have an active Post Diagnosis Support status)	✓		37%	39.4%	42.1%	74.8%	79%	50%	
CH-MH-05 People with diagnosed dementia who take up the offer of post diagnostic support (rolling 12 months)	✓	36%	91.5%	93%	91.9%	96.3%	100%	80%	
CH-SC-01 Percentage of people that require intensive care (over 10 hours per week) that receive it in their own home.	✓	50%	55%	58%	55%	47%	50%	50%	
CJ001 Percentage of Criminal Justice Social Work Reports submitted to Courts on time	✓	100%	100%	100%	100%	100%		100%	
CJ002 Percentage of new Community Payback Orders (Supervision) seen within 5 working days of the order being made	✓	80%	100%	100%	100%	100%		100%	
CJ003 Unpaid Work commenced within 7 working days	✓	66.67%	100%	100%	100%			100%	
MD-MH-01 People with a diagnosis of dementia on the dementia register	✓	207	203	186	181	187	182	184	
MH002 Admissions to Psychiatric Hospitals	✓	7	5					6	
NIP1 04 Number of days people spend in hospital when they are ready to be discharged	✓							111	

Code & Short Name	RAG	Quarters						Current Target	Latest Note
		Q2 2022/23	Q3 2022/23	Q4 2022/23	Q1 2023/24	Q2 2023/24	Q3 2023/24		
		Value	Value	Value	Value	Value	Value		
PC002 Percentage access to a primary care health professional for on the day requests at any Shetland Health Centre		100%	100%					100%	Confirmed by Executive Manager – Work is underway as part of the Shifting the Balance of Care programme to look at enhancing access to a wider multidisciplinary team, and making appropriate access to community health care easier, and more consistent, across localities
PC004 Percentage access to a Primary Care health professional for an appointment within 48 hours at any Shetland Health Centre		100%	100%					100%	Confirmed by Primary Care Manager
PH-HI-03a Number of FAST alcohol screenings		228	325	528	132	289	415	360	

Community Health and Social Care – Financial Performance – Q3 – 2023/24**1. Community Health and Social Care Service – Projected Revenue Outturn
Position 2023/24**

2023/24 Projected Outturn Variance Quarter 2 £000	Service Area	2023/24 Original Annual Budget £000	2023/24 Revised Annual Budget £000	2023/24 Projected Outturn Quarter 3 £000	2023/24 Projected Outturn Variance Quarter 3 £000
139	Director of Community Health & Social Care	1,526	1,387	1,253	134
(619)	Adult Services	6,497	7,672	8,514	(842)
310	Community Care Resources	13,486	15,783	16,305	(523)
0	Criminal Justice	336	421	375	46
(640)	Adult Social Work	5,382	5,332	5,627	(295)
3	Occupational Therapy	1,684	1,737	1,653	84
0	Vacancy Factor - CH&SC Services	0	163	0	163
(820)	Savings Review - CH&SC Services	0	(820)	0	(820)
(353)	1% Savings - CH&SC Services	(353)	(353)	0	(353)
0	Net Contribution from the IJB	(1,263)	(1,263)	(1,263)	0
(1,980)	Total Controllable Costs	27,295	30,059	32,464	(2,406)
0	Centrally-controlled budgets, managed by other Directorates	5,357	5,357	5,357	0
0	Total Non-Controllable Costs	5,357	5,357	5,357	0

An explanation of the main outturn variances by service at Quarter 3 are set out below:

1.1 Director of Community Health and Social Care

The projected **underspend** is mainly due to a reduction in Service Level Agreements £72k due to changes to service delivery after budget setting was finalised

1.2 Adult Services

The projected **overspend** is due to a significant requirement for agency staff within the service (£888k)

1.3 Community Care Resources

The projected **overspend** is due to significant requirement for agency staff within the service (£953k). There is also additional costs associated with off-island placements (£159k) due to increased cost of placements and an increased number of placements. This is offset by an overachievement of projected income from residential care charges £388k due to increased use of respite and greater number of self-funding clients than anticipated. There is also a projected underspend on Crossreach Services of £91k due to Day Care being closed.

1.4 Criminal Justice

There are no projected significant variances

1.5 Adult Social Work

The projected **overspend** is due to increased demand for Self-Directed Support packages (£273k) and an increase in the cost of off-island placements (£60k).

1.6 Occupational Therapy

The projected **underspend** is mainly due to a reduction in works contract payments for adaptations £55k.

1.7 Vacancy Factor – CH&SC Services

There is projected to be a vacancy factor saving of £163k across Community Health and Social Care Services.

1.8 Savings Review – CH&SC Services

Review of SDS - £582k

Project to review the delivery of SDS packages is underway. Due to the complex nature of this piece of work, and the timescales involved, no savings are expected to be achieved this year.

Recruit Modern Apprentices - £53k

Number of Modern Apprentices have been employed, but saving will only be achieved when they are sufficiently qualified and can be counted as part of the 'floor count'.

Reduce Bed Numbers - £34k

Review in progress as part of the work around the setting of the 2024/25 budgets, no savings are expected to be achieved this year.

Increased charging for Self-Funders - £69k (Review Complete)

The rates charges to self-funders were increased as part of the 2023/24 budget setting process. The £69k saving has been fully achieved.

Review Balance between Permanent & Respite - £95k

Review in progress as part of the work around the setting of the 2024/25 budgets, no savings are expected to be achieved this year.

Increase Charges for Meals on Wheels - £29k (Review Complete)

Charges for meals on wheels and day care meals were increased as part of the 2023/24 budget setting process. We are projecting to achieve £14k additional income in the year, not £29k, due to an error in the calculation when setting the budget.

Increased Charges for Telecare Provision - £60k (Review Complete)

Charges for Telecare equipment were increased as part of the 2023/24 budget setting process. We are projecting to achieve £19k in additional income in the year, not £60k, due to an error in the calculation when setting the budget.

1.9 1% Savings – CH&SC Services

No 1% savings are expected to be achieved in 2023/24

1.10 Net Contribution from the IJB

There is no projected variance

2. Community Health and Social Care Service – Projected Capital Outturn Position 2023/24

2023/24 Projected Variance Quarter 2 £000	Service Area	2023/24 Original Annual Budget £000	2023/24 Revised Annual Budget £000	2023/24 Projected Outturn Quarter 3 £000	2023/24 Projected Outturn Variance Quarter 3 £000
146	Director of Community Health & Social Care	0	222	0	222

An explanation of the main outturn variances by service at Quarter 3 are set out below:

2.1 Director of Community Health & Social Care

The projected underspend relates to the new Care Director system which is currently on hold. There will be no spend on the project during this year. An update on this project will be given in exempt report CRP-06-24 which is also being presented to this committee.

Case Studies - Community Care Resources

Looking at the support our Care Homes and Care at Home staff provide

Case Study: Good Oral Health Management

Background: Oral health assessments are conducted annually at various care homes during the winter months.

Case: During the recent visit to Wastview Care Home for their scheduled oral health assessment it was found that there was excellent oral hygiene among all residents, and complete, up-to-date dental paperwork for every individual.

Impact:

- Reduced Risk of Oral Health Issues: Proactive and effective oral hygiene and accurate records minimise the risk of oral health complications for residents.
- Improved Efficiency: Complete documentation ensures effective dental assessments.

Case Study: Independence at 95+ years old

Background: The resident struggled to manage daily activities at home due to the lingering effects of an infection. This, coupled with her age, raised concerns about her ability to live independently.

Case: The resident arrived for reablement feeling discouraged and lacking motivation to leave bed or move around, she stayed in her room, limiting social interaction and engagement. The team provided support offering encouragement, emotional support, and took time to build her confidence - the encouraging support from staff was crucial for promoting her progress and confidence.

Impact:

- The resident has gained confidence and motivation.
- The resident was able to be safely discharged to her own home.

Case Study: Wellbeing through Innovation

Background: Social interaction, physical activity, and cognitive stimulation are important for the wellbeing of North Haven residents. Adverse weather conditions can pose a barrier for care services.

Case: North Haven have found innovative ways to maintain these important activities, including during the recent adverse weather.

Innovation:

- **Outreach Day Services:** To counteract the adverse weather impact, North Haven implemented outreach day services, ensuring residents continued to enjoy activities within the safety and comfort of home.
- **Intergenerational Bookbug Sessions:** partnered with a local school so that children visit weekly for "Bookbug" sessions, promoting shared enjoyment of stories and fostering connections between generations.
- **Move it or Lose it Instructor:** Based on the CAPA initiative, a certified instructor visits the home twice a month to lead exercise sessions tailored to residents' abilities. This promotes physical activity while encouraging social interaction and fun.
- **Reminiscence Sessions:** Continuing monthly reminiscence sessions provide cognitive stimulation and emotional connection as residents share memories and experiences.
- **Frailty Working Group:** An ongoing working group focuses on optimising care and support for residents experiencing frailty, ensuring their specific needs are addressed effectively.

Impact:

- **Improved Morale and Wellbeing:** Residents feel engaged, connected, and stimulated, contributing to better overall wellbeing.
- **Reduced Social Isolation:** The outreach day services and intergenerational sessions significantly reduce social isolation, especially during adverse weather.
- **Enhanced Physical Activity:** The "Move it or Lose it" sessions encourage gentle exercise and promote resident enjoyment and physical wellbeing.
- **Cognitive Stimulation and Connection:** Reminiscence sessions continue to offer cognitive engagement and meaningful connections for residents.
- **Improved Care for Frail Residents:** Ensured an individual approach to meeting the specific needs of residents experiencing frailty.

Dementia Voices

Led by Karis Irvine & Eleanor Morris - Clinical Lead AHPs for Dementia

Dementia Support in Shetland

Diagnosis and Medical

- GPs and a few specialist nurses
- Psychiatrist support

Care

- Community and residential care
- Self-directed support options
- Alzheimer Scotland part-time advisors, information, groups, activities

Additional Support

- Other third-sector services
- Allied Health Professionals (AHPs) including Dietitians, Physiotherapists

How can AHP's support?

- Supporting families and carers
- Enhancing daily living
- Adapting everyday environments
- Maximising psychological and physical wellbeing

'Connecting People Connecting Support' in Shetland

The service we provide for people with dementia in Shetland

About The Allied Health Professionals service (AHP) in Shetland carried out a healthcare project to achieve 3 outcomes; *Lived Experience - Promoting Excellence - Local Context* to support the delivery of the ambitions of the Connecting People, Connecting Support (CPCS)*. This was funded by the charity Alzheimer Scotland, to look at people's experiences of some of the health services in Shetland and how they provide care to people with dementia.

*It is calculated that **around 80 Shetlanders per year** will receive a new dementia diagnosis, and **by 2024 up to 429 people could be living with dementia in Shetland****

What the project found To find out what people with dementia and their families need from AHP services, the team collected information using an online questionnaire, met people for a conversation, met people at groups run by Alzheimer Scotland and spoke to staff. The team found that while access to some services is good, it was felt there are gaps in information, support, and AHP expertise.

The outcomes The project implemented several initiatives to improve dementia care in Shetland, focusing on support for people with dementia and empowering AHPs with resources and training.

- Pocket directory: list of relevant services and support
- Alzheimer Scotland leaflet: provided information about Allied Health Professions' roles.
- Remote AHP presence: Made an application for funding to improve AHP accessibility for remote areas
- Electronic resource: Developed a central hub with training materials, national guidelines, and inter-departmental referral information.
- Communication training: Sessions on effective communication with people with dementia.



The intended project outcomes

Lived Experience - Engagement with people with lived experience to understand the support needs of those in Shetland

Promoting Excellence - A local scope of the skills of the AHP workforce from across both health and social care as mapped to Promoting Excellence

Local Context - Development of local engagement events, integrating appreciative inquiry and review current delivery of ambitions

Feedback from the project

“Knowing where this information is will ultimately save a lot of time”

“Having this collated in one place makes it easier to access the most up to date information”

“the training really helped my knowledge and understanding in communicating with people with dementia

“It will help our team as a whole provide a more person-centred service”

The Next Steps The project raised the profile of AHP within the People with Lived Experience of Dementia, with further expansion of AHP presence and alignment with SIGN guidelines* identified as key next steps. Some actions from this project will be implemented via the creation and sharing of information and training; however to achieve the recommendations further action is required. Work is needed to determine how the recommendations can be applied in Shetland, including what resources or changes would be ideal to bring services in line with the recommendations.

Key Points

- Dementia is a major public health issue impacting individuals and their families
- Creating supportive environments for people with dementia is crucial
- Early detection, prevention, and confident care are essential
- People with dementia should have access to skilled professionals with specific dementia expertise
- Post-diagnostic support (PDS) plays a vital role, addressing both practical and emotional needs
- AHPs are well-equipped to deliver high-quality PDS due to their diverse skills and knowledge
- PDS can be provided by various professionals, including Alzheimer Scotland Link Workers, peer support groups, and AHPs
- AHPs should be empowered to play a leading role in implementing the dementia strategy and achieving its vision

Complaints

Appendix E - Complaints - Community Health & Social Care

This shows all complaints that were open during the Quarter.

Frontline complaints should be closed within 5 working days

Investigations should be closed within 20 working days

Generated on: 05 February 2024

ID	Title	Staff Group	Days Elapsed	Stage Title	Status	Outcome
COM-22/23-1655	Complaint re: SCW entering wrong address	Community Care – Resources	216	Frontline	Closed	Resolved
COM-22/23-1656	Complaint re: SCW entering wrong address	Community Care – Resources	211	Frontline	Closed	Resolved

The Feedback our Community Care Resource Teams have received:

That's great news about mam's weight. Good job everybody.

The standard of care received is great.

The staff treat him like family and I am very grateful for this

We would all like to say a massive thank you to you and all your team who have helped mam in every way possible, it's such a brilliant job you all do and you are respected and appreciated more than you with ever know....thank you all.

Invaluable service.

Takes the pressure off.

The domestic was excellent yesterday and was a real help.



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Community Health and Social Care Directorate Plan 2024/27; 24/25 Update	
Reference Number:	CC-14-24-F	
Author / Job Title:	Lucy Flaws and Pam Shead, Planning and Performance, NHS Shetland	

1.0 Decisions / Action required:

- 1.1 That the Policy and Resources Committee **RECOMMEND** that Shetland Islands Council **APPROVE** the Community Health and Social Care Directorate Plan 2024/27; and
- 1.2 That the Shetland Islands Council **RESOLVES** to **APPROVE** the Community Health and Social Care Directorate Plan 2024/27, subject to any necessary amendments as a result of decisions on the SIC Budget Book 2024/25.

2.0 High Level Summary:

- 2.1 This Update Report covers one topic, as follows:
 - Community Health and Social Care Directorate Plan 2024/27

Directorate Plan 2024/25 Update

- 2.2 The attached Directorate Plan details the Shifting the Balance of Care Programme, which is the main vehicle for delivery of the Community Health and Social Care Directorate's strategic objectives.

3.0 Corporate Priorities and Joint Working:

- 3.1 Delivery of the IJB Strategic Plan relies on partnership working between Shetland Islands Council, NHS Shetland, Shetland Charitable Trust, other regional and national organisations (such as the Scottish Ambulance Service, NHS Grampian and other specialist Health Boards), voluntary sector providers and with individuals and families at the centre of decision making around their health and care needs.

4.0 Key Issues:

- 4.1 The Directorate Plan details the Shifting the Balance of Care Programme, which is the main vehicle for delivery of the IJB Joint Strategic Commissioning Plan 2022-2025. This programme has developed over the past 2 years with key pieces of work under the three primary objectives evolving as work is progressed.
- 4.2 The three primary objectives remain the same, though wording has changed from "Community Ethos" to "Putting community first" to better reflect the work included.

These objectives are:

- Developing our ways of working
 - People are able to get the right care, from the right person, at the right time in their own community
- Enhancing the person-centred approach
 - We prevent crisis by enhancing care/support and access to care/support in the community
- Putting community first
 - Community assets are grown so appropriate, enriching, community led support is readily available

4.3 The Community Health and Social Care Directorate is integral to achieving these objectives, however they cannot be fully realised without effective collaboration with other directorates and wider partners.

4.4 A number of key pieces of work are noted under each objective. These do not represent the entirety of improvement work undertaken within the Directorate, but represent the main areas of focus expected to influence the National Health and Wellbeing Outcomes.

4.5 The expected impact from these key pieces of work is described briefly in the logic models on pages 12-15 of the Directorate Plan. These have been updated to reflect changes realised over the course of 2023-24 as scope and progress of work streams have changed. This has been influenced by staffing and workforce challenges meaning capacity to plan, implement and deliver change has been limited. Updates have also been made where an initial scoping piece of work has indicated a different preferred course of action, this is in line with best practice for quality improvement and should ensure Best Value where effective evaluation informs change.

Key Changes to the Directorate Plan from 2023

4.6 Change of approach from “surge support” to better understanding of the system, responsiveness to data, and effective workforce planning. Concept of surge support is reliant on fallow capacity which is not realistic within current workforce capacity constraints.

4.7 Network Enabled Care – Primary Care – timelines have been updated to reflect project progress, there have been some delays to implementation due to capacity issues however the programme and work streams are now in place and have begun reporting schedule through appropriate management meetings and IJB meetings.

4.8 Urgent and Unscheduled Care timelines have been revised to be more realistic as the project has developed. This reflects the challenges of an effective whole system approach.

4.9 Mental Health improvement timelines have been revised, this has been delayed in part due to local capacity, but largely to align to national documents including the Mental Health and Wellbeing Strategy, Mental Health and Wellbeing Strategy Delivery Plan, and Mental Health Workforce Action Plan which were published

between summer and winter of 2023. Alignment to national strategy is important to ensure best use is made of evidence and resource, and any national or regional support available. A local Mental Health Services strategy is in development.

4.10 Adult Services (Learning Disability and Autism) are developing business cases exploring the following options, as recommended by the IJB (Min. Ref. 46/23);

- Access to short breaks
- Sustainable Housing and Staffing models
- Access to flexible day opportunities
- Transition Planning

In addition;

- To consider options around the sustainability and funding of the Neurodevelopmental Diagnostic Pathway be explored.

4.11 This strand of work has been included as it is addressing financial and service user risk realised by mismatch of demand and capacity.

Risks and Challenges

4.12 The Directorate Plan highlights key risks and the Directorate Risk Register is attached. The key risks impacting delivery of this plan can be summarised as:

- Workforce recruitment and retention
- Financial constraints – impacted by cost inflation and gaps in essential workforce
- Remote and Rural impacts on service delivery and models of care
- Upward demographic trends in the number of people with long term conditions and often complex needs eligible for support in adulthood
- Trends in older population likely to require care

5.0 Exempt and/or confidential information:

5.1 None

6.0 Implications :

6.1 Service Users, Patients and Communities:

The Triple Aim is a framework that describes an approach to optimising health system performance through the simultaneous pursuit of three dimensions:

- improving the quality of healthcare
- improving the health of the population, and
- achieving value and financial sustainability.

It highlights the importance of working on all three components in parallel and recognises the interconnections; a change in one component can affect the other two, either positively or negatively. The suite of core performance indicators helps to provide reassurance that our service models are delivering a good mix of all three components, to our service users, patients and the wider community. A move towards an outcomes based

	approach will strengthen this by assessing it from an individual, and family, perspective of 'what difference did we make'.
6.2 Human Resources and Organisational Development:	<p>There continue to be issues with recruitment and retention across multiple areas, meaning performance is impacted by difficulty covering any type of leave within small teams.</p> <p>Recent work with Human Resources team appears to be positively influencing recruitment in a challenging environment.</p>
6.3 Equality, Diversity and Human Rights:	The Community Health and Social Care is working with services to use performance data to identify and better understand areas of inequity of service, with the intention to improve outcomes for those most affected by inequalities, and for those with greatest capacity to benefit from services.
6.4 Legal:	The Public Bodies (Joint Working) (Scotland) Act 2014 established the legislative framework for the integration of health and social care services and the creation of Integration Joint Boards. The Council's Community Health and Social Care Directorate sits within the umbrella of the IJB.
6.5 Finance:	<p>Regular and effective monitoring of service delivery and funding arrangements will allow the Community Health and Social Care Directorate to make strategic commissioning decisions regarding the choices over which services should be provided, at what level and in what location in accordance with the financial allocations made available by the funding partners.</p> <p>Funding for the planned activity in 2024/25 described in this report has been incorporated into the Council's contribution to the IJB for 2024/25 and is included in the 2024/25 Budget Book, which is also presented for approval in this Committee cycle. Any future years' activity proposals will need to be built into the annual budget setting exercises, in line with available funding, and the Council's Medium Term Financial Plan.</p>
6.6 Assets and Property:	There are no specific issues to address with regard to assets and property.
6.7 ICT and new technologies:	There are no specific issues to address for ICT and new technologies.
6.8 Environmental:	There are no specific environmental implications to highlight.
6.9 Risk Management:	The Directorate Risk Register has been updated accordingly as the situation described in the main body developed.
6.10 Policy and Delegated Authority:	The responsibility for decisions about the planning and strategic commissioning of all health and social care functions that have been delegated to the IJB sits with the IJB as a statutory public body.

	<p>Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Committee may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to it by the Council. In accordance with Section 2.2.1(4) of the Council's Scheme of Administration and Delegations, the Policy and Resources Committee has delegated authority to ensure the effectiveness of the Council's planning and performance management framework. Any matters relating to the delivery or provision of the functional services concerned are delegated to the Integration Joint Board.</p> <p>The approval of plans which are part of the Council's Planning and Performance Management Framework, are reserved to the Council (Paragraph 2.1.3(4) of the SIC Scheme of Administration and Delegations – Part C).</p>	
6.11 Previously considered by:	None	

Contact Details:

Lucy Flaws

Acting Head of Planning, NHS Shetland

Email: lucy.flaws@nhs.scot

Appendices:

Appendix 1 - Community Health and Social Care Directorate Plan 2024/25 update

Background Documents: None

END

Community Health and Social Care Directorate Plan 2024-27; 24/25 Update



Supporting the “Our Ambition” Corporate Plan:

“Working together for a positive, confident and sustainable future for Shetland”

And the Integration Joint Board’s Joint Strategic Commissioning Plan:

“The people of Shetland are supported in and by their community to live longer, healthier lives, with increased levels of well-being and with reduced inequalities”

Introduction

This plan provides an overview of the Community Health and Social Care Directorate's intended activity from 2024 going forward and identifies short, medium and long-term strategic actions for the Directorate.

This plan contains overviews of the main delivery programmes which are supported by the Performance information in Appendix 1 and Appendix 2.

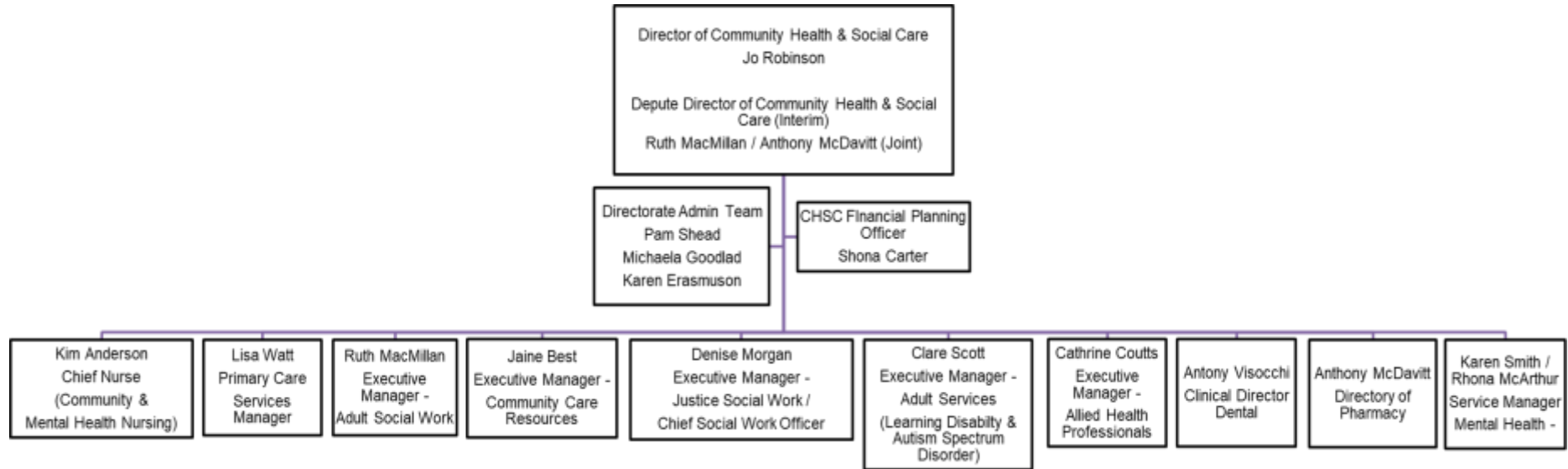
A more detailed description of activities for each of the Services are included in their individual Service Plans which are available on the Council's Intranet.

Who We Are

Community Health and Social Care Services work in partnership with Shetland Islands Council, NHS Shetland and the third sector

- to improve the quality and consistency of services for patients, carers, service users and their families;
- to provide seamless, integrated, quality health and social care services in order to care for people in their homes, or a homely setting, where it is safe to do so; and
- to ensure resources are used effectively and efficiently to deliver services that meet the needs of the increasing number of people with long term conditions and often complex needs, many of whom are older

Services include: Adult Services (Learning Disability and Autistic Spectrum Disorder), Adult Social Work, Allied Health Professions, Community Care Resources, Community Nursing, Justice Social Work, Mental Health, Oral Health, Pharmacy and Primary Care.



Enabling Policies and Plans

Shetland Islands Health and Social Care Partnership Joint Strategic Commissioning Plan 1st April 2022 – 31st March 2025 <https://www.shetland.gov.uk/downloads/file/6343/joint-strategic-commissioning-plan-22-25>

Shetland Partnership Plan <https://www.shetlandpartnership.org/shetland-partnership-plan>

The delivery vehicle for the Strategic Plan is the Shifting the Balance of Care programme.

Shifting the Balance of Care

Aim:

To shift the balance of care from the acute sector into the community, and from being service led to being community led.

Objectives:

1. Grow community assets so appropriate, enriching, community led support is readily available
2. Prevent crisis by improving quality and appropriateness of, and access to, care/support in the community
3. Decrease flow into the acute sector by identifying and managing need earlier

Outcomes:

1. Individuals are able to access the right care or support for them, in a way that suits them, in an area local to them. Integrated services and support networks achieve this by wrapping around the needs of individuals and local communities.
2. People are able to look after and improve their own health and wellbeing, helping to prevent ill health and live in good health for longer, supported by cross-sector working where needed.

The programme encompasses three workstreams derived from the three key objectives, these workstreams are summarised overleaf – with more detail available in the accompanying logic models.

Developing our ways of working

Aim: People are able to get the right care, from the right person, at the right time in their own community

Objectives:

- a. Multidisciplinary Teams (MDTs) available to all localities
- b. Health and Care is provided via an effective network making best use of resources and decreasing unfair differences in provision across localities
- c. We provide services based on best evidence of need and effectiveness

Key pieces of work:

- Network Enabled Care
 - Primary Care Redesign
 - a. Urgent and Unscheduled Care; Networked Primary Care; Workforce Planning; Preventative and Proactive Care (ShIP); Mental Health in Primary Care
 - Building Multi-Disciplinary Team Capacity
 - Social Care business support and use of data
 - Mental Health
- Regional approach to sustainability; Out of Hours review. Understanding and responding to need and flow (Week of Care Audit, Clinical Professional Oversight Group, Primary Care Intelligence)
- Review of Self-Directed Support
- Joint Strategic Needs Assessment to focus on services to meet the needs of people with Learning Disability, Autism and complex needs, and their families, to include focus on:
 - Supported Accommodation and Supported Living
 - Short Breaks and Respite
 - Supported Vocational Activity
 - Some operational aspects of clinical learning disability support
- Joint Strategic Needs Assessment to include focus on older population
 - Review of Accommodation – taking account of current and future needs

- Review of service models to ensure Best Value
- Inform effective system workforce planning

Enhancing the person-centred approach

Aim: Prevent crisis by enhancing care/support, and access to care/support in the community

Objectives:

- a. Early Intervention – we identify and support need earlier through a systematic and targeted approach
- b. A human-rights based approach where people are equal and informed partners in their own care
- c. Our system supports people in the way they need, when they need it

Key pieces of work:

- House of Care – Long Term Condition Management
- Urgent and Unscheduled Care Redesign
- Whole system planning including review of intensive users of urgent and unscheduled care
- Mental Health Redesign
- Mental Health Strategy development; Workforce Planning.
- Realistic Medicine and Good Conversations – strengths-based, person-centred interactions
- Collaborative approach to becoming trauma-informed services

Putting community first

Aim: Grow community assets so appropriate, enriching, community led support is readily available.

Objectives:

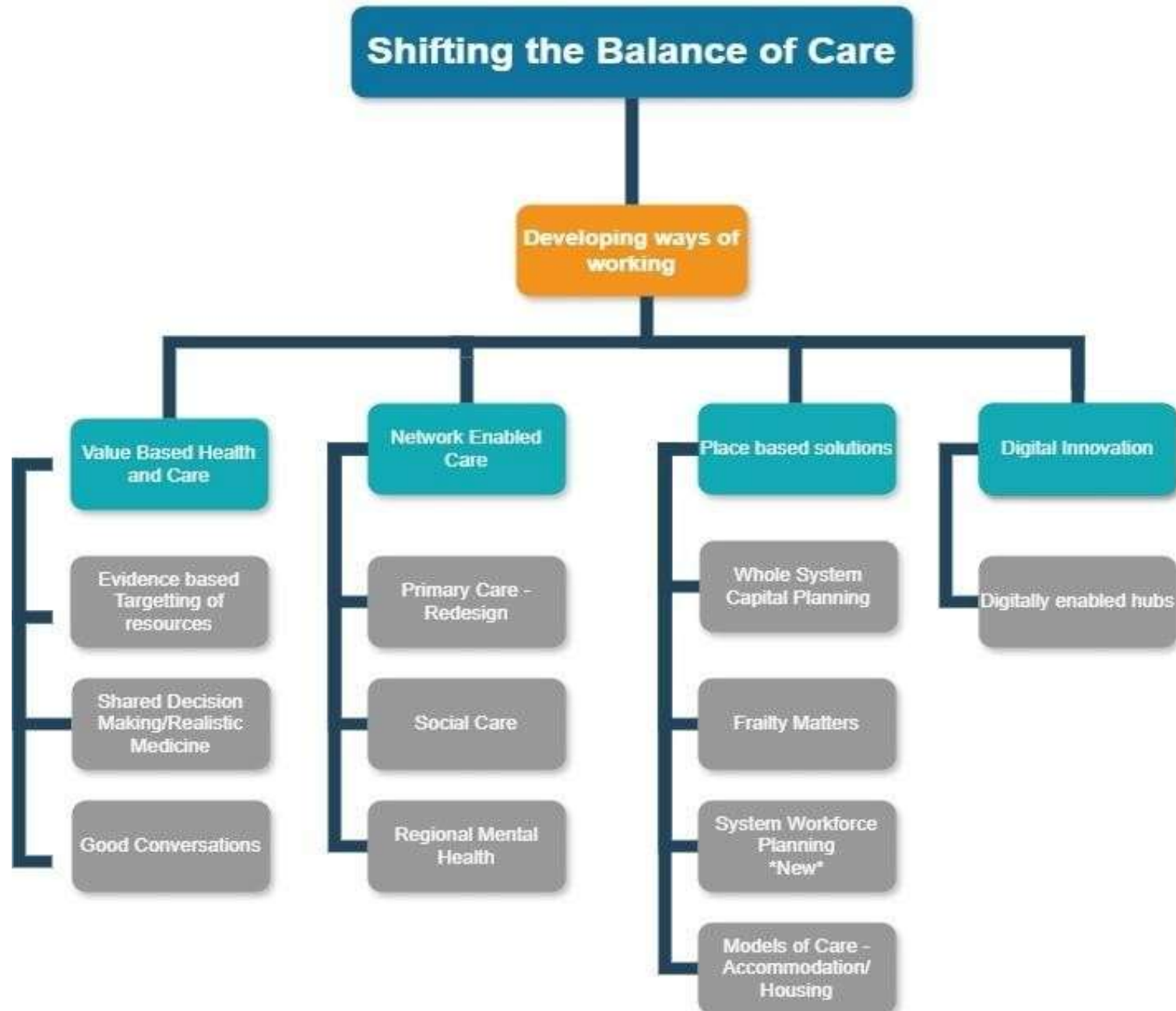
- a. We understand the health and care needs of our communities
- b. Health and Care services make best use of community led support as part of their care
- c. People know about, and are supported to access, support in their community

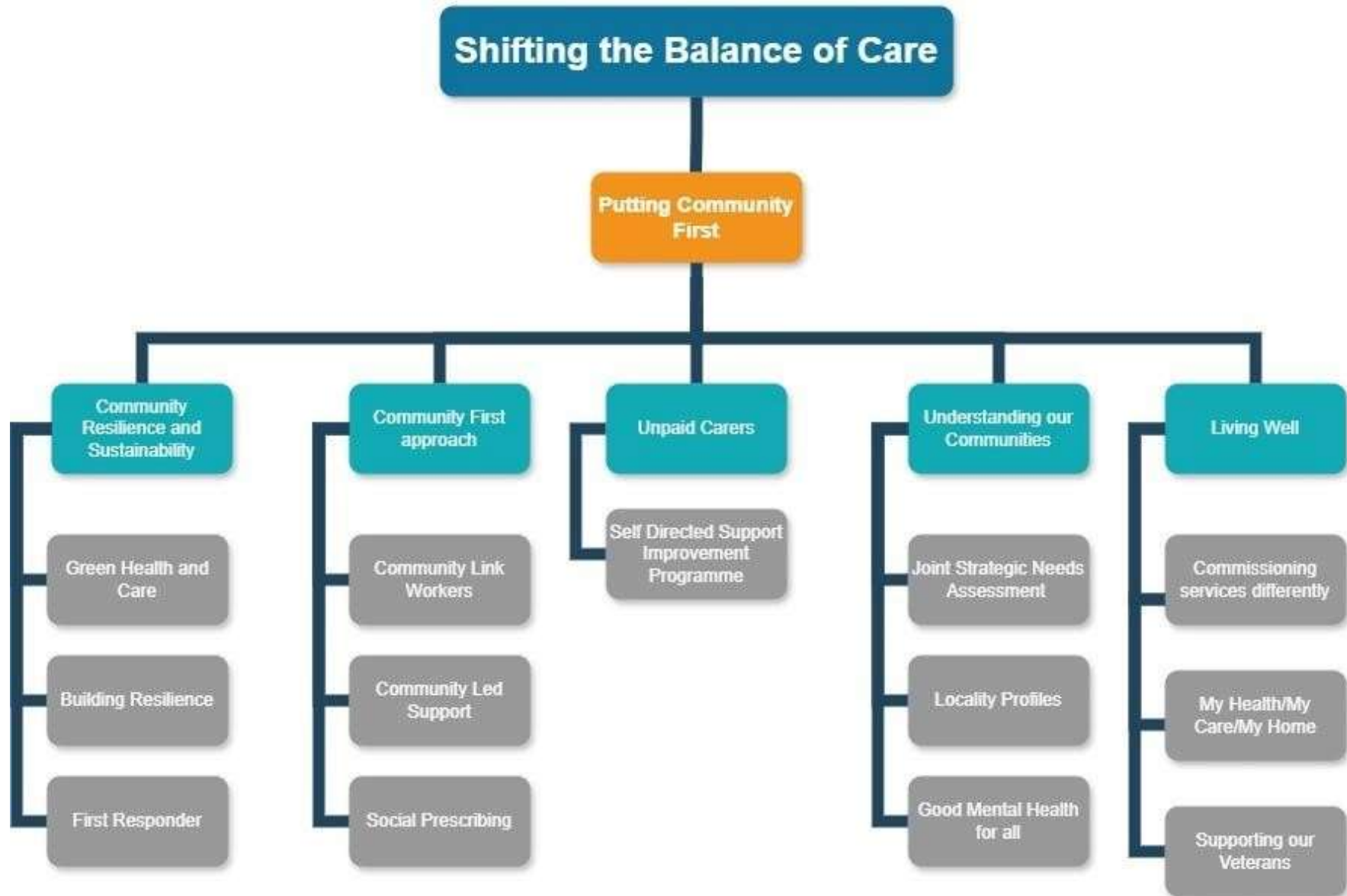
Key pieces of work:

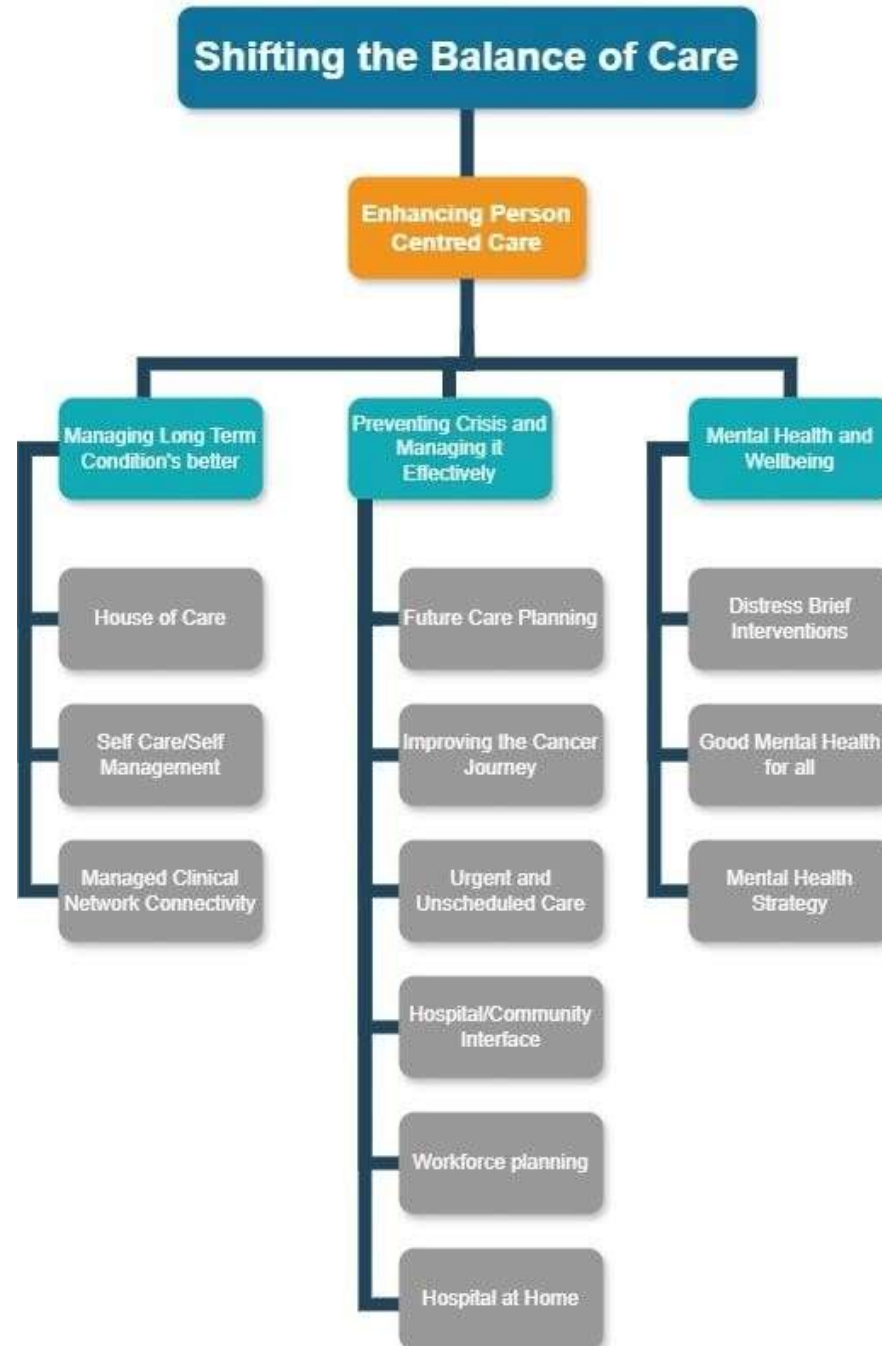
- Effective leadership and engagement with Shetland Partnership work
- Facilitating and supporting Third Sector colleagues as equal strategic partners
- Robust Health Needs Analysis and Joint Strategic Needs Assessment
- Community Led Support - evaluation and development
- Meaningful engagement around needs and development
- Community resilience and sustainability workstream

Our Programmes/Priorities for 24/25

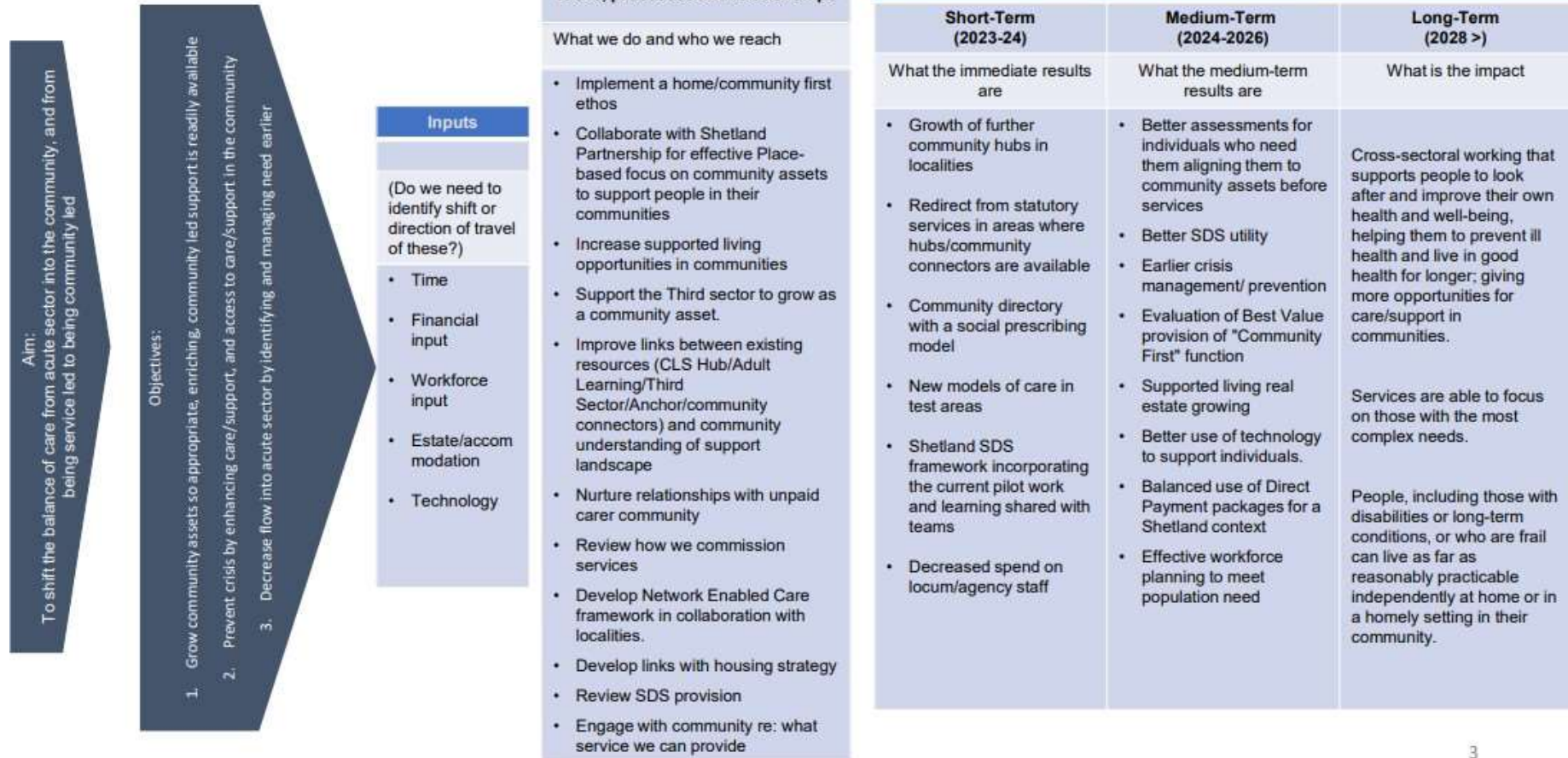
The 3 diagrams on the next three pages show our programmes and priorities for 2024/25. The following 4 diagrams show the outcomes and impacts of these programmes.





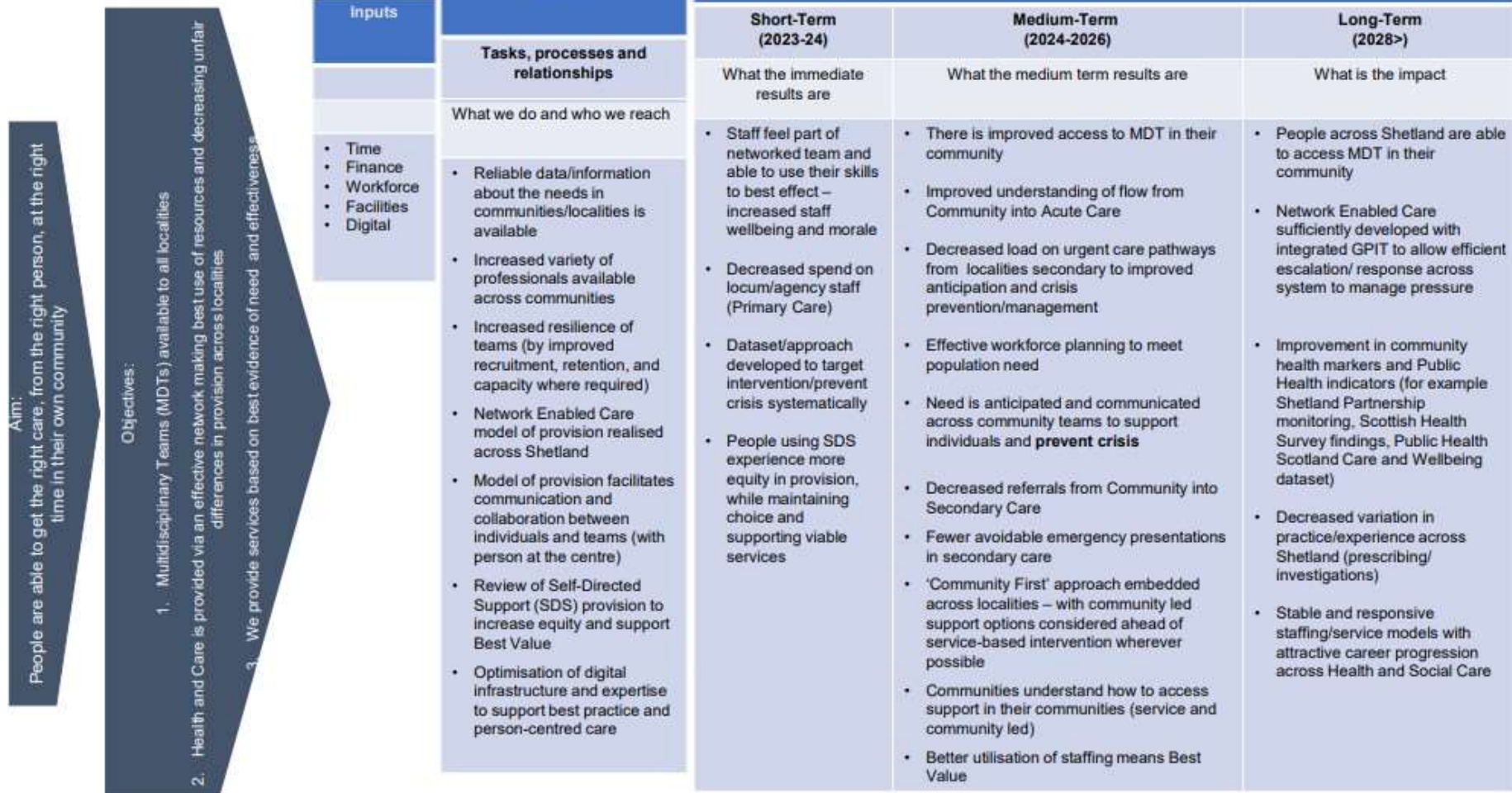


Shifting the Balance of Care



The Shifting the Balance of Care Driver diagram on this page and following pages best describes the work plan of the Community Health and Social Care Directorate.

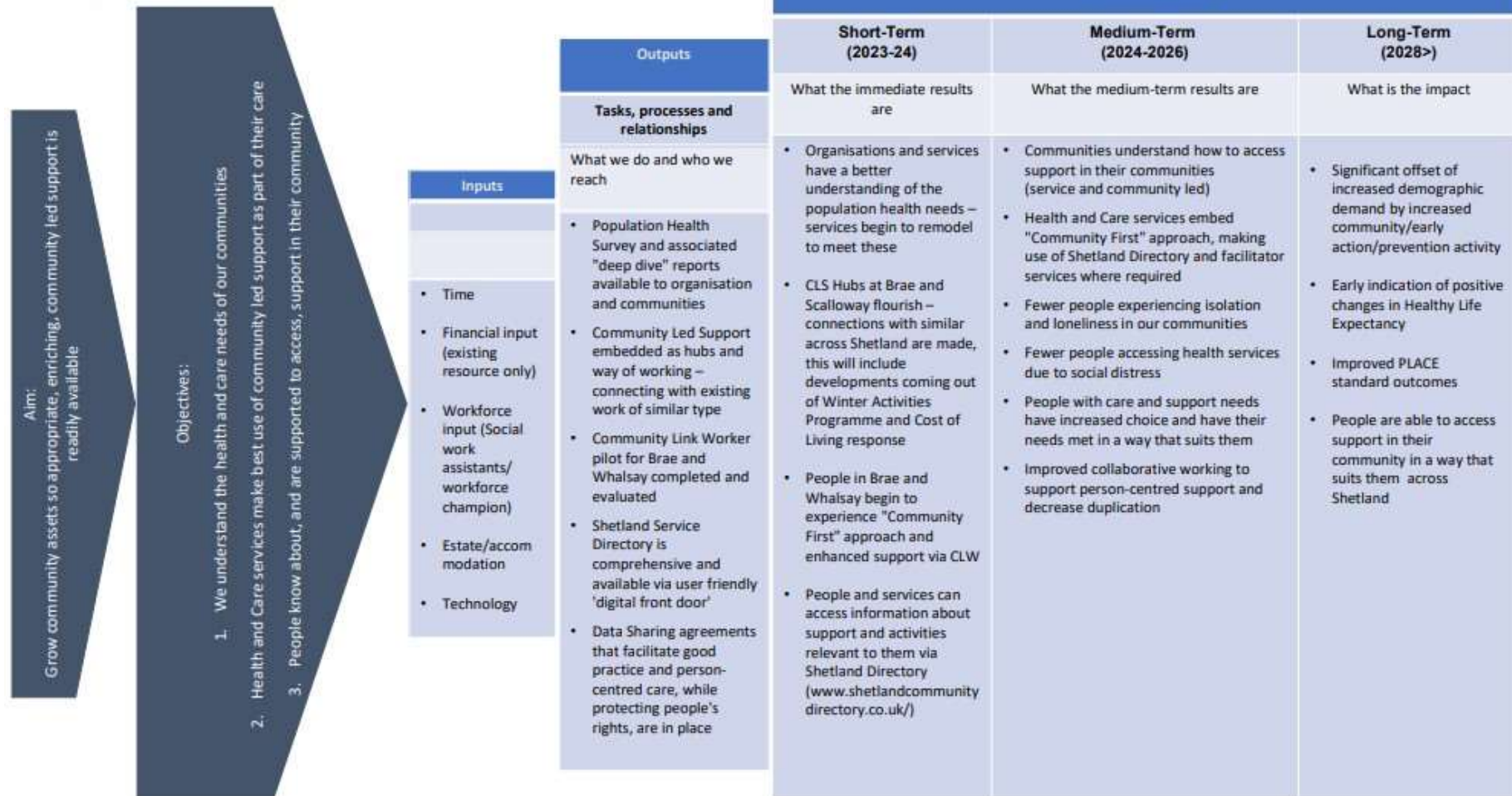
Developing our ways of working



Enhancing the person-centred approach



Putting the Community First



Resource Implications

All operational services have significant challenges in the short and medium term around stabilising and sustaining essential services; such as cost inflation, workforce challenges, ageing infrastructure. The Directorate Risk Register is included as an Appendix.

Workforce

Recruitment and retention can be challenging across Health and Social Care; it is important to recruit and retain staff with the right skills and values, and to ensure that staffing provides best value. Locum and agency workers have been utilised to fill vacancies enabling services to be maintained and provided, however it is acknowledged that the use of locum and agency workers comes with a financial cost.

Work has been undertaken and will continue, around staffing; this includes the recruitment of staff and to 'grow our own'. This work includes promotion of job vacancies and working within Health and Care in Shetland, looking at job profiles, ensuring clear career progression pathways and making valuable use of Apprenticeships, including rolling recruitment of Modern Apprenticeships.

Challenges and Opportunities

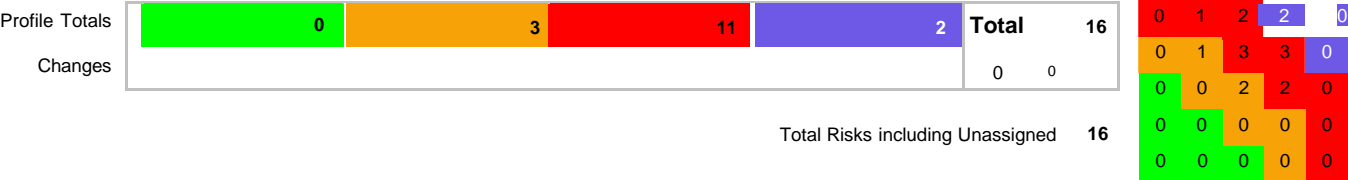
Various factors impact Health and Social Care services, including accommodation demand/supply, transport and digital connectivity, limited suppliers/providers, demographics including people with complex lifelong conditions and aging population. However, there are also opportunities which are being explored – such as working with our partners to explore beneficial and valuable partnerships, engaging with our communities, sharing knowledge and experience within networks, and making use of innovative solutions and new technologies.

Appendix: 1 - Directorate Risk Register



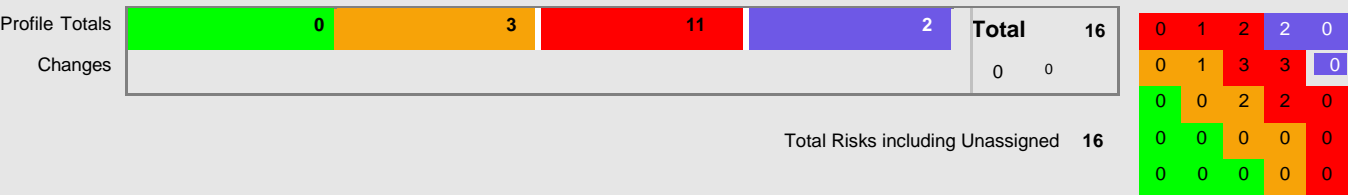
Directorate Details

Directorate



Risk Register - Community Health and Social Care Services

ManagerJo Robinson



Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
<div><div>*Failure to meet savings targets and Overspend on set budget*</div><div>NHS Shetland and the SIC are each required to set a balanced budget. Community Health and Social Care Services are provided partly by SIC and partly by NHS, and instructed by the IJB.</div><div>The NHS and SIC face significant challenges in achieving the savings they are required to deliver. Savings plans have not been delivered and may not be deliverable following service review. We continue to set annual budgets that are difficult to achieve.</div></div>	Budget control failure	Jo Robinson	EM0058	13/10/2023	13/10/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
<div>Service need, a lack of change to the extent which is required to deliver the savings needed.</div> <div>Government does not fund the gap between budget and actual.</div> <div>Non-reoccurring budget allocations</div>	<div>Overspend, NHS has to borrow to cover overspend, SIC has to draw down from reserves, both</div> <div>organisations are in unsustainable financial positions.</div> <div>Reactive funding and non-reoccurring funding makes sustainable change difficult and can mean impact on services, services are cut;</div> <div>People can't access the health or care services they require, poorer health outcomes;</div> <div>Government challenge;</div> <div>Reputational damage;</div>	<div><div>• Realistic budget setting is required. Financial recovery and sustainability plan has been developed</div><div>Focus is on:</div><div><div>• SDS and care packages - review and set ceiling;</div><div>• Workforce management including locum and agency;</div><div>• Allocation of income;</div><div>• Business improvement - paper-lite, digital transformation, energy efficiency;</div><div>• Halt to non-essential spend.</div></div><div>Jo Robinson</div><div><div>• Director level approval for agency/locum utility</div><div>Approval required for agency locum and to ensure all alternatives exhausted before agency is used as a last resort.</div><div>Jo Robinson</div></div></div>	<div>Approved</div> <div>Implemented</div>	<div>Very High</div> <div>20</div> <div>Major</div> <div>Almost Certain</div>	
Review Comments	Risk remains the same 13/10/2023				
Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Budget insufficient to provide services required	Customers - inadequate	Jo Robinson	EM0060		07/09/2024

Query regarding whether the budget is sufficient to provide the level of service required for communities

assessment of needs

Risk Register - Community Health and Social Care Services

across Shetland. There is growth in size and complexity of need on some service areas.

The budget could be adequate if the NHS and SIC could employ sufficient numbers of the right staff in the right places to deliver services. However, staff and accommodation shortages, difficulty in recruiting and the ongoing use of agency staff present an almost insurmountable challenge to delivering services within the current budget envelope.

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Current budgets include pay awards but vary across services. Govt prevents budget cuts but current budget is not sustainable - while services depend on more expensive staff. Increasing need - in light of no other options for provision. Service redesign, shifting the balance of care	Budget is not sufficient for services, service redesign is resource-intensive and places additional demands on fragile services Service scope and quality may suffer or be sub-optimal	• A range of measures are required. <i>Jo Robinson</i>	Proposed	Very High 20 Major Almost Certain	

Review Comments

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
MANDATORY TRAINING & MEETING MINIMUM PROFESSIONAL STANDARDS We need to ensure we have an appropriately trained and skilled workforce for service provision. Services require staff to adhere to professional standards and to have the appropriate professional training . Key staff across services are required to hold and maintain, and to adhere to professional standards and registration. Staff are also required to undertake mandatory training for their role (eg manual handling). The benefits from training initiatives - improved outcomes, decreased risk to clients/patients.	Professional - Other	Jo Robinson	EM0052	06/03/2023	06/03/2024

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Increased locum utility to acquire the skill set for service provision Operational pressure to deliver services means staff cannot be freed up to attend mandatory or professional training leading to skills gap	Adverse events due to unskilled workforce risk being realised Poor health and care outcomes Staff and service registration risks	• Training, professional standards supported and monitored. Both NHS and SIC have Workforce Strategies in place and those are actively considered in partnership with HR service (SIC) and with NHS. Succession planning will be implemented for all small teams. Workforce profiling should be carried out to identify services which may be particularly vulnerable <i>Jo Robinson</i>	Proposed	High 16 Major Likely	

Review Comments

Risk expanded to include mandatory training requirement and risk if staff are not trained appropriately

06/03/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
OOHs care - service sustainability Delegated Services are required to provide consistent, high quality, sustainable out of hours care and to respond to the needs of the community. Inability to provide consistent, high quality, sustainable Out of Hours Care means there is an inability to respond to need in the community.	Strategic priorities wrong	Jo Robinson	EM0021	06/03/2023	06/03/2024

Risk Register - Community Health and Social Care Services

Review Comments		Transferred to JR. To be reviewed by CH & SC RMG 03/09/2023				
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Mental Health service model reliant on few critical posts, difficulty adding robustness in small system The provision of a wide range of mental health services within a small system with current workforce pressures creates resource issues and can impact on service performance, quality, risk profile and financial performance.		Staff number/skills shortage	Jo Robinson	EM0031	30/08/2023	29/02/2024
Triggers	Consequences	Control Measures			Control Status	Current Risk Rating
Dependency on locum workforce, unique posts/ small services Lack of capacity to progress governance frameworks Any event which impacts on staff levels, vacancy	Inability to deliver cost-effective, safe Mental Health Service, impact on patients, financial cost, clinical governance gaps/risk, reputational damage	<ul style="list-style-type: none"> • Following internal and external audits, there are action/improvement plans in place Audit reports facilitated an opportunity to review governance configuration and to make improvements regarding escalation of risk accountability of senior leadership team around governance <i>Jo Robinson</i> • Implementation of CG Framework New CG framework was approved by MH Exec Management Group in Feb 23. This will be taken to further staff groups for comment and implementation <i>Jo Robinson</i> • Additional Audit in MH services NHS Internal Audit undertaking a review audit in Feb-Mar 23 to highlight any extant gaps which will then feed into an updated improvement plan. <i>Jo Robinson</i> 			Implemented	High
					In Progress	12 Major
					In Progress	Possible
Review Comments		Transferred to JR, to be reviewed by RMG 30/08/2023				
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
HSCP wide - recruitment and retention National workforce pool is depleted in some specialities meaning recruitment is more difficult. Inability to recruit to key posts and to retain staff Difficulty in ensuring sustainable provision of services and retention of skills in small and remote communities. Exacerbated by single / unique posts Reluctance of Rediscover Joy GP pool coming to Shetland due to HR/finance issues. Various steps already taken to address including: <ul style="list-style-type: none"> • Remobilisation planning/Contingency planning • Business Continuity Plans have been updated including primary care escalation plan • Workforce strategy developed as part of the Direction planning • New Directions planning framework introduced which covers all functional areas and which highlights areas of risk to be controlled • Test of change for new models of workforce recruitment have been trialled with success • Implementation of Urgent Care pathways including SDEC and PCEC • Review of system wide Urgent Care pathways just underway supported by PMO • Engagement with PMO to revisit PCIP • Scenario planning in advance of 2021/22 Winter plan across HSCP - being repeated for 22/23 		Staff number/skills shortage	Jo Robinson	EM0014	13/02/2023	13/02/2024

Risk Register - Community Health and Social Care Services

Review Comments		Risk remains the same 13/10/2023				
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Business Continuity Plan inadequate/unable to fulfil high volume of critical services Significant service failure - CH & SC has a large number of services and functions across the breadth of Shetland. This risk considers the response challenges should there be a catastrophic or sustained service failure, i.e. which meant that services could not be delivered for an extended period of time.		Business continuity plan inadequate	Jo Robinson	EM0023	13/02/2023	13/02/2024
Triggers	Consequences	Control Measures			Control Status	Current Risk Rating
Any event or scenario that meant there was an inability to deliver services. Unmanageable pressure on critical staff and resources. An emergency situation where services are unable to respond adequately.	Failure to provide service, impact on staff, service and communities	<ul style="list-style-type: none"> Business continuity plans in place for community health and social care services. Involvement in planning and exercises. Refresh of Caring for People Plan V1.0 is now complete following lessons learned from a recent exercise. Caring for People plan will need to be reviewed following 2 x emergency situations in Autumn/winter 2022. <i>Jo Robinson</i> Emergency Response Plan for IJB As a Category 1 responder, IJB will need to formulate its own emergency response plan to deal with developing business continuity events <i>Jo Robinson</i> Annual Review of BCPs Link annual review of BCPs with service planning cycle so it is undertaken on an annual basis <i>Jo Robinson</i> 			In Progress	High
					In Progress	12 Major
					In Progress	Possible
Review Comments		Risk remains extant 13/02/2023				
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Building maintenance limited/restricted due to insufficient resource Impact of deteriorating material state of property/increasing amount of back log maintenance and ensuring service provision is being provided in context of modern safe provision standards		Physical - People / Property - Other	Jo Robinson	EM0049	06/03/2023	06/03/2024
Triggers	Consequences	Control Measures			Control Status	Current Risk Rating
Less money available to spend on buildings at a time of austerity/ changes in regulatory advice regarding safe service provision/audits and inspections of estate/services	This may have a negative effect on business continuity; legislative requirement to invest in provision of safe services; increased risk management regarding provision of services in a deteriorating real estate.	<ul style="list-style-type: none"> Review of all BCPs to ensure that they contain contingency for building or service failure and plans for appropriate relocation of service. Engagement of Estates during their planning cycle to highlight current risks and priority works required within the Directorate. Continue to review use of buildings and the size of the health and social care estate. <i>Jo Robinson</i> 			In Progress	High
						12 Significant
						Likely

Risk Register - Community Health and Social Care Services

		<ul style="list-style-type: none">• Evidence of an extant PVG or enhanced vetting appropriate for the role the individual is being employed for The applicant/potential staff member should provide evidence of an extant PVG. The PVG reference number should be checked with the issuing authority as being extant. <i>Jo Robinson</i>	In Progress				
Review Comments Risk remains extant 06/03/2023							
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date	
Adult Protection Issues		Professional Errors and Omissions	Jo Robinson	EM0013	08/06/2023	08/06/2024	
Triggers	Consequences	Control Measures			Control Status	Current Risk Rating	Previous Current Rating
Failure to act appropriately with relation to Adult Protection Issues across health and social care. Current challenges in releasing staff to attend training due to overall capacity issues	Leading to reputational risk and harm to individuals.	<ul style="list-style-type: none">• The professional leads are tasked with ensuring that there are adequate levels of skill and capacity to manage protection issues Training is a key requirement for staff working in services so they have the knowledge to raise issues. Training on Adult Protection being prioritised. Adult Protection included in the clinical and care governance framework. Adult Protection is also a standing item at the 2-weekly directorate management team meeting. <i>Jo Robinson</i>• ASP Inspection Preparation and learning Shetland had its ASP inspection in Jan-Mar 23. The report gave good assurance regarding ASP procedures. There has been an improvement plan drawn up which will be implemented to make procedures more robust <i>Jo Robinson</i>			Approved	Medium	
					Approved		
Review Comments Risk remains extant 08/06/2023							
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date	
Delayed Discharges		Medically/clinically related	Jo Robinson	EM0002	13/10/2023	13/10/2024	
Lack of suitable place or appropriate wider care support provision to support identified care need, means patient may be kept in hospital for longer than is required.							
Triggers	Consequences	Control Measures			Control Status	Current Risk Rating	Previous Current Rating
Patient's hospital medical care has been completed, patient is deemed ready to be moved to a more appropriate care setting. No place available in other care setting, lack of adequate care at home or other services to support patient in move to more appropriate care setting.	Vulnerable and mainly older people face longer stays in hospital, brings risk of deconditioning, functional decline, HAI. Pressure on care to find appropriate placement within Community Care Resources. Patient is not in best setting for their	<ul style="list-style-type: none">• Resources in place and working effectively, including an increase in intermediate care provision. Whole system approach to reducing bottlenecks in pathways. Focus on reablement across services. Daily monitoring of capacity across health and care. The overnight carer service has assisted with managing this risk. The Delayed Discharge group is fully functioning. <i>Jo Robinson</i>			Approved	Medium	
</							

Risk Register - Community Health and Social Care Services

	needs, relatives potentially distressed, poorer outcomes for patient. Failure to meet key performance indicators. Failure to comply with objectives and targets.	<ul style="list-style-type: none">• Use of locality meetings to anticipate flow from hospital back into community Regular locality meetings where discharge information is discussed to help the locality MDTs manage and anticipate needs for individuals being repatriated back into their communities. <i>Jo Robinson</i>• Clinical and Care Professionals Oversight Group established Weekly meeting of a professional groups to consider locally derived data as an indicator of system pressures/areas of blockage and to discuss potential solutions to help flow within the system <i>Jo Robinson</i>	Implemented		
			Implemented		
Review Comments	Risk remains the same 13/10/2023				

0.00 0.00 0.00 0.00

Risk Register - Community Health and Social Care Services

0.00	0.00	0.00
0.00	0.00	0.00 0.00
0.00	0.00	0.00



Meeting(s):	Policy & Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	2024/25 Budget and Charging Proposals – Community Health and Social Care Directorate	
Reference Number:	F-13-24-F	
Author / Job Title:	Paul Fraser, Executive Manager - Finance	

1.0 Decisions / Action required:

That the Policy & Resources Committee **RECOMMENDS** that the Council **RESOLVES** to:

- 1.1 **APPROVE** the budget for 2024/25 included in this report and set out in detail in the Budget Proposals by Activity (Appendix 2) and Schedule of Charges (Appendix 3) to be included in the overall Shetland Islands Council Budget Book.
- 1.2 **RECOMMEND** to the Council to approve a payment for 2024/25 to the Shetland Islands Health and Social Care Partnership Integration Joint Board (IJB) of £33.63m.

2.0 High Level Summary:

- 2.1 The purpose of this report is to enable the Policy & Resources Committee to consider the controllable budget for the services within the Community Health and Social Care (CH&SC) Directorate.
- 2.2 The proposed 2024/25 budgets for the CH&SC Directorate is £34.893m including internal service allocations.
- 2.3 The Council proposes that funding of £33.63m is allocated to Shetland Islands Health and Social Care Partnership Integration Joint Board (IJB) with regard to the functions delegated by the Council to the IJB under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014, including £0.015m allocated for 50% of specific IJB running costs which are funded jointly with NHS Shetland.
- 2.4 The Council expects to receive £1.278m from the IJB, made available from funding received via NHS Shetland. The IJB retains £0.015m to fund 50% of specific IJB running costs, allocating net income of £1.263m to the Council.
- 2.5 Appendix 1 of this report shows the proposed budgets for 2024/25 reconciled by Committee. Appendix 2 shows the 2024/25 budgets by activity. Appendix 3 details the proposed schedule of charges which have been incorporated into the proposed budgets.

- 2.6 Appendix 4 explains the recurring additional Scottish Government allocations made to IJBs since 2016/17 and how this impacts on the budget for CH&SC Directorate.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council is legally required to make arrangements for the proper administration of its financial affairs which includes the setting of balanced budgets and having due regard for its ongoing financial sustainability. The principle of financial sustainability is enshrined in 'Our Ambition 2021-26':

"We will develop a Medium-Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards"

- 3.2 The Medium-Term Financial Plan 2023-2028 sets out the guiding principles under which the Council will develop its budgets. Annual revenue budgets summarise how the Council plans to deploy its resources at service level to facilitate day-to-day service delivery, but also the delivery of priorities set out in 'Our Ambition 2021-26'. Achieving the priorities set out in 'Our Ambition 2021-26' will be key to achieving long-term sustainability for Shetland.
- 3.3 The Public Bodies (Joint Working) (Scotland) Act 2014, required Local Authorities and Health Boards (the Parties) to integrate planning for, and delivery of, certain adult health and social care services. The IJB Integration Scheme sets out how this joint working will be achieved and the detail of the functions delegated to the IJB. The IJB must set out their detailed commissioning and operational delivery arrangement in its Strategic Plan.
- 3.4 Budget setting for the IJB is undertaken in line with the Integrated Resource Advisory Group (IRAG) Finance Guidance. The Parties will each set the budget for the functions that are delegated by them respectively to the IJB. The IJB will be invited to make recommendations regarding the budget allocations for the delegated functions to the Council and the Health Board. The outcome of the formal budget setting process of the Council and the Health Board will be reported back to the IJB and the IJB will be asked to advise the Council and the Health Board of any changes that may be required to service plans and the Strategic Plan in light of the budget allocation approved by the Parties.
- 3.5 The IJB must set an annual budget prior to the start of the financial year. Once approved it will issue Directions, incorporating service budgets, to instruct Parties to deliver the desired outcomes of the IJB Strategic Plan.

4.0 Key Issues:

- 4.1 The budget has been prepared taking account of the following:
- no pay award included in service budgets, with a lump sum for an equivalent 3% pay award being held centrally in the corporate contingency budget for allocation during 2024/25 once a pay settlement is reached;
 - income charges increased by 4.9% unless otherwise justified; and
 - government funding and additional burdens.

The Director of Community Health and Social Care has developed the budget proposals, as shown in the table below:

Budget Position	CH&SC Services	Integration Joint Board	CH&SC Net Budget
	£000	£000	£000
2023/24 Original Budget	29,634	(1,263)	28,371
Funding for 23/24 pay award and social care worker regrading	2,798	0	2,798
Budget Transfers between Departments	88	0	88
2023/24 Revised Budget	32,520	(1,263)	31,257
Growth, Inflation and Income Reduction	3,470	0	3,470
Savings and New Income Generation	(1,097)	0	(1,097)
2024/25 Proposed Budget	34,893	(1,263)	33,630

4.2 Growth and/or Income Reduction

List of Growth and/or Income Reduction Items (over £50k)	CH&SC Services	Recurring Growth	One-off Growth
	£000	£000	£000
Increase in employee budgets due to pay award and increase of 3.15FTE across the service (2FTE new posts and 1.15FTE various minor changes throughout the service)	932	932	
Removal of unachieved Savings Proposals from 23/24 budget setting	820		820
Removal of 1% Savings budgets added at 23/24 budget setting	353		353
Establishment of budget for agency staff in Assertive Community Transitions	350	350	
Increase to Self Directed Support grants to individuals in line with increased demand	333	333	
New recharge from Infrastructure Services for equipment inspections	126	126	

Increase in cost of Off-Island Placements in line with increased care packages costs	108	108	
Increase in cost of Independent Sector Placements in line with increased care packages costs	88	88	
Various other growth items under £50k	331	331	
Various other income reduction under £50k	29	29	
Total Growth and/or Income Reduction	3,470	2,297	1,173

4.3 Savings and/or New Income Generation

List of Savings and/or New Income Generation (over £50k)	CH&SC Services £000	Recurring Savings £000	One-off Savings £000
Actuarial pension decrease from 22% to 19% across the service	408	408	
Increase to residential board & accommodation income from the increase in the weekly charge	307	307	
Increase to non-residential assessed charges with increased uptake of day care opportunities	56	56	
Reduction in O/T Adaptions budget to accommodate a cost pressure associated with the telecare digital transition	55	55	
Increase to respite board & accommodation from the increase in the weekly charge	51	51	
Various other savings under £50k	184	184	
Various other new income generation under £50k	36	36	
Total Savings and/or New Income Generation	1,097	1,097	

- 4.4 Appendix 1 sets out a reconciliation showing how the Council's overall budget proposals including proposed savings for the services within the Directorates are aligned to the remit of the Committees. In addition to CH&SC service budget there are further centrally controlled budgets ie maintenance costs, energy costs, etc which are managed by other Directorates that make up the total cost of CH&SC, as delegated to the IJB.

	£000
CH&SC Service Budget – See Appendix 1	32,642
Centrally-controlled budgets, managed by other Directorates	2,251
Total proposed budget for CH&SC to be delegated to the IJB	34,893

- 4.5 Appendix 2 sets out the 2024/25 budget by activity. For comparison purposes the 2023/24 revised budget has also been included and the change in full-time equivalent staff numbers.
- 4.6 The proposed charges included in the budget proposals are attached as Appendix 3 and will be included in the overall Shetland Islands Council Budget Book.
- 4.7 The impact of recurring Scottish Government additional funding for IJBs on the CH&SC Directorate budget for 2024/25 has been detailed in Appendix 4. The Council proposes to adjust its allocation to the IJB by £1.278m in 2024/25 as a result of this funding, which is provided via NHS Shetland.

5.0 Exempt and/or confidential information:

- 5.1 None

6.0 Implications :

6.1 Service Users, Patients and Communities:

Where proposals for service change require it, an equalities impact assessment and relevant consultation are required to be undertaken prior to implementation.

6.2 Human Resources and Organisational Development:

All budget proposals with staffing implications will be actioned in line with relevant Council policies and with HR advice.

The detailed budget proposals presented to this Committee include proposals to increase the Council's headcount by 3.15 Full Time Equivalent (FTE) posts compared to 2023/24.

The approval of the overall Budget Book will establish budgetary provision for additional posts, on a fixed term or permanent basis, and therefore gives authority to proceed with recruitment and appointment to roles that have been expressly identified as essential during this budgeting cycle.

Should services identify any further staffing requirements during the course of the year, approval will be required from the relevant committee and Policy and Resources prior to the commencement of any recruitment activity.

	<p>The IJB Joint Staff Forum ensures an effective forum where staffing issues, professional issues and concerns relevant to joint working can be discussed and resolved. The Parties work together to produce and Integrated Workforce Plan. Any staffing implications which arise as a result of the Directions issued by the IJB will be processed in line with Council HR policies.</p>
<p>6.3 Equality, Diversity and Human Rights:</p>	<p>Where proposals for service change require it, an equalities impact assessment and relevant consultation are required to be undertaken prior to implementation.</p>
<p>6.4 Legal:</p>	<p>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 and to secure that the proper officer of the authority has responsibility for the administration of those affairs. That officer in Shetland Islands Council is the Executive Manager – Finance who is responsible for the presentation of budget proposals as part of appropriate financial management arrangements.</p> <p>The Public Bodies (Joint Working) (Scotland) Act 2014 required Local Authorities and Health Boards to integrate planning for, and delivery of, certain audit health and social care budgets. In accordance with section 1(2) of the Act, the Parties agreed that the integration model set out in sections 1(4)(a) of the Act would be put in place for Shetland Islands Health and Social Care Partnership, namely the delegation of function by the Parties to the IJB.</p> <p>The total budget for the Council delegated functions must be allocated to the IJB prior to the start of the financial year.</p>
<p>6.5 Finance:</p>	<p>The Council must set the budget for the functions that are delegated by them to the IJB. The IJB will be invited to make recommendations regarding the budget allocations. The outcome of the formal budget setting process of the Council must be reported back to the IJB and the IJB will be asked to advise the Council of any changes that may be required to service plans and the Strategic Plan in light of the budget allocation approved.</p> <p>The proposed budget for 2024/25 for the services within the remit of this Committee amount to £34.893m, which is an increase of £2.373m compared to the 2023/24 revised budget. Of this increase, £2.297m relates to recurring expenditure.</p>

	<p>The proposal forms part of the overall Council budget of £169m.</p> <p>In order to achieve financial balance in 2024/25, the overall Council budget of £169m will require additional support from Reserves of £46m of which £23m is considered unsustainable.</p> <p>Based on budget value, 18.6% or £4.2m of the £23m additional reserves support required can be attributed to the proposed budget for Community Health & Social Care services.</p>
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 planning the delivery of services for the future and the awareness of these risks is critical to successful budgeting, as assumptions are required.</p> <p>These budgeted 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 main budget risks for health and social care services commissioned by the IJB and provided directly, or purchased by the Council are:</p> <ul style="list-style-type: none"> • Rising inflationary pressures; • Unfunded pay awards; • Difficulty in attracting and retaining social care workforce; • Increased demand for care services as a result of changing demographics of Shetland's population; • Drive to deliver early intervention and preventative services in addition to supporting those with substantial or high level of need; • Unexpected demand for care services which may be costly depending on circumstances; • The level of charging income received can vary significantly as it is dependent on the individual financial circumstances of those in care at any time. This is further impacted by legislation which states that charges should be waived where they are for the benefit of the carer, or which relate to a period of re-ablement; and

	<ul style="list-style-type: none"> • Impact of the proposed implementation of a National Care Service by the Scottish Government. <p>These risks are mitigated by using a realistic approach and the most up-to-date information when setting the budget.</p> <p>The inclusion in the overall Council budget of a corporate cost pressure and contingency budget to support unexpected additional costs and the availability of usable reserves ensure that the Council is prepared for other significant unforeseen events.</p>	
6.10 Policy and Delegated Authority:	<p>The Policy & Resources Committee has delegated authority to advise the Council in the development of service objectives, policies and plans concerned with service delivery. Approval of the revenue budget requires a decision of Council, in terms of Section 2.1.3 of the Council's Scheme of Administration and Delegations.</p> <p>The IJB has authority from the Council and Health Board for the services delegated to it as per the Integration Scheme. The IJB must direct service delivery, within its funding allocation, to deliver the outcomes of the Strategic Plan. It is the responsibility of the Chief Officer and the Chief Financial Officer to develop a business case for the Integrated Budget based on the Strategic Plan and to present this to Shetland NHS Board and Shetland Islands Council for consideration and agreement. Under the Integration Scheme, the IJB must be involved with this budget setting process.</p>	
6.11 Previously considered by:	n/a	n/a

Contact Details:

Steven Brown, Management Accountant steven.brown@shetland.gov.uk 28 February 2024

Appendices:

Appendix 1 - 2024/25 Reconciliation of Directorates' Proposed Budgets to Committees
Appendix 2 - 2024/25 Budget Proposals by Activity – Policy & Resources Committee
Appendix 3 - 2024/25 Schedule of Charges – Policy & Resources Committee
Appendix 4 - 2024/25 Scottish Government Additional Funding

2024/25 Reconciliation of Directorates' Proposed Budgets to Committees

Directorate	Development Committee £000	Education & Families Committee £000	Environment & Transport Committee £000	Policy & Resources Committee £000	Total £000
Executive & Corporate Services				14,839	14,839
Children's Services		59,391			59,391
Health & Social Care				32,642	32,642
Integration Joint Board				(1,263)	(1,263)
Development Services	8,978	418	9,112		18,508
Infrastructure Services			41,525		41,525
TOTAL	8,978	59,809	50,637	46,218	165,642

2024/25 Budget Proposals by Activity

Service	Activity	How this Service helps us to achieve Our Ambitions	2023/24 Revised Budget FTEs	2024/25 Proposed Budget FTEs	Change (Increase)/ Decrease FTEs	2023/24 Revised Budget £	2024/25 Proposed Budget £	Change (Increase)/ Decrease £	Proposed Changes to Service Level
Community Health & Social Care	Mental Health	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. Community care services will continue to support people to be independent and able to live at home in the community. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention.	13.19	13.07	0.12	693,231	694,481	(1,250)	No Material Change
Community Health & Social Care	Substance Misuse	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. Community care services will continue to support people to be independent and able to live at home in the community. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention.	0.00	0.00	0.00	179,594	179,594	0	No Material Change
Community Health & Social Care	Directorate	Working together with NHS Shetland, we will deliver the outcomes in the Integration Joint Board's Strategic Plan. All our Directorate Services meet the Scottish Government's National Health and Wellbeing Outcomes.	8.62	8.62	0.00	893,715	671,228	222,487	No Material Change
Community Health & Social Care	Savings Proposals	Excellent financial management arrangements, will ensure we are continuing to keep to a balanced and sustainable budget.	0.00	0.00	0.00	(820,038)	0	(820,038)	No Material Change
Community Health & Social Care	1% Savings	Excellent financial management arrangements, will ensure we are continuing to keep to a balanced and sustainable budget.	0.00	0.00	0.00	(353,000)	0	(353,000)	No Material Change
Community Health & Social Care	Pensioners	N/A	0.00	0.00	0.00	79,518	87,955	(8,437)	No Material Change
Community Health & Social Care	Adult Services	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. Community care services will continue to support people to be independent and able to live at home in the community. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention. We will manage the change from service provision to self-directed support. We will deliver services to adults with learning disability and autism that meet eligible need and reduces inequality.	144.69	145.77	(1.07)	7,944,442	8,458,165	(513,724)	New Tailored Local Care package as part of Assertive Community Transitions supported using agency staff (£350k)

Service	Activity	How this Service helps us to achieve Our Ambitions	2023/24 Revised Budget FTEs	2024/25 Proposed Budget FTEs	Change (Increase)/ Decrease FTEs	2023/24 Revised Budget £	2024/25 Proposed Budget £	Change (Increase)/ Decrease £	Proposed Changes to Service Level
Community Health & Social Care	Adult Social Work	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. Community care services will continue to support people to be independent and able to live at home in the community. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention. We will manage the change from service provision to self-directed support. We will deliver services to adults with learning disability and autism that meet eligible need and reduces inequality.	32.24	33.07	(0.83)	5,849,736	6,366,097	(516,361)	No Material Change
Community Health & Social Care	Community Care Resources	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. Community care services will continue to support people to be independent and able to live at home in the community. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention.	395.19	395.73	(0.54)	15,771,429	16,093,404	(321,975)	No Material Change
Community Health & Social Care	Criminal Justice	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention.	6.97	6.78	0.19	439,863	423,476	16,387	No Material Change
Community Health & Social Care	Occupational Therapy	We will support the mental health and emotional wellbeing of those in our community to provide better outcomes for individuals and less reliance on services. Our services will continue to support people to be independent and able to live at home in the community. We will support as far as possible individual care pathways with a focus on prevention, self-care and early intervention.	16.71	17.72	(1.01)	1,841,703	1,918,500	(76,797)	No Material Change
TOTAL - COMMUNITY HEALTH AND SOCIAL CARE BUDGET DELEGATED TO THE UB			617.61	620.76	-3.15	32,520,193	34,892,901	(2,372,708)	

Community Health & Social Care Service

F-13-24 - Appendix 3

2024/25 Schedule of Charges

All charges are exclusive of VAT where applicable.

Directorate	Service	Director or Executive Manager	Activity	Charge	Unit	2023/24 Charge £	2024/25 Charge £	Variance %
Community Care	Community Care Resources	Director - Community Health & Social Care	Social Work Establishments	Permanent residents - all establishments - single room	per week	1,696.00	1,898.00	11.9
Community Care	Community Care Resources	Director - Community Health & Social Care		Temporary residents - all establishments - single room	per week	352.00	378.00	7.4
Community Care	Adult Services	Director - Community Health & Social Care		Supported Living - Supported Living Service	per week	151.00	173.50	14.9
Community Care	Community Care Resources	Director - Community Health & Social Care		Social Support Charge	per hour	22.30	25.68	15.2
Community Care	Community Care Resources	Director - Community Health & Social Care		Domestic home care charge	per hour	17.71	18.96	7.1
Community Care	Community Care Resources	Director - Community Health & Social Care		Day care attendance charge	per day	5.00	5.25	5.0
Community Care	Community Care Resources	Director - Community Health & Social Care		Day care meal charges (pending review)	per meal	6.85	6.85	0.0
Community Care	Community Care Resources	Director - Community Health & Social Care		Meals on wheels (pending review)	per meal	6.85	6.85	0.0
Community Care	Occupational Therapy	Director - Community Health & Social Care		Community alarm response service	per week	3.00	3.15	5.0
Community Care	Adult Services	Director - Community Health & Social Care		Social Work premises - room hire rate (additional charge for tea/coffee/biscuits)	per hour	12.50	13.10	4.8
Community Care	Community Care Resources	Director - Community Health & Social Care	Walter and Joan Gray Care Home	Negotiated price inclusive of enhancements for all client groups	per week	1,633.00	*to be confirmed at a later date	0.0
Community Care	Adult Social Work	Director - Community Health & Social Care	Mainland Placements	Negotiated price will be on an individual basis in line with COSLA's benchmark figures		negotiable	negotiable	n/a
Community Care	Adult Social Work	Director - Community Health & Social Care	Direct Payment Rates	Personal care (pending review)	per hour	21.01	21.01	0.0
Community Care	Adult Social Work	Director - Community Health & Social Care		Domestic tasks per hour (pending review) (including laundry and meal preparation)	per hour	16.39	16.39	0.0
Community Care	Adult Social Work	Director - Community Health & Social Care	Self Directed Support	Contribution to additional transport		variable	variable	n/a
Community Care	Community Care Resources	Director - Community Health & Social Care	Social Work Establishments	NHS funding		variable	variable	n/a
Community Care	Community Care Resources	Director - Community Health & Social Care		NHS recharge - recharge of staff time to NHS		variable	variable	n/a
Community Care	Community Care Resources	Director - Community Health & Social Care		Resource transfer		variable	variable	n/a
Community Care	Community Care Resources	Director - Community Health & Social Care		Rebate		variable	variable	n/a
Community Care	Criminal Justice	Executive Manager - Criminal Justice	Offender Services	Recharge travel costs etc.		variable	variable	n/a
Community Care	Criminal Justice	Executive Manager - Criminal Justice		Recharge of paint & materials		at cost	at cost	n/a
Community Care	Adult Services	Director - Community Health & Social Care	Adult Services	Various properties service charges	per month	variable	variable	n/a
Community Care	Community Care Resources	Director - Community Health & Social Care	Community Care Resources	Various properties service charges	per month	variable	variable	n/a

2024/25 Scottish Government Additional Funding for Health and Social Care

Scottish Government Funding for Integration Authorities via NHS

- 1.1 In the first years of Integration, the Scottish Government provided additional funding for Integration Authorities in support of health and social care through a baseline transfer to NHS Boards of £355m. This funding is now established recurrently within NHS annual funding allocations. Government direction in respect of this funding stated that local authorities could adjust their allocation to the IJB by a proportion of this funding, recognising the shift in the balance of care from health to social care services. The remainder of the funding was allocated by the IJB to specific projects to further the objectives of Integration.
- 1.2 The table below sets out the overall proposed utilisation of the Shetland share of this funding in 2024/25:

Funding Allocation	Adjustment to SIC allocation to IJB £000	Specific Integration Project Funding (SIC) £000	Specific Integration Project Funding (NHSS) £000	Total Scottish Government Additional Funding £000
2016/17 Original allocation	£512	£426k	£86	£1,024
2017/18 Original allocation	£340	-	-	£340
Established Annual Additional Funding for IJB (paid via NHSS)	£852	£426k	£86	£1,364

The Council expects to receive additional funding for the following projects in 2024/25:

Increased demand for Self-Directed Support packages - £348k; and
Hospital Discharge Liaison - £78k.

The Council proposes to adjust its allocation to the IJB by £1.278k in 2024/25.

Scottish Government Funding for Health and Social Care via Local Authorities

- 1.3 Since 2018/19, the Scottish Government has added additional funding in respect of Social Care as part of the General Revenue Grant. This funding has been provided in recognition of a range of pressures local authorities were facing, including the implementation of the Carers (Scotland) Act 2016, commitment to Living Wage and Free Personal and Nursing Care.

	Scottish Government Advised Overall Allocation £m	Shetland Share £m
2018/19	66.0	0.260
2019/20	160.0	0.780
2020/21	100.0	0.369
2021/22	72.6	0.255
2022/23	324.0	1.296
2023/24	100.2	0.406
2024/25 – initial allocation of funding in settlement	241.5	0.935
Total Funding	1,064.3	4.301

These funding allocations have not been specifically ring-fenced within the Council's settlement in each year and therefore form part of our overall settlement from Scottish Government, which has reduced in real terms in successive years.

- 1.4 The Scottish Government announced further investment of £0.981m for Health and Social Care during 2024/25. Some of this funding has been detailed within the 2024/25 SIC Settlement as redeterminations of the 2023/24 grant.

	Scottish Government Advised Overall Allocation £m	Shetland Share £m
Self Directed Support Transformational Funding (redetermination in 2023/24)	0.2	0.006
Minimum payment of £12ph for Social Care Workers in Commissioned Services	230.0	0.960
Uprating of Free Personal and Nursing Care rates	11.5	0.015
Total Funding	241.7	0.981

As with the earlier funding allocations for Social Care, the above redeterminations have not been specifically ring-fenced and now form part of the SIC's overall settlement from the Scottish Government.



Meeting(s):	Policy & Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Shetland Islands Council Budget Book 2024/25	
Reference Number:	F-14-24-F	
Author / Job Title:	Paul Fraser, Executive Manager - Finance	

1.0 Decisions / Action required:

- 1.1 That the Policy and Resources Committee **RESOLVES** to:
- 1.1.1 **NOTE** the proposed revenue and capital budgets for 2024/25 as contained in the Budget Book (Appendix 1).
 - 1.1.2 **CONSIDER** feedback provided by the Chairs of Service Committees/Boards in relation to recommendations for 2024/25 budget proposals made by the respective Committee, including any amendments, and as set out in the Budget Book (Appendix 1);
and,
 - 1.1.3 **RECOMMEND** that the Shetland Islands Council **APPROVE** the revenue and capital budgets contained in the Budget Book for 2024/25.
- 1.2 That the Shetland Islands Council **CONSIDERS** feedback from the Chair of the Policy and Resources Committee in relation to the 2024/25 budget proposal, and any recommendation made by the Policy and Resources Committee, including any amendments, and as set out in the Budget Book (Appendix 1).
- 1.3 That the Shetland Islands Council **RESOLVES** to:
- 1.3.1 **APPROVE** the revenue and capital budgets contained in the 2024/25 Budget Book (Appendix 1) including the 2024/25 vehicle and plant purchase commitment budget to allow the service to commit to spending £1.752m on vehicles and plant for receipt in 2024/25;
 - 1.3.2 **NOTE** the contents of subsequent years of the five-year Asset Investment Plan (Appendix 2);
 - 1.3.3 **APPROVE** the Schedule of Charges for 2024/25 (Appendix 4)

2.0 High Level Summary:

- 2.1 The Council is required to set its annual budget in order to allocate the resources required to deliver day-to-day services and facilitate activity across the Council in the pursuit achieving the strategic priorities outlined in Our Ambition.
- 2.2 The Council is required to set separate budgets that cover different service areas, such as housing and harbour services, and to account for different types of income and expenditure. What is colloquially referred to as 'the budget' is the

amalgamation of these individual budgets into one, high-level summary that sets out how much income the Council expects to receive and how much the Council plans to spend to deliver services and invest in property, plant, equipment and infrastructure.

- 2.3 The Budget Book is intended to bring together, in one place, all of the individual revenue and capital budgets to give an overview of what the Council is planning to spend in the year ahead, and how it plans to finance those spending plans.
- 2.4 For the 2024/25 financial year, the Council plans to spend £168.2m on the provision of public services, financed through the General Fund. The Council anticipates total income of £146m during the year, comprising:
- Scottish Government funding, including General Revenue Grant and a share of National Non-Domestic Rates income,
 - ring-fenced revenue funding provided by the Scottish Government for specific purposes (assumed £23.1m of Fair Ferry funding),
 - Proposed one-off utilisation of trading income of £7.6m
 - Council Tax,
 - planned contributions from reserves in line with *Our Medium-Term Financial Plan* of £15.4m, and an unsustainable draw on reserves of £22.3m.
- 2.5 The Council's planned expenditure exceeds anticipated income, which results in a projected budgetary deficit of £22.3m on the General Fund revenue budget. A further draw on reserves, of £22.3m, is required to achieve financial balance on the General Fund net revenue budget for 2024/25. This is £19.1m more than the £3.2m required to balance the General Fund budget in 2023/24. The continued reliance on reserves, over and above the expectations of *Our Medium-Term Financial Plan*, indicates the Council is not yet in a financially sustainable position.
- 2.6 The Harbour Account budget expects a lower level of activity than last year resulting in reduced income from harbour charges and from the Shetland Gas Plant. The Harbour Account anticipates returning a total surplus of £9.7m through ports and harbour trading activity (50% less than the activity it anticipated in 2023/24).
- 2.7 The Housing Revenue Account (HRA) budget includes increased housing rent charges of 5% in order to generate sufficient revenue to meet day-to-day operating costs and to help finance planned capital investment. In addition to capital grant of £0.9m, a revenue surplus of £1.6m along with a contribution of £7.1m from the ring-fenced HRA reserve and Second Homes Council Tax will enable £9.7m of capital investment in housing stock. The proposed 2024/25 budget for the HRA is balanced and affordable.
- 2.8 The Council's capital investment plans (the Asset Investment Plan), have been developed with regard to priorities and funds available. Planned capital investment for 2024/25 totals £26.8m, of which 65% is allocated for the maintenance of existing assets. Included for new developments is £13.8m with a provision for slippage of £4.4m, a net total of £9.4m; which already have business case approval. To fund the Plan, there is a requirement to draw £5m from reserves, which is unsustainable in the medium to longer-term. The Asset Investment Plan includes slippage from 2023/24 as identified in the quarter 3 SIC Management Accounts report.

- 2.9 The budget proposals for 2024/25, set out in the Budget Book (Appendix 1), outline total revenue and capital spending that exceeds the total income available to the Council via Scottish Government funding, Council Tax, fees and charges and through the sustainable use of reserves, by £27.3m. There is still work to be done to reduce reliance on reserves, or other unsustainable sources, in order to achieve financial balance each year. Thus the Council is not yet able to demonstrate it is in a financially sustainable position and has more to do in achieving financial sustainability.
- 2.10 The Council is fortunate in holding healthy levels of reserves that can tolerate additional drawdowns to help balance budgets as a short-term measure. The use of reserves to meet an additional £27.3m is affordable in the short-term given the overall health of the long-term investments and underlying asset base. The availability of reserves should not be confused with the sustainable use of reserves, which is central to *Our Ambition's* objective of becoming a financially sustainable Council.
- 2.11 The budget proposals contained in the Budget Book (Appendix 1), if approved, will enable the Council to allocate sufficient resources towards the delivery of day-to-day services, investment in existing and new assets and infrastructure, and also to forge ahead with activities focused on achieving the priorities outlined in *Our Ambition*.
- 2.12 The budget proposals set out in the Budget Book (Appendix 1) are balanced and affordable for 2024/25, albeit not sustainable.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council is legally required to make arrangements for the proper administration of its financial affairs, which includes the setting of balanced budgets and having due regard for its ongoing financial sustainability. The principle of financial sustainability is enshrined in '*Our Ambition*':
- "We will develop a Medium-Term Financial Plan to help us become more financially sustainable and resilient, safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards"*
- 3.2 '*Our Medium-Term Financial Plan*' sets out the guiding principles under which the Council will develop its budgets. Annual revenue budgets summarise how the Council plans to deploy its resources at service level to facilitate day-to-day service delivery, and ensures the Council deploys sufficient resources to support the delivery of its priorities as set out in '*Our Ambition*'. Achieving the priorities identified in '*Our Ambition*' will be key to achieving long-term sustainability for Shetland.

4.0 Key Issues:

- 4.1 The Council is legally required to set a balanced budget in accordance with the Local Government (Scotland) Act 1973 and the Local Government Finance Act 1992. The Council funds the majority of services through the General Fund, but it also operates a Housing Revenue Account and a Harbour Account to account for

non-General Fund activity, in accordance with legislation. The Budget Book (Appendix 1) is intended to provide an overview of all the different budgets the Council is required to set.

- 4.2 The proposed revenue and capital budgets, as set out in the Budget Book (Appendix 1), provide a high-level summary of the estimated income and planned expenditure for the Council as a whole, for the financial year beginning 1 April 2024. The overall budget provides the financial basis for the allocation of resources to enable the day-to-day delivery of services, maintenance of existing assets and infrastructure, investment in new assets and transformational activity.

General Fund:

- 4.3 The General Fund revenue budget is composed of individual service-level budgets. Budget and charging proposals for each service will be considered by the relevant service Committee, at the following meetings:

Meeting	Date
Education and Families Committee	4 March 2024
Harbour Board	6 March 2024
Environment and Transport Committee	11 March 2024
Development Committee	13 March 2024
Policy and Resources Committee	20 March 2024

- 4.4 The Local Government Finance Settlement, issued on 1 March 2024, provided details of the grant funding the Council can expect to receive from the Scottish Government in 2024/25. There is no funding within the settlement for pay awards which may result in a significant additional cost. Budgetary estimates have been revised to factor in the settlement, which included continued specific ring-fenced funding for Shetland's inter-island ferry services. The Scottish Government has pledged to honour its ongoing commitment to fully fund ferry services, which equates to £23.1m in 2024/25.
- 4.5 Total General Fund net revenue expenditure amounts to £168.3m in 2024/25, with total anticipated revenue income of £146m, inclusive of specific ring-fenced revenue funding, and the sustainable use of reserves from harbour trading income generated and returns generated from the Council's long-term investments. A summary of the General Fund net revenue budget is set out in Section 2.1 of the Budget Book (Appendix 1).
- 4.6 The Local Government Finance Settlement also included some £365.3m of revenue funding that has not yet been distributed to Local Authorities. This is mainly for Social Care or Discretionary Housing Payments. Notification will be provided throughout the year of how much Shetland Islands Council may be allocated.

Harbour Account:

- 4.7 The Harbour Account budget proposal anticipates a lower level of ports & harbour activity than in recent years and is likely to generate a total surplus of £9.4m; in addition the Council will benefit from £1.5m of income from the Shetland Gas Plant. Further detail is set out in section 2.2 of the Budget Book (Appendix 1).

Housing Revenue Account:

- 4.8 The Housing Revenue Account (HRA) budget has been developed with regard to the HRA's underlying 30-year financial model. The HRA Business Plan will be reviewed and updated during 2024. Detailed financial modelling will be undertaken to determine the medium to long-term financial requirements of the HRA to ensure its long-term financial sustainability.
- 4.9 The Housing Revenue Account (HRA) budget incorporates an approved increase of housing rent charges of 5% in order to generate sufficient revenue to meet all of its day-to-day operating costs and to help finance planned capital investment. A revenue surplus of £1.6m along with a contribution of £7.1m from the ring-fenced HRA reserve will enable circa £9.7m of capital investment in housing stock. The proposed 2024/25 budget for the HRA is balanced and affordable. The Housing Revenue Account (HRA) budget proposal anticipates a need to draw £7.1m from the ring-fenced HRA reserve and Second Homes Council Tax reserve in order to support planned capital investment in the Council's housing stock. Further detail about the HRA budget is set out in section 2.3 of the Budget Book (Appendix 1).

Capital Investment (the Asset Investment Plan):

- 4.10 The Council's capital investment plans, for the General Fund, Housing Revenue Account and Harbour Account, are set out in summary form in section 3 of the Budget Book (Appendix 1) and in further detail in the Asset Investment Plan (Appendix 2). Appendix 3 sets out the potential projects which have not yet been approved or prioritised through the Gateway process for the management of capital projects.
- 4.11 All projects included in the Asset Investment Plan (Appendix 2) have already been presented to Council approved under the Gateway Process.
- 4.12 Total capital investment in 2024/25 totals £26.6m for the year ahead, with an expectation that capital investment will total £87.8m over the next five years, to 2028/29. The likelihood of additional capital grant funding from the Scottish Government in future years is very low, given the Scottish Government's anticipated financial position with regard to capital and borrowing.
- 4.13 *Our Medium-Term Financial Plan* described the difficulty that the Council will face in financing its future capital expenditure plans, and the Council's statutory obligation to comply with the Prudential Code. Although the Council has been able to achieve financial balance in 2024/25, the Council is not yet able to demonstrate it is in a financially sustainable position. Therefore, careful prioritisation of capital investment will be needed in order to target the Council's limited capital resources towards capital projects that will deliver the most benefit to Shetland's community.
- 4.14 In addition to the £87.8m, there are further unfunded potential projects, with those already costed, estimated at £124.2m. To be able to undertake any of these further projects, the ability to borrow for capital schemes requires a demonstration of overall financial sustainability, in line with the Prudential Code. It is important that spending on the revenue budget reduces to a sustainable level to be able to demonstrate the affordability of borrowing.

Fees and Charges:

- 4.15 Appendix 4 sets out the Council charges for 2024/25. These have generally been increased by 4.9% unless there have been specific reasons to apply either a higher or lower increase (some statutory fees have no increase).

Summary:

- 4.16 The budget proposals contained in the Budget Book (Appendix 1) are affordable in the short term albeit not sustainable for the reasons outlined above. The proposed budget allows the Council to meet its statutory obligations to set a balanced budget. The budget for 2024/25, if approved, will go on to form the basis against which the Council's financial performance will be monitored during the financial year. Confirmation of the currently undistributed elements of funding described in 4.6 will be provided in the quarterly monitoring reports.

5.0 Exempt and/or confidential information:

- 5.1 None

6.0 Implications :

6.1 Service Users, Patients and Communities:

The proposed budgets ensure that there is limited impact on users and communities. Where proposals for service change require it then an equalities impact assessment will require to be carried out and relevant consultation undertaken.

6.2 Human Resources and Organisational Development:

The budget proposals outlined in the Budget Book include allocation of resource to enable the provision of services. The detailed budget proposals presented to Service Committees during the 2024/25 budgeting cycle include a net reduction of 74.4 Full Time Equivalent (FTE) posts compared to 2023/24. This includes vacant posts that have been removed from Service budgets with provision held in the contingency budget as required.

Directorate	Increase/(reduction) in FTE
Corporate & Executive Services	(16.5)
Children's Services	(17.8)
Community Health & Social Care	3.1
Development Services	(15.1)
Infrastructure Services	(28.2)
Total	74.4

The approval of the contingency in the overall revenue budget will allow in year budgetary provision for existing vacant posts, on a fixed term or permanent basis, and there is therefore authority to proceed with recruitment and appointment to roles that exist currently, but are unfilled. Flexibility will also be available to create amended posts replacing existing, unfunded vacant posts, where a new approach provides a better overall

	<p>solution to achieving outcomes, following consultation with Human Resources and Finance.</p> <p>Should services identify any further, additional staffing requirements during the course of the year, approval will be required from the relevant functional committee and Policy and Resources prior to the commencement of any recruitment activity.</p>
6.3 Equality, Diversity and Human Rights:	<p>The proposed budgets ensure that there is limited impact on users and communities. Where proposals for service change require it then an equalities impact assessment will require to be carried out and relevant consultation undertaken.</p>
6.4 Legal:	<p>Section 95 of the Local Government (Scotland) Act 1973, requires each local authority to make arrangements for the proper administration of their financial affairs and that the chief financial officer/Section 95 officer has responsibility for the administration of those affairs.</p> <p>Section 93 of the Local Government Finance Act 1992 requires the Council to set a balanced budget by way of the following requirements:</p> <ul style="list-style-type: none"> • Section 93(2) of the Local Government Finance Act 1992 (the 1992 Act) requires the council tax to be set by 11 March in the previous year. • Section 93(3) of the 1992 Act requires the amount of council tax collected to be sufficient to meet the part of the total estimated expenses that falls to be met out of council tax, as well as deficits from previous periods and contingencies, and, • Section 93(4) of the 1992 Act requires councils to take into account how else the total estimated expenses may be met. <p>In accordance with Part 7 of the Local Government in Scotland Act 2003 and the Regulations made thereunder, namely the Local Government Capital Expenditure Limits (Scotland) Regulations 2004 and the Local Government Investments (Scotland) Regulations 2010, local authorities are required to have regard to all aspects of the <i>Prudential Code for Capital Finance in Local Authorities</i> (the Prudential Code) that relate to affordability, sustainability and prudence.</p> <p>The Prudential Code requires local authorities to: <i>'look at capital expenditure plans, investments and debt in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long-run financing implications and potential risks to the authority. Effective financial planning, option appraisal, risk management and governance processes are essential in achieving a prudential approach to capital expenditure, investments and debt.'</i></p>

6.5 Finance:

The revenue and capital budgets set out in this report and associated appendices will allow the Council to set a 2024/25 budget that is balanced and affordable in the short-term, but not sustainable in the medium to longer-term.

The 2024/25 General Fund net revenue budget proposal includes an overall sustainable draw of £23m from reserves and an unsustainable draw of £22.3m, which comprises:

- £15.4m enabled from returns generated on the long-term investments, plus
- £7.6m sustainable draw from the Harbour Account surplus, including £1.5m from the Shetland Gas Plant.
- £22.3m draw on reserves which is unsustainable in the medium to longer-term.

The 2024/25 General Fund element of the Asset Investment Plan requires a draw from reserves of £5m which is unsustainable in the medium to longer-term.

The 2024/25 Harbour Account including both revenue and capital expenditure generates a £10.9m surplus.

The 2024/25 Housing Revenue Account including both revenue and capital expenditure requires a draw from reserves of £7.1m.

The total net draw on reserves to balance the 2024/25 budgets for both revenue and capital across the General Fund, Harbour Account and the Housing Revenue Account is £46.6m.

Due to excessive supplier delays in relation to the Vehicle & Plant Replacement Programme, there is a requirement for approval of capital procurement commitment budgets in 2024/25, with spend to be incurred in 2025/26, as follows:

General Fund	£1,408,000
Ports & Harbours	£93,000
HRA	£250,500
Overall Total	£1,751,500

The future year expenditure budgets for these procurement commitments is factored into future year budgets in the 5 Year Asset Investment Plan 2024-29.

It is important that the Council approaches budgeting in a responsible and prudent manner, to ensure long-term sustainability whilst meeting the challenges presented by reduced funding. Any later decision to recommend changes to the budget proposals in this report may result in an increased or decreased draw on the reserves, and would mean the overall draw from reserves would have to be reconsidered. Any proposed changes to the budget proposals will require a formal amendment and any associated financial implications should be quantified before any Committee/Council decision.

<p>6.6 Assets and Property:</p>	<p>Our Medium-Term Financial Plan recommends that the Council focus on effective asset management and a reduction in the number of operational properties used by the Council. The Executive Manager – Assets, Commissioning and Procurement will determine the opportunities for maximising revenue income and capital receipts from the property estate.</p> <p>There is an assumption in the Asset Investment Plan that £0.6m capital receipts will be generated during the year</p>
<p>6.7 ICT and new technologies:</p>	<p>None arising directly from this report</p>
<p>6.8 Environmental:</p>	<p>This budget proposes continuing work on reducing carbon emissions to support the Council's duty under the Climate Change (Scotland) Act 2009.</p> <p>Each individual service will be responsible for assessing environmental issues prior to making any changes to the existing level of service delivery.</p>
<p>6.9 Risk Management:</p>	<p>There are numerous risks involved in planning the delivery of services for the future and the awareness of these risks is critical to successful financial management.</p> <p>These budgeted 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 a number of assumptions around anticipated income levels assumed in 2024/25, returns on investments and cost pressures within the budget that are based on the latest forecasted information available and these may vary throughout the year. Under achievement of savings included in the budget also poses a risk.</p> <p>There is a significant risk around long-term financial sustainability as there is no certainty on the quantum of future funding for general service provision nor for future capital investment in the inter-island ferry services. This will likely delay any work to procure replacement ferry vessels or begin works to improve ferry terminal infrastructure. The Council will continue negotiations with the Scottish Government and continue to seek opportunities for external funding to help facilitate investment in key infrastructure assets.</p> <p>A risk exists in relation to the income projections from the Harbour Account as a result of:</p> <ul style="list-style-type: none"> • volatility around oil tanker volumes, and, • volatility in the price of gas, which affects the income received from the Shetland Gas Plant. <p>Uncertainty regarding future oil streams and use of Sullom Voe into the future is currently being evaluated.</p>

	<p>Our Medium-Term Financial Plan assumes the Council's long-term investments will generate an average of 5.2% net return over the long-term, which can be drawn down on an annual basis to supplement general spending. For 2024/25, this is estimated to be £15.4m and has been factored into the Council's proposed budget.</p> <p>The Council takes a long-term view of investment returns when determining the level of returns that can be used to supplement General Fund expenditure on a sustainable basis from year to year. The value of the long-term investments fluctuates on a daily basis and can go up as well as down on any given day. An average annual return of 5.2% net of long-term inflation (7.3% gross) is deemed to be sustainable based on recent historic performance of investments, as long as the underlying investment base remains intact. Calls on the reserves in excess of predetermined contributions as set out in <i>Our Medium Term Financial Plan</i> presents a risk that the underlying investment base is eroded to such an extent that jeopardises the use of reserves in the setting of future budgets to the same level as currently provided.</p> <p>Managing the Council's investments through a diversified investment strategy and monitoring performance ensures the Council remains in a position to achieve this level of investment return over the long-term.</p> <p>The risk of unforeseen expenditure is mitigated by including £6m contingency budget within the overall Council budget to meet any unforeseen costs or financial pressures in the year, should they arise. The Executive Manager – Finance has sole discretion in the use of central contingency funds, and can apply such funds to meet unexpected financial pressures faced by services if the conditions justify the use of contingency.</p> <p>The availability of usable reserves ensure that the Council is prepared for other significant unforeseen events. As at 31 March 2023, total usable General Fund reserves of £95.4m and Statutory Reserves of £294.2m are available for use (after apportioning the unrealised investments gains across all reserves). This is sufficient to supplement the budget proposals set out in this report. The availability of reserves should not be confused with the sustainable use of reserves.</p>
<p>6.10 Policy and Delegated Authority:</p>	<p>The Policy & Resources Committee is required to make recommendations to the Council as to the estimates of capital and revenue expenditure. The decisions required in this report may only be determined by the Council, in accordance with Section 2.1.3 of the Council's Scheme of Administration and Delegations, including the power to fix the Council Tax.</p> <p>The budget fits within the policies included in <i>Our Medium-Term Financial Plan</i> and <i>Our Ambition</i>. The Chief Executive and</p>

	Directors will deliver the Council's budget in accordance with the Scheme of Delegations and Financial Regulations.	
6.11 Previously considered by:	Service Committees, as notified in section 4 of the report	

Contact Details:

Paul Fraser, Executive Manager – Finance

paul.fraser@shetland.gov.uk

12 March 2024

Appendices:

Appendix 1 – 2024/25 Budget Book

Appendix 2 – Asset Investment Plan for 2024/25

Appendix 3 – Potential Capital Projects (Unfunded) 2024/25

Appendix 4 – Schedule of Fees and Charges 2024/25

Background Documents:

Our Medium-Term Financial Plan 2023-2028

Our Ambition



2024/25 Budget Book

Our revenue and capital budgets for 2024/25

Contents

1. Introduction

- 1.1 Our current financial position
- 1.2 Changes compared to *Our Medium-Term Financial Plan*
- 1.3 Summary of 2024/25 budget

2. The 2024/25 Revenue Budgets:

- 2.1 General Fund – Revenue Budget
- 2.2 Harbour Account – Revenue and Capital Budget
- 2.3 Housing Revenue Account – Revenue and Capital Budget
- 2.4 Other Revenue Budgets:
 - Shetland Health and Social Care Partnership
 - Orkney and Shetland Valuation Joint Board
 - Zetland Transport Partnership

3. The 2024/25 Capital Budget

- 3.1 The Asset Investment Plan

1. Introduction

Our annual budget is central to everything we do as a Council. We are legally required to set a budget that balances each year that illustrates how our anticipated income will be sufficient to meet our planned expenditure. We are also required to set different budgets for different service areas, such as housing, and for different types of income and expenditure. Our annual 'budget' as we refer to it, is actually comprised of separate budgets for:

- the General Fund – which pays for the majority of Council-provided services,
- the Housing Revenue Account – which covers the income and expenditure relating to us acting as a landlord to tenants and managing our housing stock,
- the Harbour Account – which covers all income and expenditure arising from the Council operating a number of ports and harbours across the isles, and,
- the Asset Investment Plan – which covers our capital investment plans for maintaining and improving our existing assets as well as building or acquiring new assets.

Our revenue budgets include all of our day-to-day running costs, such as salaries, fuel, utility bills and the goods and services required to operate our Council services. Revenue expenditure is funded through revenue income sources, such as general revenue grant, Council Tax or fees and charges. Revenue expenditure cannot ordinarily be financed from capital sources of funding.

Our capital budget includes the costs of maintaining and/or improving existing assets or acquiring new assets. Capital expenditure is funded through capital sources of funding, such as capital grant, capital receipts and from revenue sources.

The budgets contained in this Budget Book essentially provide the operational plans of each Council service, for the year ahead from 1 April 2024. Approval of these budgets gives the authority for resources to be allocated to each department so that we can continue to deliver a wide range of public services across Shetland, in line with our statutory obligations as well as the priorities outlined in *Our Ambition*.

The Budget Book is designed to summarise all of our individual budgets in one place, for ease of reference. Links have been provided to the committee reports that set out each committee area's budget in more detail, *including*:

- the planned activity to be undertaken by each service,
- the proposed headcount, expressed in Full Time Equivalent (FTE) hours and the proposed budget for 2024/25
- a comparison of the headcount and budget approved in the prior financial year, 2023/24 ,
- how each activity links to *Our Ambition*.

This Budget Book represents the product of an iterative process that began in October 2023 and has been subject to refinement as further information has been made available, including information contained in the Local Government Finance Settlement for 2024/25 (the Settlement). Although the budgeting exercise is now reaching its conclusion, the budgets themselves will become the basis against which our financial performance will be monitored during 2024/25.

1.1 Our current financial position

Following the end of the COVID-19 pandemic we have seen significant financial volatility and supply chain issues and this has created large price movements in a range of goods and service that the Council consumes in its day to day activities.

Costs of some of our activity including catching up on work and projects that have been delayed as a result of the pandemic, are now seeing significant costs increases. Suppliers are also seeking to pass on uplifts in costs that they are incurring.

By 31 December 2023, we had spent almost £110.5m delivering services, which is 65% of the full year's budget. As we approach the end of the financial year, we are still expecting to spend all of the approved net revenue budget of £165.6m in 2023/24.

1.2 Changes compared to *Our Medium-Term Financial Plan*

We published an updated Medium-Term Financial Plan in September 2022 that covered the next five year period, to 2027/28. The financial planning assumptions used in *Our Medium-Term Financial Plan* help us determine what our likely level of income and expenditure might be in the medium-term, in a range of scenarios. We use assumptions to inform our planning because of the uncertainty around the economy, UK and Scottish public finances and likely direction of some national policies, such as pay. Our central planning scenario indicated an expected General Fund budgetary deficit of £20.8m in 2024/25.

The Local Government Finance Settlement (the Settlement) was issued on 29 February 2024, which we used to inform the financial planning assumptions in the updated *Our Medium-Term Financial Plan*. The Settlement indicates core revenue funding from the Scottish Government will remain broadly flat in cash terms for 2024/25.

The Scottish Government public sector pay is negotiated centrally by the Scottish Joint Council (SJC), for non-teaching local government employees and the Scottish Negotiating Committee for Teachers (SNCT). We have not changed our assumptions on pay inflation for 2024/25, for either group of staff, however, there is a risk that our pay bill may increase by more than 3.0% included in the Contingency budget depending on the outcome of negotiations.

Our Medium-Term Financial Plan has been prepared on a like-for-like basis and therefore did not take into account any planned changes in service provision. As we have developed our budget, we have identified some £12.8m of savings and increased income across most services in our General Fund budget proposals for 2024/25. These savings and income increases temper the £15.8m of growth in budget compared to 2023/24, much of which is recurring in nature. Additional resources are required as a result of inflationary impacts on services, increased demand for Council services but also to undertake work required to deliver *Our Ambition*.

The budget proposals contained in this Budget Book are therefore slightly different to the estimates presented in *Our Medium-Term Financial Plan*.

Specific ring-fenced revenue funding now accounts for 21% of the total revenue funding we receive from the Scottish Government.

We acknowledge that expenditure at this level is still unsustainable in the long-term because we need to utilise more from our reserves than both *Our Medium-Term Financial Plan* and Investment Strategy anticipates. We know we have further work to do to achieve long-term financial sustainability, but our 2024/25 budget has had to absorb abnormally high inflation, but we continue working towards this objective. This year's General Fund revenue budget requires an unsustainable draw of £23m from reserves compared to the £3.2m required in 2023/24. *Our Ambition* includes a commitment to working towards a smaller base budget from 2022 onwards, and that continues to be a focus in future budget-setting rounds.

We committed to refreshing *Our Medium-Term Financial Plan* every autumn, ahead of the next budgeting cycle. This enables us to refine our financial planning assumptions for the year ahead and develop revenue and capital budgets that are prudent, affordable and sustainable.

1.3 Summary of the 2024/25 budget

General Fund Revenue:

Our General Fund revenue budget has been developed in line with the principles and financial planning assumptions that we set out in *Our Medium-Term Financial Plan*, presented in November 2023. We have refined our budget proposals to take into account any changes planned by each directorate that are required to ensure continued provision and delivery of services in 2024/25.

The Settlement indicates the Scottish Government will provide total revenue funding of £112.3m, inclusive of £23.6m of ring-fenced funding for specific purposes in 2024/25. Ring-fenced funding includes £23.1m provided for the operational costs of inter-island ferry services.

Our budget proposal reflects the approved Council Tax freeze funding equating to an increase of 5% in 2024/25. We expect to raise £11.2m in Council Tax (net of any discounts or exemptions) during

the year including the decision to increase Second Homes and Long Term Empty Property rate levels, this amounts to £0.5m more than last year. The Council Tax rates in Shetland at £1,260.61 remain the lowest across Scotland (2023/24 Scottish Band D average: £1,417).

We plan to supplement the income we receive from the Scottish Government, Council Tax and fees and charges, by using £46m from our reserves to meet our total planned revenue expenditure in 2024/25. This amount includes:

- £15.4m of anticipated returns from our long-term investments, which we can afford to draw down on a sustainable basis in line with *Our Medium-Term Financial Plan*, and
- £7.6m of trading income generated from the Harbour Account, including additional income from the Shetland Gas Plant.

We can therefore expect our total income to amount to £146m.

We expect to spend £168.3m delivering services funded through the General Fund in 2024/25. This leaves a remaining deficit of £22.3m that cannot be met from other sources of funding, and will need to be met from reserves in order to set a balanced General Fund budget.

General Fund net revenue expenditure of £168.3m in 2024/25 is greater than that approved for 2023/24, which was £156.7m, inclusive of expenditure funded by specific ring-fenced revenue grants.

The utilisation of £22.3m from the reserves compares negatively to previous years and shows that we continue to face increasing costs and continue to place reliance on the reserves to finance our annual revenue budgets. The use of £22.3m of reserves, over and above the amounts envisaged in *Our Medium-Term Financial Plan*, mean that we are not yet able to demonstrate the Council is in a financially sustainable position.

The further use of reserves does, however, mean we are able to set a balanced budget which is affordable in the short-term, as is our legal obligation, although it cannot be considered sustainable in the longer term.

Housing Revenue Account:

The Housing Revenue Account (HRA) budget has been developed in line with the associated business plan, underpinned by a 30-year financial model and an increase in housing rent charges of 5%, approved by the full Council on 22 February 2024. The HRA budget requires support of £6.7m from the HRA reserve and £0.4m for the Second Homes Council Tax Reserve to meet total planned revenue and capital expenditure, and is considered affordable.

Harbour Account:

The Harbour Account budget has been developed with regard to recent levels of harbour activity and is anticipating to generate a surplus of £9.4m in 2024/25 from Harbour Activity and £1.5m from the Shetland Gas Plant.

Asset Investment Plan:

Our planned capital investment for the year for General Fund, Harbour Account and Housing Revenue Account amounts to £26.6m and largely relates to the maintenance of existing assets (£17.4m). Some £13.8m capital expenditure relates to new capital projects with an anticipated slippage offset of £4.4m. The Settlement provides a core capital grant of £5m, which means the remainder of our planned capital expenditure needs to be financed by a combination of capital receipts, external grants, from revenue funding and from reserves.

Summary:

We have developed our overall budget for 2024/25 amidst the uncertainty of the ongoing financial volatility which has influenced most costs across the Council. We have taken a pragmatic approach to setting budgets, by planning for realistic levels of activity, under the expectation that costs may well continue at this level going forward in most cases. The budgets outlined in this Budget Book are balanced and affordable but cannot be considered sustainable in the longer-term.

2. Revenue Budgets for 2024/25

2.1 General Fund - Revenue Budget

The majority of Council services are funded through the General Fund. The 2024/25 General Fund budget is summarised in the table below:

Line No.	Description	2024/25 £000	2024/25 ISAs* £000	2024/25 £000
1	Chief Executive & Cost of Democracy	2,014	(4)	2,010
2	Children's Services	59,392	(18)	59,374
3	Community Health & Social Care Services	32,642	2,251	34,893
4	Corporate Services	12,825	(438)	12,387
5	Development Services	18,508	0	18,508
6	Infrastructure Services	41,525	(1,791)	39,734
7	GENERAL FUND SERVICES NET EXPENDITURE (equals lines 1-6)	166,906	0	166,906
8	Allocation to the Integration Joint Board (IJB)	33,612		33,612
9	Allocation to the Integration Joint Board (Audit Fee)	18		18
10	Contribution from the Integration Joint Board (IJB)	(34,893)		(34,893)
11	NET CONTRIBUTION FROM THE IJB (equals lines 8 - 10)	(1,263)	0	(1,263)
12	Valuation Joint Board	501		501
13	Contingencies & Cost Pressures	6,000		6,000
14	Capital Financing Costs	1,661		1,661
15	Crown Estate Income	(1,742)		(1,742)
16	Fund Managers Fees	1,560		1,560
17	Economic Development Investment Income	(1,000)		(1,000)
18	Interest on Revenue Balances Income	(421)		(421)
19	Support Recharges (to Harbour Account , HRA and Capital)	(3,929)		(3,929)
20	TOTAL NET GENERAL FUND EXPENDITURE (equals line 7 plus 11 plus lines 12-19)	168,273	0	168,273
	Funded by:			
21	General Revenue Grant/National Non-Domestic Rates Income	(90,398)		(90,398)
22	Specific Ring-fenced Revenue Grants (net of CFCR)	(21,294)		(21,294)
23	Council Tax	(11,184)		(11,184)
24	TOTAL CORE FUNDING (equals lines 21-23)	(122,876)	0	(122,876)
	Deficit to be funded from Reserves:			
25	Reserves - Sustainable Investment Returns	(15,444)		(15,444)
26	Reserves - Other (including Trading Income)	(7,622)		(7,622)
27	Reserves – Unsustainable	(22,331)		(22,331)
28	TOTAL FUNDING FROM RESERVES (equals lines 25-27)	(45,397)	0	(45,397)
29	TOTAL FUNDING (equals line 24 plus line 28)	(168,273)	0	(168,273)
30	BALANCED BUDGET (line 20 plus line 29)	0	0	0

*ISA – internal service allocation

General Fund Expenditure:

Detailed budget proposals for each directorate have been presented to service committees and can be found in the following reports:

Committee	Date	Report Ref.	Report Title
Education & Families	4 March 2024	F-5-24-F	2024/25 Budget and Charging Proposals - Children and Families
Environment & Transport	11 March 2024	F-7-24-F	2024/25 Budget and Charging Proposals - Environment and Transport
Development	13 March 2024	F-8-24-F	2024/25 Budget and Charging Proposals - Development
Policy & Resources	20 March 2024	F-13-24-F	2024/25 Budget and Charging Proposal – Health and Social Care Integration Joint Board*
		F-12-24-F	2024/25 Budget and Charging Proposal – Policy and Resources*

*Hyperlinks to reports will be updated once agenda packs have been published

Day-to-day spending on the delivery of services is considered by the relevant service committee that oversees the performance of directorate(s) that provide services within the committee's purview. Some committees oversee services provided by different directorates. The matrix below shows which committee has oversight of directorate budgets, and how they reconcile to the total General Fund budget outlined in Table 1.

		Functional Committee				Total
		Development	Education & Families	Environment & Transport	Policy & Resources	
Directorate	Executive & Corporate Services				14,839	14,839
	Children's Services		59,392			59,392
	Community Health & Social Care				32,642	32,642
	Integration Joint Board				(1,263)	(1,263)
	Development Services	8,978	418	9,112		18,508
	Infrastructure Services			41,525		41,525
Total		8,978	59,809	50,637	46,218	165,643

Central budgets, contingency & cost pressures activity:

We know that budget-setting is not an exact science, and we need to allow for some flexibility to meet any unforeseen cost pressures that may arise during the year. To help us manage some of the risks we face, we have included £6m within our General Fund revenue budget as a prudent estimate of what may reasonably be required as a contingency during the year, to meet any unforeseen cost pressures. There are a number of other budgets held centrally as these items generally apply across the Council so we hold this budget centrally e.g. valuation joint board, financing costs, income from Crown Estate, other investments and recharges to other funds. The Executive Manager – Finance has sole discretion to release these funds to offset any corresponding expenditure, should any cost pressure or funding requirement crystallise in the course of the year. The net total of £2.63m can be broken down as follows:

Category	Description	Budgetary provision £000
Contingency – General	Contingency set aside to meet potential costs pressures that <i>may</i> , but are not guaranteed, to arise during 2024/25 this contains a provision for 3% increase for pay award and provision for vacant posts.	6,000
Valuation Joint Board	To meet the Council's share of the Valuation Joint Board.	501
Fund Managers Fees	To meet the cost of fund managers for our investments	1,560
Capital Financing Costs	Funding required to service debt	1,661
Income (Crown Estate/Investments/recharges to other funds)	Net income from Crown Estate, Economic Investments, bank interest, recharges to other funds.	(7,092)
Total Centrally held budgets and contingency:		2,630

General Fund Financing:

i. Scottish Government funding

The Scottish Government is providing core revenue funding of £90.4m, excluding specific ring-fenced funding. This funding is the combination of the General Revenue Grant and our share of income from the National Non-Domestic Rates pool and is £1.8m more than the core revenue funding received as part of last year's settlement (2023/24: £86m + £2.6m = £88.6m). The Settlement for 2024/25 includes £23.7m of specific ring-fenced revenue funding compared to £26.2m in 2023/24 (funding for Early Learning & Childcare of £2.6m has now been incorporated into the General Revenue Grant).

ii. Trading income and use of reserves

We will supplement the funding we receive from the Scottish Government with trading income generated by the Harbour Account and by cashing in some of the investment returns generated from our long-term investments. Withdrawing too much from our long-term investments in any one year will reduce the underlying investment base and reduce future investment returns. Positive investment growth of 5.2% every year is not guaranteed and will fluctuate from month to month, and from year to year. We therefore need to limit how much we withdraw so that we protect and maintain the buying power of our underlying investments, so they continue to generate returns for years and decades to come. In line with *Our Medium-Term Financial Plan*, we can afford to withdraw £15.44m from our long-term investments without adversely affecting future investment performance, and we will use this to supplement the General Fund revenue budget.

The General Fund revenue budget requires *more* than £15.44m in order to achieve financial balance in 2024/25. A further withdrawal of £22.3m to meet the funding gap we have been unable to resolve is affordable in the short term given the relative health of the investments, but it is not sustainable and deviates from *Our Medium-Term Financial Plan*.

iii. Council Tax

We have a legal obligation to set and collect Council Tax. The Council approved the Council Tax rates on 22 February 2024, the Council Tax was frozen at the 2023/24 levels. Additional funding is being provided by the Scottish Government for an equivalent of 5% rise in Council Tax.

The Council Tax rates for 2024/25 remain at the 2023/24 level and are as follows:

Band	Band Value	Multiplier	No. Properties in Band	Annual Increase	2024/25 Council Tax
A	£0 - 27,000	240/360	3010	£36.19	£840.41
B	£27,000 - £35,000	280/360	1893	£42.22	£980.47
C	£35,000 - £45,000	320/360	2920	£48.25	£1,120.54
D	£45,000 - £58,000	360/360	1921	£54.28	£1,260.61
E	£58,000 - £80,000	473/360	1537	£71.32	£1,656.30
F	£80,000 - £106,000	585/360	320	£88.21	£2,048.49
G	£106,000 - £212,000	705/360	72	£106.30	£2,468.69
H	£212,000 +	882/360	2	£132.99	£3,088.49

The Council also approved an increase to Second Homes Council Tax from 110% to 200% of the charge and 25% increase for Long Term Empty Properties Council Tax (report F-18-24 22 February 2024).

2.2 The Harbour Account - Revenue and Capital Budget

We operate a number of ports and harbours across Shetland. We are legally required to account for all port and harbour activity separately from the General Fund. We therefore maintain the Harbour Account to ensure clear blue water between Harbour Account activity and other Council services that are funded through the General Fund. The proposed revenue and capital budget for the Harbour Account is summarised in the table below:

Line No.	Description	2024/25 Budget £000
1	Sullom Voe	14,395
2	Scalloway	1,419
3	Other Piers	854
4	Jetties & Spur Booms	3,579
5	TOTAL REVENUE EXPENDITURE (equals lines 1-4)	20,247
6	Harbour Fees & Charges	(26,586)
7	Jetties & Spur Booms	(3,579)
8	TOTAL REVENUE INCOME (equals lines 6-7)	(30,165)
9	HARBOUR ACTIVITY NET REVENUE SURPLUS (equals lines 5-8)	(9,918)
10	TOTAL CAPITAL EXPENDITURE	570
11	Capital Receipts	(30)
12	TOTAL CAPITAL INCOME (equals line 11)	(30)
13	NET CAPITAL DRAW ON RESERVES (equals lines 10 plus 12)	540
14	HARBOUR ACTIVITY REVENUE & CAPITAL NET SURPLUS (line 9 plus line 13)	(9,378)
15	Shetland Gas Plant	(1,500)
16	TOTAL SURPLUS (equals line 14 plus line 15)	(10,878)
17	Contribution to the Reserve Fund	10,878
18	BALANCED HARBOUR ACCOUNT (line 16 plus line 17)	0

The primary driver of activity in the Harbour Account arises from the Sullom Voe Terminal, which requires harbour services on a 24 hours a day, seven days a week basis, to facilitate tanker movements. Considerable expenditure is required to maintain such a service amidst a gradual decline in harbour traffic.

For 2024/25 we are planning to increase charges by 4.9% on average across all ports and harbours in order to help offset the increasing cost of providing services. We anticipate that ports and harbour activity will generate a surplus of £9.4m in 2024/25, with a further £1.5m income from the Shetland Gas Plant.

The detailed budget proposal for 2024/25 has been presented to the Harbour Board and can be found in the following report:

Committee	Date	Report Ref.	Report Title
Harbour Board	6 March 2024	F-6-24-F	2024/25 Budget and Charging Proposals - Harbour Board

2.3 The Housing Revenue Account - Revenue and Capital Budget

As a social landlord, we are legally required to account for any income and expenditure that relates to the provision of housing separately from the General Fund. We maintain the Housing Revenue Account (HRA) to record all the income and expenditure that relates to our activities as a landlord, such as collecting housing rent, paying for maintenance and building or acquiring new housing stock. The proposed revenue and capital budget for 2024/25 is summarised below:

Line No.	Description	2024/25 Budget £000
1	Supervision & Management	973
2	Repairs & Maintenance	4,000
3	Void Rents & Charges	245
4	Garages	32
5	Capital Charges - Dwellings	1,153
6	Irrecoverable Debt	77
7	TOTAL REVENUE EXPENDITURE (equals lines 1-6)	6,480
8	Rents - Dwellings	(7,790)
9	Rents - Other i.e. garages/sites etc.	(277)
10	Interest on Revenue Balances	(36)
11	TOTAL REVENUE INCOME (equals lines 8-10)	(8,103)
12	NET REVENUE CONTRIBUTION to HRA RESERVE (line 7 plus line 11)	(1,623)
13	TOTAL CAPITAL EXPENDITURE	9,689
14	Capital Receipts	(35)
15	Capital Grants	(969)
16	NET CAPITAL DRAW from HRA RESERVE (lines 13-16)	8,685
17	Contribution from 2nd Homes Council Tax (Reserve)	(388)
18	Contribution from Housing Revenue Account (Reserve)	(6,674)
19	BALANCED HOUSING REVENUE ACCOUNT BUDGET (lines 12 plus 16 plus 17 plus 18)	0

Housing rents and charges were approved by the Council on 22 February 2024, these increased by 5%. The HRA budget has been developed on this basis and with regard to the HRA 30 year financial model. We expect the HRA to achieve a net revenue surplus of £1.6m. This surplus will offset total net planned capital expenditure of £8.7, with the remainder £7.1m being met from reserves.

The aim of the HRA is to maintain financial balance between the income received and expenditure defrayed. There are special rules regarding what can and cannot be accounted for within the HRA, and it cannot be subsidised by the General Fund. Accordingly, we maintain a HRA reserve which can be called upon to meet any budgetary deficits that may be anticipated. In 2024/25 the HRA will require £6.7m from the HRA reserve in order to achieve financial balance and £0.4m from the Second Homes Council Tax Reserve.

The HRA business plan will be updated during the year, underpinned by a refreshed 30-year financial model. The business plan will provide the blueprint for the future maintenance of existing housing stock and the options available to invest in new housing stock while ensuring the HRA remains self-sustaining.

The detailed budget proposal for 2024/25 has been presented to the Development Committee and can be found in the following report:

Committee	Date	Report Ref.	Report Title
Development	13 March 2024	F-15-24-F	2024/25 Budget and Charging Proposals - Housing Revenue Account

2.4 Other Revenue Budgets

Orkney & Shetland Valuation Joint Board

We contribute towards the funding of the Orkney and Shetland Valuation Joint Board (O&SVJB) as one of two constituent authorities. The O&SVJB provides statutory services relating to the preparation, publication and maintenance of the Valuation Roll, Council Tax List and Electoral Register on our behalf. The revenue funding provided is channelled through our Corporate Services directorate, and is therefore included in budget proposal considered by the Policy and Resources Committee.

The O&SVJB sets its own budget in order to allocate resources to support day-to-day operations and deliver its strategic priorities.

From the draft budget report, we have estimated our contribution to the O&SVJB to be £0.501m for 2024/25 a decrease of £2k from 2023/24.

Further information on about the O&SVJB budget proposal can be found in the following report:

Committee	Date	Report Ref.	Report Title
O&S Valuation Joint Board	TBC	TBC	Draft budget 2024/25*

**Hyperlink to the report will be updated once available*

Shetland Health and Social Care Partnership

Along with NHS Shetland, we formally agreed to delegate community health and social care services for adults to a third body: the Shetland Integration Joint Board (IJB). The IJB is a joint venture between the Council and NHS Shetland, and is responsible for the operational management and main decision making for the Shetland Health and Social Care Partnership.

We provide funding to the IJB, along with the NHS. The IJB then issues directions to both us and the NHS, instructing us to provide adult health and social care services. These services are paid for by the IJB, using the funding it receives from us and the NHS. The IJB prepares its own budget that set out how it will fund the provision of health and social care funding on behalf of the Shetland Health and Social Care Partnership.

Further information about the IJB's budget can be found in the following report:

Committee	Date	Report Ref.	Report Title
Integration Joint Board	TBC	TBC	2024/25 Budget*

**Hyperlinks to reports will be updated once agenda packs have been published*

Zetland Transport Partnership

We provide funding to the Zetland Transport Partnership, known as ZetTrans, as the sole participating local authority in those partnership arrangements. The revenue funding provided is channelled through our Development Services directorate, and is therefore included in budget proposal considered by the Development Committee. The Partnership is required to set its own budget in order to allocate resources to support day-to-day operations and deliver the Partnership's strategic priorities.

Further information about ZetTrans' budget proposal can be found in the following report:

Committee	Date	Report Ref.	Report Title
ZetTrans	28 March 2024	ZTP-10-24-F	2024/25 Proposed Revenue Budget – ZetTrans*

**Hyperlinks to reports will be updated once agenda packs have been published*

3. Capital Budgets for 2024/25

Asset Investment Plan

We summarise our capital investment plans for the next five years in our Asset Investment Plan (AIP). Our AIP sets out what we plan to invest in the year ahead and subsequent years for each of the General Fund, Harbour Account and Housing Revenue Account so that interested parties can understand the scale and scope of our capital investment plans in different parts of the Council. Our proposed capital budget for 2024/25 is set out below:

Line No.	Description	2024/25 Budget £000
1	New Developments	13,770
2	Maintenance of Existing Assets	17,403
3	In-Year Slippage	(4,397)
4	TOTAL EXPENDITURE (equals lines 1-3)	26,776
5	Scottish Government General Capital Grant	(4,992)
6	Other Capital Grants	(4,542)
7	Capital Receipts (General Fund ,HA and HRA)	(565)
8	TOTAL FUNDING (equals lines 5-7)	(10,009)
9	FUNDING SHORTFALL (equals line 4 plus line 8)	16,677
10	Capital Funded from Current Revenue	(11,289)
11	Draw on Reserves	(5,388)
12	TOTAL FINANCING (equals lines 10-11)	(16,677)
13	TOTAL FUNDING AND FINANCING (equals line 8 plus line 12)	(26,776)
14	BALANCED ASSET INVESTMENT PLAN (equals line 4 plus line 13)	0

Our capital investment plans have been developed with regard to our capital strategy and follow our capital expenditure and capital funding policies. These strategies and policies are set out in the Treasury Management Strategy Statement and Annual Investment Strategy, which is being presented to the same meeting as the budget proposals contained in this Budget Book.

Allocations for some projects within the AIP are provisional estimates at this stage and will be subject to further review once design and/or tendering processes have been concluded. As delivery of the AIP progresses, some projects may require less funding and some projects may require more funding than anticipated. Regular progress updates are provided to Elected Members through the year, summarising any differences between the estimated costs and actual or projected costs of individual projects, along with any budgetary adjustments or re-profiling that may be required.

The proposed capital budget for 2024/25 has been revised after taking into consideration the likely level of activity that we can reasonably expect to achieve given our track record in managing capital expenditure. The proposed budget amounts to £26.8m and will be financed by a combination of:

- Scottish Government general capital grant (£5.0m);
- Scottish Government/Central Government specific capital grant (£4.5m);
- capital receipts (£0.6m);
- capital financed from current revenue (CFCR) (£11.3m); and
- draw on Reserves (£5.4m).

Over the five year period, we plan to spend £87.8m on the maintenance, acquisition and construction of assets. This will require funding from reserves of £15.2m and revenue funding of £33.5m. The capital grant received from the Scottish Government is insufficient to meet our planned capital investment, so we will need to finance our AIP through other sources. Our five-year plan will require us to use capital grants, capital receipts, funding capital from revenue sources and the use of our reserves. We will need to prioritise which projects are taken forward with regard to the Prudential Code, which requires local authorities to:

‘look at capital expenditure plans, investments and debt in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long-run financing implications and potential risks to the authority. Effective financial planning, option appraisal, risk management and governance processes are essential in achieving a prudential approach to capital expenditure, investments and debt.’

(CIPFA Prudential Code for Capital Finance in Local Authorities, 2021 edition)

Further detail about how we plan to finance the AIP is included in Appendix 2 to this Budget Book. In addition to the AIP, there is a need to approve part of the 2025/26 budget for purchase of vehicles and plant in 2024/25 of £1.752m due to the long lead-in time to receive the vehicles. Expenditure will only be incurred in 2025/26 but a budget requires to be approved in 2024/25 to allow the Service to commit to the purchases. The following shows the split between the funds:

General Fund	£1,408,000
Ports & Harbours	£93,000
HRA	£250,500
Overall Total	£1,751,500

Set out in Appendix 3 are potential projects which are awaiting Gateway approval and prioritisation for your information. For 2024/25 those which have already been costed amount to £20.1m and would require a draw on reserves of £3.1m and funding capital through revenue sources of £2.1m should these projects get approval to go ahead. The total over the 5 years amounts to £124.7m which would require a total from reserves of £71.8m along with £21.3m from revenue sources to fund all projects.

We cannot afford to proceed with every capital project on our own without external support and without taking action to address our financial sustainability. The Council is actively pursuing potential funding streams that could be used to facilitate capital investments that will help further the delivery of *Our Ambition*. The use of potential grant funding is, however, unlikely to fully resolve the issues of affordability and sustainability in the medium- to long-term. The Council will need to prioritise which projects it takes forward in the future to ensure that our limited capital resources are invested in projects that will deliver the most benefit to Shetland’s community.

Further detail about individual projects contained in our Asset Investment Plan are presented to the Policy and Resources Committee as part of our overall budget, and are included in Appendix 2 to this agenda item. The Treasury Management Strategy Statement and Annual Investment Strategy is also being presented on the same agenda. For completeness, the detailed capital budget proposals and associated capital strategy and policies can be found in the following reports:

Committee	Date	Report Ref.	Report Title
Policy & Resources	14 March 2024	F-14-24-F	Shetland Islands Council Budget Book 2024/25* (Appendix – 2)
		F-15-24-F	Treasury Management Strategy Statement & Annual Investment Strategy for 2024/25*

** hyperlinks to reports will be updated once the agenda pack has been published*

Shetland Islands Council
5 Year Asset Investment Plan 2024-2029

Appendix 2 - F-14-24

General Fund							
Approved Projects	Year 1 24/25 £	Year 2 25/26 £	Year 3 26/27 £	Year 4 27/28 £	Year 5 28/29 £	Years 1 - 5 Overall Total £	Gateway Stage Requirements
PC & LAN Replacement	227,228	230,000	230,000	230,000	230,000	1,147,228	Annual Rolling Programme update to be presented to Policy & Resources Committee
Schools ICT Equipment	286,505	290,000	290,000	290,000	290,000	1,446,505	
Photocopier Replacement	80,024	81,000	81,000	81,000	81,000	404,024	
Shetland Public Sector Network	127,445	195,800	195,000	195,000	195,000	908,245	
Energy Recovery Plant Maintenance	811,000	170,000	125,000	150,000	125,000	1,381,000	Annual Rolling Programme update to be presented to Environment & Transport Committee
Gremista Waste Management Facility Plant	126,000	150,000	35,000	0	70,000	381,000	
Landfill Capping	0	350,000		400,000		750,000	
Burial Grounds Capital Works	81,802	97,400	90,400	116,539	95,000	481,141	
Building Maintenance Capital Works	1,278,500	1,171,850	1,374,000	1,223,000	793,000	5,840,350	
Vehicle & Plant Replacement Programme	3,916,850	2,015,800	1,466,900	969,250	2,010,250	10,379,050	
Fleet Garage - Plant & Equipment Replacement Programme	24,699	25,000	25,000	25,000	25,000	124,699	
Ferry Life Extension Works	761,000	500,000	500,000	500,000	500,000	2,761,000	
Cycling, Walking, Safer Streets	101,000	101,000	101,000	101,000	101,000	505,000	
Scord Quarry Plant Replacement	267,000	220,000	230,000	250,000	260,000	1,227,000	
Bridge Repairs/Replacement	69,156	0	77,000	80,000	83,000	309,156	
Streetlighting Replace/Removal	74,096	75,000	75,000	75,000	78,000	377,096	
Traffic Management & Accident Reduction	88,915	95,000	100,000	105,000	109,000	497,915	
Road Reconstruction	86,683	265,000	285,000	740,000	770,000	2,146,683	
Road Safety Barrier Replacement	128,433	135,000	140,000	150,000	156,000	709,433	
Pelican Crossings	8,000	20,000	20,000	20,000	21,000	89,000	
Maintenance Expenditure	8,544,336	6,187,850	5,440,300	5,700,789	5,992,250	31,865,525	
Knab Site Infrastructure Build	3,060,000	1,840,000				4,900,000	
Knab Housing Design	785,000	200,000				985,000	
Greening the Fleet - GF		119,000	119,000	119,000	119,000	476,000	
Chargepoint Infrastructure - Greening the Fleet	163,000	163,000	163,000	163,000	163,000	815,000	
Tingwall Runway Resurfacing	445,000	445,000	445,000			1,335,000	
Terminal Linkspan Life Extension Works	1,100,000	700,000				1,800,000	
Ulsta Ferry Terminal Painting	550,000					550,000	
Centros Migration	100,300	17,700				118,000	
St Olaf Street Retaining Wall	200,000					200,000	

Stendaal Retaining Walls	315,000					315,000	Gateway Requirements Met
Clickimin Roundabout/Access Road		20,110				20,110	
A970 Levenwick Road Improvements - Preliminary	53,920					53,920	
Happyhansel Multicourt Refurb	52,000					52,000	
Brae High School - Pre-Construction	3,139,000	1,311,000				4,450,000	
Outdoor Learning	100,000	100,000	100,000	100,000	100,000	500,000	
Gilbertson Park Fence Replacement	107,000					107,000	
3G Synthetic Turf Pitch	1,200,000					1,200,000	
Play Park Renewal	91,000	151,000				242,000	
Active Travel Programme	500,000	500,000	500,000	500,000	500,000	2,500,000	
Islands Connectivity Plan - Fair Isle - Pre-Construction Only	408,142					408,142	
New Project Expenditure	12,369,362	5,566,810	1,327,000	882,000	882,000	21,027,172	
In-Year Slippage	-4,396,556	1,566,450	2,830,106	0	0	0	
TOTAL PROJECT EXPENDITURE	16,517,142	13,321,110	9,597,406	6,582,789	6,874,250	52,892,697	
Scottish Government - General Capital Grant	-4,992,000	-5,000,000	-5,000,000	-5,000,000	-5,000,000	-24,992,000	
Scottish Government - Cycling Walking Safer Routes	-101,000	-101,000	-101,000	-101,000	-101,000	-505,000	
Scottish Government - Active Travel Programme	-500,000	-500,000	-500,000	-500,000	-500,000	-2,500,000	
SFA/Sport Scotland/SRU/Shetland Rugby Club - 3G Pitch	-720,000					-720,000	
UK/SG Islands Growth Deal - Knab Site Infrastructure Build	-600,000					-600,000	
UK/SG Islands Growth Deal - Knab Site Housing Design	-785,000	-200,000				-985,000	
SG - Housing Infrastructure Fund - Knab Site Inf Build	-500,000	-800,000				-1,300,000	
Central Govt- Levelling Up - Islands Connectivity - Fair Isle	-367,328	0	0	0	0	-367,328	
External Grants	-8,565,328	-6,601,000	-5,601,000	-5,601,000	-5,601,000	-31,969,328	
Capital Receipts (Properties)	-100,000	-100,000	-100,000	-100,000	-100,000	-500,000	
Capital Receipts (Vehicles)	-400,000	-400,000	-400,000	-400,000	-400,000	-2,000,000	
Capital Receipts	-500,000	-500,000	-500,000	-500,000	-500,000	-2,500,000	
Funded from Revenue Income	-2,451,814	-1,200,000	-500,000	-500,000	-500,000	-5,151,814	
Funded from Revenue Income	-2,451,814	-1,200,000	-500,000	-500,000	-500,000	-5,151,814	
Capital Grant Unapplied Reserve	0	-20,110	0	0	0	-20,110	
General Capital Fund	-5,000,000	-5,000,000	-2,996,406	68,211	-273,250	-13,251,445	
Reserves/Borrowing	-5,000,000	-5,020,110	-2,996,406	68,211	-273,250	-13,271,555	
TOTAL FUNDING	-16,517,142	-13,321,110	-9,597,406	-6,532,789	-6,874,250	-52,892,697	

HRA							
Approved Projects	Year 1 24/25 £	Year 2 25/26 £	Year 3 26/27 £	Year 4 27/28 £	Year 5 28/29 £	Years 1 - 5 Overall Total £	Gateway Stage Requirements
Housing Quality Standard	6,000,000	6,300,000	4,000,000	4,000,000	4,000,000	24,300,000	Annual Rolling Programme update to be presented to Development Committee
Structural Remediation Works	1,200,000	200,000	1,200,000	30,000		2,630,000	
Accessible Adaptations	100,000	100,000	100,000	100,000	100,000	500,000	
Heating Replacement Programme	700,000	400,000	10,000			1,110,000	
Vehicle Replacement Programme	289,300	250,500			128,600	668,400	
Maintenance Expenditure	8,289,300	7,250,500	5,310,000	4,130,000	4,228,600	29,208,400	
Sandveien Component Replacement	680,000	75,000				755,000	Gateway Requirements Met
Greening the Fleet - HRA		6,790	6,790	6,790	6,790	27,160	
Property Acquisitions	720,000	720,000	720,000	720,000	720,000	3,600,000	
New Development Expenditure	1,400,000	801,790	726,790	726,790	726,790	4,382,160	
TOTAL PROJECT EXPENDITURE	9,689,300	8,052,290	6,036,790	4,856,790	4,955,390	33,590,560	
Scottish Government - Affordable Housing Supply Programme	-968,800	-1,393,450	-1,208,850	-332,000	-332,000	-4,235,100	
External Grants	-968,800	-1,393,450	-1,208,850	-332,000	-332,000	-4,235,100	
2nd Homes Council Tax Reserve	-388,000	-388,000	-388,000	-388,000	-388,000	-1,940,000	
Capital Receipts (Vehicles)	-35,000	-35,000	-35,000	-35,000	-35,000	-175,000	
Funded from Revenue Income	-8,297,500	-6,235,840	-4,404,940	-4,101,790	-4,200,390	-27,240,460	
TOTAL FUNDING	-9,689,300	-8,052,290	-6,036,790	-4,856,790	-4,955,390	-33,590,560	

Harbour Account							
Approved Projects	Year 1 24/25 £	Year 2 25/26 £	Year 3 26/27 £	Year 4 27/28 £	Year 5 28/29 £	Years 1 - 5 Overall Total £	Gateway Stage Requirements
Plant & Equipment	70,000	70,000	70,000	70,000	70,000	350,000	Annual Programme update to be presented to the Harbour Board
Vehicle Replacement Programme	428,250	93,000				521,250	
Nav Aids - Sullom Voe	70,000	70,000	70,000	70,000	70,000	350,000	
PC/LAN Replacement Harbour	1,850	1,850	1,850	1,850	1,850	9,250	
Maintenance Expenditure	570,100	234,850	141,850	141,850	141,850	1,230,500	
Greening the Fleet - Harbour		14,271	14,271	14,271	14,271	57,084	Gateway Requirements Met
New Development Expenditure	0	14,271	14,271	14,271	14,271	57,084	
TOTAL PROJECT EXPENDITURE	570,100	249,121	156,121	156,121	156,121	1,287,584	
Capital Receipts (Vehicles)	-30,000	-30,000	-30,000	-30,000	-30,000	-150,000	
Funded from Revenue Income	-540,100	-219,121	-126,121	-126,121	-126,121	-1,137,584	
TOTAL FUNDING	-570,100	-249,121	-156,121	-156,121	-156,121	-1,287,584	

Shetland Islands Council
Asset Investment - Potential Projects

Appendix 3 - F-14-24

General Fund Potential Projects Awaiting Gateway Approval & Prioritisation	Year 1 24/25 £	Year 2 25/26 £	Year 3 26/27 £	Year 4 27/28 £	Year 5 28/29 £	Years 1 - 5 Overall Total £	Gateway Stage Requirements
B9802 Cullivoe Road Improvements	2,500,000	5,000,000	2,000,000			9,500,000	Full Business Case
Landfill Phase 3 Construction	128,000	1,761,000	1,321,000			3,210,000	Business Justification Case
A970 Levenwick Road Improvements		2,883,000	2,093,000			4,976,000	Full Business Case
Foula Terminal Building	50,000					50,000	Business Justification Case
Islands Connectivity Plan - Fair Isle - Construction	16,549,309	22,712,241	1,767,100			41,028,650	Full Business Case
ERP Control System Upgrades	405,899					405,899	Business Justification Case
Roads Equipment	34,578	40,000	40,000	50,000	50,000	214,578	Business Justification Case
Brae High School - Construction		19,000,000	19,000,000			38,000,000	Full Business Case
A971 West Burrafirth to Walls Road Improvements	167,000	179,000	58,000	60,000	2,182,000	2,646,000	Outline Business Case - est additional £6.8m reqd in future years
TOTAL POTENTIAL PROJECT EXPENDITURE	19,834,786	51,575,241	26,279,100	110,000	2,232,000	100,031,127	
Central Government - Levelling Up Fund - Islands Connectivity - Fair Isle	-14,894,378	-8,439,829				-23,334,207	
External Grants	-14,894,378	-8,439,829	0	0	0	-23,334,207	
Landfill Phase 3 Construction (additional fees & charges)	-128,000	-1,761,000	-1,321,000	0	0	-3,210,000	
Islands Connectivity - Fair Isle (Crown Estate)	-1,617,269					-1,617,269	
Foula Terminal Building (Ferry Grant)	-50,000	0	0	0	0	-50,000	
Funded from Revenue Income	-1,795,269	-1,761,000	-1,321,000	0	0	-4,877,269	
ERP Control System Upgrades	-405,899	0	0	0	0	-405,899	
Roads Equipment	-34,578	-40,000	-40,000	-50,000	-50,000	-214,578	
Cullivoe Road Improvements	-2,500,000	-5,000,000	-2,000,000	0	0	-9,500,000	
A970 Levenwick Road Improvements	0	-2,883,000	-2,093,000	0	0	-4,976,000	
Brae High School	0	-19,000,000	-19,000,000	0	0	-38,000,000	
Islands Connectivity - Fair Isle - Construction	-37,662	-14,272,412	-1,767,100	0	0	-16,077,174	
A971 West Burrafirth to Walls Road Improvements	-167,000	-179,000	-58,000	-60,000	-2,182,000	-2,646,000	
Reserves/Borrowing	-3,145,139	-41,374,412	-24,958,100	-110,000	-2,232,000	-71,819,651	
TOTAL POTENTIAL FUNDING SOURCES	-19,834,786	-51,575,241	-26,279,100	-110,000	-2,232,000	-100,031,127	

General Fund - Further Potential Projects awaiting Costing Proposals
Schoolhouses maintenance Grutness Terminal Waiting Room & Toilets Enhanced Provision Schools Tingwall Airport Infrastructure Rolling Programme Symbister Terminal Waiting Room & Toilets Toft & Ulsta Terminal Fender Replacement

HRA Potential Projects Awaiting Gateway Approval & Prioritisation	Year 1 24/25 £	Year 2 25/26 £	Year 3 26/27 £	Year 4 27/28 £	Year 5 28/29 £	Years 1 - 5 Overall Total £	Gateway Stage Requirements
North Road Lerwick - Mid Market Rent		1,500,000				1,500,000	Business Justification Case
Old Eric Gray/Kantersted Development	260,000	1,500,000	1,450,000	50,000		3,260,000	Outline Business Case
Janet Courtney Hostel*		2,600,000	2,600,000	75,000		5,275,000	Outline Business Case
Knab Redevelopment - Phase A*		1,720,000	1,720,000	50,000		3,490,000	Outline Business Case
Knab Redevelopment - Phase B1*				4,750,000	4,750,000	9,500,000	Outline Business Case
Knab Redevelopment - Phase B2*					1,600,000	1,600,000	Outline Business Case
TOTAL POTENTIAL PROJECT EXPENDITURE	260,000	7,320,000	5,770,000	4,925,000	6,350,000	24,625,000	
Scottish Government - Affordable Housing Supply Programme	0	-1,776,950	-2,370,550	-1,019,800	-2,039,600	-7,206,900	
External Grants	0	-1,776,950	-2,370,550	-1,019,800	-2,039,600	-7,206,900	
Funded from Revenue Income	-260,000	-5,543,050	-3,399,450	-3,905,200	-4,310,400	-17,418,100	
Funded from Revenue Income	-260,000	-5,543,050	-3,399,450	-3,905,200	-4,310,400	-17,418,100	
TOTAL POTENTIAL FUNDING SOURCES	-260,000	-7,320,000	-5,770,000	-4,925,000	-6,350,000	-24,625,000	
* Note: the proposed tenure split on the Knab related projects will mean that some of these costs will ultimately relate to the General Fund once fully determined.							

Harbour Account - Potential Projects awaiting Costing Proposals
Tug Computer Systems Piers Cathodic Protection Programme Toft Pier Shore Power Walls Pier Shore Power Baltasound Pontoon Gutcher Berthing Dolphin Scalloway West Pier Development Tug Jetty Pontoons Skerries Finger Pier

ALL CHARGES ARE EXCLUSIVE OF VAT, WHERE APPLICABLE

Charge Description	Unit	2023/24 Charge £	2024/25 Charge £	Variance %
Executive				
Town Hall				
Meeting/ talk/ workshop (Maximum of 60 people)	per hour	27.00	28.00	3.7
Small Event Booking / Minor Kitchen Use (Maximum of 60 people)	per hour	30.00	32.00	6.7
Small Event Booking / Full Kitchen Use (Maximum of 60 people)	per hour	35.00	37.00	5.7
Meeting/ talk/ workshop (More than 60 people)	per hour	43.00	45.00	4.7
Large Event Booking / Minor Kitchen Use (More than 60 people)	per hour	45.00	50.00	11.1
Large Event Booking / Full Kitchen Use (More than 60 people)	per hour	50.00	55.00	10.0
Wedding / Dinner Dance (Maximum of 60 people)	per hour	35.00	37.00	5.7
Wedding / Dinner Dance (More than of 60 people)	per hour	56.00	60.00	7.1
Kitchen (Catering Use)	per hour	30.00	32.00	6.7
Clean Up Charge	per event	170.00	180.00	5.9
Preparation Time before event (Evening (Up to 10:30pm) and Saturday)	per hour	25.00	31.00	24.0
Preparation Time before event (Late Evening (After 10:30pm) and Sunday)	per hour	29.00	34.00	17.2
Evening (Up to 10:30pm) and Saturday Surcharge - Applied to the applicable hourly rate for the event.		0.25	0.25	0.0
Late Evening (After 10:30pm) and Sunday Surcharge - Applied to the applicable hourly rate for the event.		0.40	0.40	0.0
Cancellation Charges - cancellation of room bookings must be confirmed at least 5 days before the date or the full charge is payable. These bookings will not be transferred to another date.		25% of full charge	25% of full charge	0.0
Up Helly Aa	per hour	65.00	70.00	7.7
Up Helly Aa - Cleaning Costs	per event	650.00	700.00	7.7
Use of Meeting Equipment	per event	12.00	13.00	8.3
Tea & Coffee	per person	1.70	2.00	17.6
Set of Cutlery Items	per item	0.60	1.00	66.7
Crockery Items	per item	0.35	0.50	42.9
Tea / Coffee Pot	per item	1.25	1.50	20.0
Water Jugs	per item	0.75	1.00	33.3
Hot Water Boiler / Urn	per item		30.00	New Charge
Hot Box	per item		50.00	New Charge
Stacking Chair	per item	0.70	1.00	42.9
Table 4 ft or 6 ft	per item	6.50	7.00	7.7
Chair Covers (Wedding)	per item	0.60	1.00	66.7
Table Cloths (Wedding)	per item	2.50	3.00	20.0
Performing Rights Society Charges - cost of licence will depend on the nature of event This will be determined at the time of booking.	per event	Various	Various	
Civil Marriages				
Registration Office - office hours - no guests - accommodation and attendance fee	per event	63.00	66.00	4.8
Registration Office - office hours - no guests	per event	125.00	155.00	24.0
Registration Office - office hours - no guests - TOTAL CHARGE	per event	218.00	221.00	1.4
Registration Office - office hours - guests - accommodation and attendance fee	per event	119.00	125.00	5.0
Registration Office - office hours - guests	per event	125.00	155.00	24.0
Registration Office - office hours - guests - TOTAL CHARGE	per event	274.00	280.00	2.2
Registration Office - outwith office hours - guests - accommodation and attendance fee	per event	175.00	184.00	5.1
Registration Office - outwith office hours - guests	per event	125.00	155.00	34.0
Registration Office - outwith office hours - guests - TOTAL CHARGE	per event	330.00	339.00	2.7
Outwith Registration Office (authorised venue)	per event	125.00	155.00	24.0
Outwith Registration Office (authorised venue) - attendance fee	per event	230.00	242.00	5.2
Outwith Registration Office (authorised venue) - TOTAL CHARGE	per event	385.00	397.00	3.1
Travel Costs for a Registrar attendance at an Approved Place - up to 5 miles from Registration Office	per event	5.00	5.00	0.0
Travel Costs for a Registrar attendance at an Approved Place - up to 10 miles from Registration Office	per event	10.00	10.00	0.0
Travel Costs for a Registrar attendance at an Approved Place - up to 20 miles from Registration Office	per event	20.00	20.00	0.0
Travel Costs for a Registrar attendance at an Approved Place - Over 20 miles	per event	40.00	40.00	0.0
Ferry fares at standard return costs will be added to the travel costs where appropriate	per event	variable	variable	
All Accommodation and Attendance Fees include non-refundable amount	per event	40.00	42.00	5.0

Governance & Law					
Property Enquiry Certificates LICENSING (Scotland) Act 2005 (New)	Property Enquiry Certificates	per certificate	124.00	130.00	4.8
	Initial premises application fee - category 1	per application	200.00	200.00	0.0
	Initial premises application fee - category 2	per application	800.00	800.00	0.0
	Initial premises application fee - category 3	per application	1100.00	1100.00	0.0
	Initial premises application fee - category 4	per application	1300.00	1300.00	0.0
	Initial premises application fee - category 5	per application	1700.00	1700.00	0.0
	Initial premises application fee - category 6	per application	2000.00	2000.00	0.0
	Annual premises licence fee - category 1	per application	180.00	180.00	0.0
	Annual premises licence fee - category 2	per application	220.00	220.00	0.0
	Annual premises licence fee - category 3	per application	280.00	280.00	0.0
	Annual premises licence fee - category 4	per application	500.00	500.00	0.0
	Annual premises licence fee - category 5	per application	700.00	700.00	0.0
	Annual premises licence fee - category 6	per application	900.00	900.00	0.0
	Vary premises licence 29(1) substitution of manager	per application	31.00	31.00	0.0
	Vary premises licence 29(1) minor	per application	20.00	20.00	0.0
	Vary premises licence 29(1) other	per application	165.00	165.00	0.0
	Transfer by licence holder 33(1) with variation	per application	245.00	245.00	0.0
	Transfer by licence holder 33(1) with no variation	per application	165.00	165.00	0.0
	Transfer by another person 34(1) with variation	per application	245.00	245.00	0.0
	Transfer by another person 34(1) with no variation	per application	165.00	165.00	0.0
	Temporary premises licence 47(2)	per application	245.00	245.00	0.0
	Occasional licence 56(1)	per application	10.00	10.00	0.0
	Extended hours 68(1)	per application	10.00	10.00	0.0
	Personal licence 72(1)	per application	50.00	50.00	0.0
	Replacement personal licence 92(1)	per application	40.00	40.00	0.0
	Replacement premises licence 53(1)	per application	40.00	40.00	0.0
Raffles Gambling Act 2005)	Small society lottery registration	per application	40.00	40.00	0.0
	Annual renewal fee	per application	20.00	20.00	0.0
Legal	Legal fees relating to property sales		variable	variable	
	Legal fees relating to crofting transactions		variable	variable	
	Road adoption plans	per application	44.00	46.00	4.5
Finance					
Workforce Development	Recharge course fees to third parties		variable	variable	
Revenues	BID Levy - rateable value £0 - £2,500		200.00	200.00	0.0
	BID Levy - rateable value £2,501 - £5,000		300.00	300.00	0.0
	BID Levy - rateable value £5,001 - £7,500		400.00	400.00	0.0
	BID Levy - rateable value £7,501 - £10,000		500.00	500.00	0.0
	BID Levy - rateable value £10,001 - £15,000		600.00	600.00	0.0
	BID Levy - rateable value £15,001 - £20,000		700.00	700.00	0.0
	BID Levy - rateable value £20,001+		850.00	850.00	0.0
Asset, Commissioning and Procurement					
Asset Services	Cost of insurance premium for leased properties		variable	variable	
	Plans relating to property sales		variable	variable	
Community Care Resources					
Social Work Establishments	Permanent residents - all establishments - single room	per week	1696.00	1898.00	11.9
	Temporary residents - all establishments - single room	per week	352.00	378.00	7.4
	Social Support Charge	per hour	22.30	25.68	15.2
	Domestic home care charge	per hour	17.71	18.96	7.1
	Day care attendance charge	per day	5.00	5.25	5.0
	Day care meal charges (pending review)	per meal	6.85	6.85	0.0
	Meals on wheels (pending review)	per meal	6.85	6.85	0.0
	Community alarm response service	per week	3.00	3.15	5.0
Community Care Resources	Various properties service charges	per month	variable	variable	
Walter and Joan Gray Care Home	Negotiated price inclusive of enhancements for all client groups	per week	1633.00	*to be confirmed at a later date	
Adult Services					
Social Work Establishments	Supported Living - Supported Living Service	per week	151.00	173.50	14.9
	Social Work premises - room hire rate (additional charge for tea/coffee/biscuits)	per hour	12.50	13.10	4.8
Adult Services	Various properties service charges	per month	variable	variable	
Adult Social Work					
Mainland Placements	Negotiated price will be on an individual basis in line with COSLA's benchmark figures		negotiable	negotiable	
Direct Payment Rates	Personal care (pending review)	per hour	21.01	21.01	0.0
	Domestic tasks per hour (pending review)@ (including laundry and meal preparation)	per hour	16.39	16.39	0.0
Self Directed Support	Contribution to additional transport		variable	variable	
Economic Development					
Shetland Telecom Charges	Shetland Telecom charges		variable	variable	

Planning					
Search of Records	Charge per hour or part thereof		127.00	127.00	0.0
Letter of Comfort	Provision of letter of comfort - with building warrant	per letter	177.00	177.00	0.0
	Provision of letter of comfort - without building warrant	per letter	350.00	350.00	0.0
	Site visit in relation to letter of comfort	per visit	234.00	234.00	0.0
Building Warrant	Building Warrant Fee Structure	see attached fee structure for full details - link to be updated	variable	variable	
Planning Applications: Scottish	Fee Calculator		variable	variable	
Retrospective Planning Applications	The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 (legislation.gov.uk)	25% Surcharge per application on the level of fee that would be payable	variable	variable	
Non-material variations to a planning	The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 (legislation.gov.uk)	per request	n/a	200.00	1.0
High Hedges Fees	High Hedges (Scotland) Act 2013 (legislation.gov.uk)	per application	468.00	468.00	0.0
Street Naming and Numbering	Per application for creation or change	per application	variable	variable	
Theatre licence	Annual licence	per application	88.00	88.00	0.0
	Occasional licence	per application	29.00	29.00	0.0
	Transfer of licence	per application	6.00	6.00	0.0
Raised Structure Permit	Permit for the erection of a temporary or permanent structure	per application	82.00	82.00	0.0
Cinema licence	Fee for provision of established cinema facilities	per application	202.00	202.00	0.0
Marine Development	The Town and Country Planning (Fees for Applications) (Scotland) Regulations 2022 (legislation.gov.uk)	per application	variable	variable	
Housing - HRA					
Garages	Garage rents (no electricity)	per week	12.44	13.06	5.0
	Garage rents (electricity)	per week	17.77	18.66	5.0
	Double garage (electricity)	per week	26.60	27.93	5.0
	Garage site rent	per week	5.65	5.93	5.0
Council Houses	4 bedroom - Lerwick	per week	118.99	124.94	5.0
	3 bedroom - Lerwick	per week	102.12	107.23	5.0
	2 bedroom - Lerwick	per week	84.79	89.03	5.0
	1 bedroom - Lerwick	per week	73.87	77.56	5.0
	Bedsit - Lerwick	per week	56.56	59.39	5.0
	7 bedroom - non Lerwick	per week	161.54	169.62	5.0
	5 bedroom - non Lerwick	per week	129.49	135.96	5.0
	4 bedroom - non Lerwick	per week	113.04	118.69	5.0
	3 bedroom - non Lerwick	per week	97.01	101.86	5.0
	2 bedroom - non Lerwick	per week	80.56	84.59	5.0
	1 bedroom - non Lerwick	per week	70.44	73.96	5.0
	Bedsit - non Lerwick	per week	54.01	56.71	5.0
Other	Housing repairs		variable	variable	

Housing - General					
Homeless Persons	Shared accommodation - standard occupancy charge	per week	61.60	64.68	5.0
	Shared accommodation - furniture charge	per week	14.21	14.92	5.0
	Shared accommodation - electricity charge	per week	22.05	23.15	5.0
	Shared accommodation - service charge	per week	18.97	19.92	5.0
	89 St Olaf Street - room 5 - occupancy charge	per week	81.14	85.20	5.0
	Electricity in communal areas (12a North Road)	per week	6.12	6.43	5.0
	General needs stock used for homeless persons - 1 apt - occupancy charge	per week	61.60	64.68	5.0
	General needs stock used for homeless persons - 2 apt - occupancy charge	per week	82.35	86.47	5.0
	General needs stock used for homeless persons - 3 apt - occupancy charge	per week	101.00	106.05	5.0
	General needs stock used for homeless persons - 4 apt - occupancy charge	per week	120.91	126.96	5.0
	General needs stock used for homeless persons - 5 apt - occupancy charge	per week	139.77	146.76	5.0
	Lerwick chalets - homeless lets - 1 bed - occupancy charge	per week	42.74	44.88	5.0
	Lerwick chalets - homeless lets - 2 bed - occupancy charge	per week	53.40	56.07	5.0
	Landward chalets - homeless lets - 1 bed - occupancy charge	per week	38.67	40.60	5.0
	Landward chalets - homeless lets - 2 bed - occupancy charge	per week	48.80	51.24	5.0
	Homeless persons - general needs stock & chalets - B&B accommodation - adult aged 16 or over	per week	138.83	145.77	5.0
	Homeless persons - general needs stock & chalets - B&B accommodation - child under 16	per week	69.34	72.81	5.0
	Storage charges (storage of property in Gremista store)	per week	7.32	7.69	5.0
Caravan Site/ Pitch Rents	Caravan site/pitch rents - Hoofields	per week	17.56	18.44	5.0
	Caravan site/pitch rents - Other	per week	12.12	12.73	5.0
Education & Other Properties	5 bedroom - Lerwick	per week	139.70	146.69	5.0
	4 bedroom - Lerwick	per week	121.96	128.06	5.0
	3 bedroom - Lerwick	per week	104.67	109.90	5.0
	2 bedroom - Lerwick	per week	86.91	91.26	5.0
	1 bedroom - Lerwick	per week	75.72	79.51	5.0
	Bedsit - Lerwick	per week	57.97	60.87	5.0
	7 bedroom - non Lerwick	per week	165.58	173.86	5.0
	5 bedroom - non Lerwick	per week	132.72	139.36	5.0
	4 bedroom - non Lerwick	per week	115.87	121.66	5.0
	3 bedroom - non Lerwick	per week	99.43	104.40	5.0
	2 bedroom - non Lerwick	per week	82.58	86.71	5.0
	1 bedroom - non Lerwick	per week	72.20	75.81	5.0
	Bedsit - non Lerwick	per week	55.35	58.12	5.0

Environment & Estate Operations					
Burial Charges	Adult		609.23	700.60	15.0
	Children		no charge	no charge	
	Burial lair exclusive right or burial		653.94	752.00	15.0
	Burial ground reservation (single depth lair, single depth ground to accommodate x 1 full burial)		326.97	376.00	15.0
	Minimum charge for search of records		24.24	27.88	15.0
	Charge for transfer of lair		24.24	27.88	15.0
	Charge to issue permit for permission to erect memorial stone		63.00	72.00	14.3
	Residents outside Shetland exclusive right of burial plot charge		980.90	1128.04	15.0
	Residents outside Shetland plot charge (single depth lair, single depth ground to accommodate 2 x 1 full burial)		490.45	564.02	15.0
	Residents outside Shetland burial charge		923.27	1061.76	15.0
	Cremation casket lair - exclusive right of burial		326.96	349.85	7.0
	Cremation casket lair - exclusive right of burial - residents outside Shetland		490.72	525.00	7.0
	Interment of cremation casket		304.61	325.90	7.0
	Interment of cremation casket - residents outside Shetland		458.40	527.02	15.0
	Memorial, Re-fix dowels, memorial to base / base to foundations		159.29	183.18	15.0
	Memorial, Replace dowels, memorial to base / base to foundations		175.11	201.38	15.0
	Memorial, Brace failed unapproved works		48.58	55.87	15.0
	Memorial, Remove unapproved memorial works		207.87	239.05	15.0
	Memorial, Re-new foundations		219.16	252.03	15.0
	Multiple Section Memorial		300.50	345.58	15.0
	Memorial Plaque with lettering - 10 year lease			350.00	New Charge
	Replacement Memorial Plaque with lettering - 10 year lease			175.00	New Charge
	Exhumation cremated remains casket			1750.00	New Charge
	Exhumation full coffin			3500.00	New Charge
	Hire of temporary mortuary	per month	146.48	168.45	15.0
Waste Disposal and Cleansing	Gremista landfill: non-inert waste standard charge up to 200kg - including landfill tax standard rate (Commercial customer)	up to 200kg	34.05	35.80	5.1
	Gremista landfill: non-inert waste standard charge over 200kg - including landfill tax standard rate (Commercial customer)	per tonne	170.20	179.00	5.2
	Gremista landfill: inert waste standard charge up to 200kg - including landfill tax lower rate (Commercial customer)	up to 200kg	13.90	14.60	5.0
	Gremista landfill: inert waste standard charge over 200kg - including landfill tax lower rate (Commercial customer)	per tonne	69.50	73.00	5.0
	Gremista landfill: asbestos cement up to 200kg - including landfill tax standard rate (Commercial customer)	up to 200kg	43.95	46.11	4.9
	Gremista landfill: asbestos cement over 200kg - including landfill tax standard rate (Commercial customer)	per tonne	219.77	230.55	4.9
	Gremista landfill: sewage sludge up to 200kg - including landfill tax standard rate (Commercial customer)	up to 200kg	47.35	48.00	1.4
	Gremista landfill: sewage sludge over 200kg - including landfill tax standard rate (Commercial customer)	per tonne	236.75	240.00	1.4
	Gremista landfill: inert cover material over 200kg - including landfill tax lower rate (Commercial customer)	per tonne	10.00	10.50	5.0
	Gremista landfill: inert cover material up to 200kg - including landfill tax lower rate (Commercial customer)	per tonne	2.00	2.10	5.0
	Gremista landfill: offshore waste up to 200kg - including landfill tax standard rate (Commercial customer)	up to 200kg		40.00	New Charge
	Gremista landfill: offshore waste over 200kg - including landfill tax standard rate (Commercial customer)	per tonne		200.00	New Charge
	Other Local Authority Gremista landfill: non-inert waste charge to another local authority (including landfill tax)	per tonne	170.45	179.00	5.0
	Waste disposal charges Gremista sorting shed up to 200kg (Commercial customer)	up to 200kg	27.10	28.44	4.9
	Waste disposal charges Gremista sorting shed: standard charge per tonne (200kg+) (Commercial customer)	per tonne	135.50	142.20	4.9
	Waste disposal charges Gremista sorting shed - charge to another local authority price on arrangement	per tonne	Price on Application	Price on Application	
	Tyres (non-commercial customers)	per item	3.00	3.00	0.0
	Tyres (200kg+)	per tonne	269.35	282.60	4.9
	Tyres (up to 200kg)	up to 200kg	53.87	56.52	4.9
	Wood (200kg+)	per tonne		24.00	New Charge
	Wood (up to 200kg)	up to 200kg		120.00	New Charge
	Plastic pipes - salmon cage pipe of equivalent (200kg+) (Commercial customers)	per tonne	164.85	172.95	4.9
	Plastic pipes - salmon cage pipe of equivalent (up to 200kg) (Commercial customers)	minimum charge	32.97	34.59	4.9
	Recyclable materials - paper/card/cardboard or plastic bottles/cans/cartons/polypropylene bags (up to 200kg) (Commercial customers)	minimum charge	10.90	11.00	0.9
	Recyclable materials - paper/card/cardboard or plastic bottles/cans/cartons/polypropylene bags (200kg+) (Commercial customers)	per tonne	54.50	55.00	0.9
	Use of Weighbridge		11.00	12.00	9.1
	Energy Recovery Plant - standard charge - Commercial customers (200kg+)	per tonne	71.65	75.20	5.0
	Energy Recovery Plant - minimum charge - Commercial customers (up to 200kg)	minimum charge	14.33	15.04	5.0
	Energy Recovery Plant - standard charge to local authorities including Orkney (200kg+)	per tonne	Price on Arrangement	Price on Arrangement	
	Energy Recovery Plant - standard charge to local authorities including Orkney minimum charge (up to 200kg)	minimum charge	Price on Arrangement	Price on Arrangement	

Energy Recovery Plant - accompanied direct manual disposal of sensitive/controlled waste with authorised witness present (e.g. pharmaceuticals) <50g	per disposal	Price on Arrangement	Price on Arrangement	
Energy Recovery Plant - Additional charge for extra handling of clinical waste ex NHS. Annual Charge	per year	Price on Arrangement	Price on Arrangement	
Energy Recovery Plant - difficult waste (200kg+) (Commercial customers) (examples include NHS clinical waste, fish waste)	per tonne	170.20	179.00	5.2
Energy Recovery Plant - difficult waste (up to 200kg) (Commercial customers) (examples include NHS clinical waste, fish waste)	up to 200kg	34.04	35.80	5.2
Energy Recovery Plant - waste requiring extra handling and/or non-conforming waste removal and disposal, Gremista sorting shed equivalent charge (200kg+) examples include animal waste, international catering waste. (Commercial customers)	per tonne	135.25	141.90	4.9
Energy Recovery Plant - waste requiring extra handling and/or non-conforming waste removal and disposal, Gremista sorting shed equivalent charge (up to 200kg) examples include animal waste, international catering waste. (Commercial customers)	up to 200kg	27.05	28.38	4.9
Energy Recovery Plant - weighbridge transaction by operator (manual weigh-in) charge (400kg+) (commercial customers)	per tonne	74.40	78.05	4.9
Energy Recovery Plant - weighbridge transaction by operator (manual weigh-in) charge (up to 400kg) (Commercial customers)	minimum charge	29.75	31.22	4.9
Gremista - hooklift bin hire one-off	per day	3.20	3.35	4.7
Gremista - hooklift bin hire - part of a trade waste collection contract	per day	3.20	3.35	4.7
Gremista - hooklift hire vehicle one-off	per hour	69.00	70.00	1.4
Gremista - hooklift hire vehicle - part of trade waste collection contract	per week	69.00	70.00	1.4
Gremista sorting shed - difficult waste (200kg+)	per tonne	170.20	179.00	5.2
Gremista sorting shed - difficult waste (up to 200kg)	minimum charge	34.05	35.80	5.1
Domestic refuse collection service - household refuse sacks	box of 200 sacks	15.00	15.00	0.0
Domestic refuse collection service - wheeled bin - for sale to householders	240 litres	40.00	40.00	0.0
Charity refuse containers - collection/disposal charge per uplift - wheeled bin	240 litres		2.10	New Charge
Charity recycling containers - collection/disposal charge per uplift - wheeled bin	240 litres		1.43	New Charge
Charity refuse containers - collection/disposal charge per uplift - wheeled bin	360 litres		3.13	New Charge
Charity recycling containers - collection/disposal charge per uplift - wheeled bin	360 litres		2.10	New Charge
Charity refuse containers - collection/disposal charge per Uplift - wheeled bin	660 litres		5.75	New Charge
Charity recycling containers - collection/disposal charge per uplift - wheeled bin	660 litres		3.85	New Charge
Charity refuse containers - collection/disposal charge per uplift - wheeled bin	1100 litres		9.53	New Charge
Charity recycling containers - collection/disposal charge per uplift - wheeled bin	1100 litres		6.38	New Charge
Commercial refuse sack - approx. 70 litres	roll of 50 sacks	64.65	67.85	4.9
Commercial refuse sticker	roll of 50 stickers	64.65	67.85	4.9
Bin lid bungee cord	0.6m	1.67	1.67	0.0
Domestic refuse collection service - galvanised steel wheeled bin - for sale to householders 660L or 1100L	per item, including, lid and lock	307.05	325.00	5.8
Domestic refuse collection service - 240L wheeled bin lid - for sale to householders	per item	11.00	11.50	4.5
Bulky uplift	up to 6 permitted items	33.25	33.33	0.2
Bulky uplift - concession rate	up to 6 permitted items	16.00	16.67	4.2
Commercial refuse containers - collection/disposal charge per uplift - wheeled bin	240 litres	4.00	4.20	5.0
Commercial recycling containers - collection/disposal charge per uplift - wheeled bin	240 litres	2.70	2.85	5.6
Commercial refuse containers - collection/disposal charge per uplift - wheeled bin	360 litres	5.95	6.25	5.0
Commercial recycling containers - collection/disposal charge per uplift - wheeled bin	360 litres	4.00	4.20	5.0
Commercial refuse containers - collection/disposal charge per Uplift - wheeled bin	660 litres	10.95	11.50	5.0
Commercial recycling containers - collection/disposal charge per uplift - wheeled bin	660 litres	7.30	7.70	5.5
Commercial refuse containers - collection/disposal charge per uplift - wheeled bin	1100 litres	18.15	19.05	5.0
Commercial recycling containers - collection/disposal charge per uplift - wheeled bin	1100 litres	12.15	12.75	4.9
Commercial recycling moderate contamination charge	per bin collected	5.55	5.85	5.4
Commercial recycling high contamination charge	per bin collected	11.05	11.60	5.0
Registered Charities involved in waste prevention activities (household waste type only)		100% discount	100% discount	
Clinical waste containers - collection/disposal charge per uplift - wheeled bin	360 litres	19.45	20.40	4.9
Clinical waste collection - per premises (local authority)	per week	19.45	20.40	4.9
Cooking oil collection - per premises	per week	18.40	19.30	4.9
Refuse vehicle	per hour	37.20	39.50	6.2
Refuse driver	per hour	28.55	29.95	4.9
Refuse loader	per hour	25.35	26.60	4.9

	Pick-up vehicle	per hour	12.15	12.75	4.9
	Pick-up loader	per hour	25.35	26.60	4.9
	Refuse skip hire - one-off	per day	1.55	1.65	6.5
	Refuse skip hire - part of a trade collection contract	per day	1.55	1.65	6.5
	Refuse skip hire - part of a trade collection contract - third party	per day	1.55	1.65	6.5
	Refuse skip vehicle - one-off	per hour	49.00	50.00	2.0
	Refuse skip vehicle - part of a trade collection contract	per hour	49.00	50.00	2.0
	Refuse skip vehicle - part of a trade collection contract - third party	per hour	49.00	50.00	2.0
	Street cleansing service - power washer	per hour	8.25	8.65	4.8
	Hot water machine (power washer and weed sprayer)	per hour	14.85	15.60	5.1
	Street cleansing service - street orderly	per hour	24.85	26.10	5.0
	Schmidt vehicle	per hour	33.95	35.65	5.0
	Schmidt driver	per hour	25.90	27.20	5.0
Health Certificates	Health certificates for EU and Third Country Exports (Normal Office Hours)		53.00	58.00	9.4
	Health Certificates for EU and Third Country Exports (Weekends and Public Holidays)		80.00	100.00	25.0
	Health certificates - additional charge if less than 24 hours notice given		26.00	28.00	7.7
	Health certificates - copies		26.00	28.00	7.7
	Health certificates inspection		69.00	75.00	8.7
	Health certificates - certification attestation		105.00	130.00	23.8
	Health certificates - full audit of establishment		278.00	295.00	6.1
	Health certificates - hygiene inspection charges in respect of general landings of fishery products	1 euro per tonne	1 euro per tonne		
	Health certificates - charges in respect of fishery products entering preparation/processing establishments	1 euro per tonne	1 euro per tonne		
	Certificate of Voluntary Surrender of food		444.00	200.00	-55.0
Pest Control	Pest control survey		45.00	50.00	11.1
	Pest control - including but not limited to: rodents, bed bugs, cockroaches, insects, wasps, woodworm		variable	variable	
	Pest control - follow up visit			50.00	New Charge
	Pest control - free survey and treatment for those on means tested benefits for public health pests only (Evidence of Universal Credit or equivalent)		no charge	no charge	
Stray Dogs	Release fee		52.50	25.00	-52.4
	Officer Fee			30.00	New Charge
	Transportation to/from kennel			80.00	New Charge
	Kennelling per night		10.50	30.00	185.7
Specialist Works	Specialist works - including but not limited to: house clearance and needle sweeps			variable	New Charge
Abandoned Vehicles	Abandoned vehicles - uplift and disposal charge (set by Statute)		300.00	300.00	0.0
Licensing	Variation		71.00	100.00	40.8
	Public Entertainment Licence (Attendees <500)	Temporary		230.00	New Charge
	Public Entertainment Licence (Attendees <500)	3 Years		450.00	New Charge
	Public Entertainment Licence (500 -3000)	Temporary		400.00	New Charge
	Public Entertainment Licence (500 -3000)	3 Years		600.00	New Charge
	Public Entertainment Licence (Attendees 3000-5000)	Temporary		620.00	New Charge
	Public Entertainment Licence (Attendees 3000-5000)	3 Years		800.00	New Charge
	Public Entertainment Licence (Attendees 5000+)	Temporary		1600.00	New Charge
	Public Entertainment Licence (Attendees 5000+)	3 Years		2400.00	New Charge
	Skin piercers or tattooist licence		254.00	270.00	6.3
	Late hours catering licence		378.00	250.00	-33.9
	Street traders licence		254.00	270.00	6.3
	Individual street traders licence		70.00	75.00	7.1
	Food compliance certificate for street traders licences		128.00	135.00	5.5
	Second hand dealer's licence		254.00	200.00	-21.3
	Metal dealers licences/itinerant metal dealer's licence		1268.00	800.00	-36.9
	Knife dealers licence		196.00	230.00	17.3
	Confirmation of activity letter		64.00	70.00	9.4
	Licence to breed puppies			230.00	New Charge
	Licence to breed kittens			230.00	New Charge
	Licence to breed rabbits			230.00	New Charge
	Licence to sell pets			230.00	New Charge
	Licence to rehome animals			230.00	New Charge
	Licence to operate an Animal Welfare Establishment			230.00	New Charge
	Animal boarding licence			230.00	New Charge
	Riding Establishment licence			282.00	New Charge
	Licence to keep a zoo			750.00	New Charge
	Licence to keep dangerous animals		632.00	665.00	5.2
	House in multiple occupation (HMO licence) - up to 6 occupants		254.00	300.00	18.1
	House in multiple occupation (HMO licence) - greater than 6 occupants		378.00	500.00	32.3
	Landlord registration (10% discount if apply on-line) set nationally	per local authority	75.00	75.00	0.0
	Landlord registration - property registration set nationally	per property	17.00	17.00	0.0
	Landlord registration late renewal - set nationally	per registration	149.00	149.00	0.0
	Short Term Let - Home Sharing (up to 3 bedrooms)	per let property	94.00	100.00	6.4

	Short Term Let - Home Sharing (> 3 bedrooms)	per let property	103.00	110.00	6.8
	Short Term Let - Home Letting (up to 3 bedrooms)	per let property	157.00	165.00	5.1
	Short Term Let - Home Letting (> 3 bedrooms)	per let property	173.00	185.00	6.9
	Short Term Let - Home Sharing & Home Letting (up to 3 bedrooms)	per let property	157.00	165.00	5.1
	Short Term Let - Home Sharing & Home Letting (> 3 bedrooms)	per let property	173.00	182.00	5.2
	Short Term Let - Secondary Letting (up to 3 bedrooms)	per let property	189.00	200.00	5.8
	Short Term Let - Secondary Letting (> 3 bedrooms)	per let property	208.00	220.00	5.8
	Short Term Let - Renewal - Home Sharing (up to 3 bedrooms)	per let property	83.00	88.00	6.0
	Short Term Let - Renewal - Home Sharing (> 3 bedrooms)	per let property	92.00	98.00	6.5
	Short Term Let - Renewal - Home Letting & Secondary Letting (up to 3 bedrooms)	per let property	149.00	157.00	5.4
	Short Term Let - Renewal - Home Letting & Secondary Letting (> 3 bedrooms)	per let property	164.00	173.00	5.5
	Short Term Let - Variation of Licence	per let property	47.00	50.00	6.4
	Short Term Let - Temporary Licence - Home Sharing (up to 3 bedrooms)	per let property	79.00	83.00	5.1
	Short Term Let - Temporary Licence - Home Sharing (> 3 bedrooms)	per let property	86.00	91.00	5.8
	Short Term Let - Temporary Licence - Home Letting (up to 3 bedrooms)	per let property	122.00	130.00	6.6
	Short Term Let - Temporary Licence - Home Letting (> 3 bedrooms)	per let property	134.00	142.00	6.0
	Short Term Let - Temporary Licence - Home Sharing & Home Letting (up to 3 bedrooms)	per let property	122.00	130.00	6.6
	Short Term Let - Temporary Licence - Home Sharing & Home Letting (> 3 bedrooms)	per let property	134.00	142.00	6.0
	Short Term Let - Temporary Licence - Secondary Letting (up to 3 bedrooms)	per let property	147.00	156.00	6.1
	Short Term Let - Temporary Licence - Secondary Letting (> 3 bedrooms)	per let property	162.00	172.00	6.2
	Short Term Let - Temporary Exemption	per let property	33.00	35.00	6.1
	Short Term Let - Certified True Copies	per let property	16.00	17.00	6.3
	Short Term Let - Officer visits to premises where complaint justified (up to 4 hours)	per let property	160.00	180.00	12.5
	Short Term Let - Officer visits to premises where complaint justified (hourly rate beyond 4 hours)	per let property	39.00	48.00	23.1
	Admin fee	per let property		30.00	New Charge
Ship Sanitation Inspection charges by gross tonnage - set nationally	Gross tonnage Up to 1,000		125.00	135.00	8.0
	Gross tonnage 1,001 to 3,000		170.00	185.00	8.8
	Gross tonnage 3,001 - 10,000		250.00	270.00	8.0
	Gross tonnage 10,001 - 20,000		325.00	355.00	9.2
	Gross tonnage 20,001 - 30,000		415.00	450.00	8.4
	Gross tonnage Over 30,000		480.00	500.00	4.2
	Extensions		95.00	105.00	10.5
	with the exception of: Vessels with the capacity to carry between 50 and 1,000 persons		480.00	520.00	8.3
	Vessels with the capacity to carry more than 1,000 persons		820.00	890.00	8.5
	Ship Sanitation Remote Inspection (paper only audit)		105.00	115.00	9.5
	Sample visit charge		69.00	75.00	8.7
	Officer visit charge - Lerwick			12.50	New Charge
	Officer visit charge - Scalloway			25.00	New Charge
	Officer visit charge - Sullom Voe/Outer Isles			50.00	New Charge
Calibration or verification of weighing and measuring equipment	Calibration or verification of weighing and measuring equipment - hourly rate for any equipment not specified in the following list (travel time will also be charged)	per hour	63.60	66.72	4.9
	Weights - calibration or verification	per weight	9.11	9.56	4.9
	Weights adjustment and cleaning of weights - per hour	per hour	63.60	66.72	4.9
	Non-automatic weighing machines - range not exceeding 6kg		35.56	37.30	4.9
	Non-automatic weighing machines - range exceeding 6kg but not exceeding 100kg		50.60	53.08	4.9
	Non-automatic weighing machines - range exceeding 100kg but not exceeding 250kg		63.57	66.68	4.9
	Non-automatic weighing machines - range exceeding 250kg but not exceeding 1 tonne		127.13	133.36	4.9
	Non-automatic weighing machines - range exceeding 1 tonne but not exceeding 10 tonnes (forklift provided on site)		207.21	217.36	4.9
	Non-automatic weighing machines - range exceeding 1 tonne but not exceeding 10 tonnes (forklift not provided on site)		260.58	273.35	4.9
	Non-automatic weighing machines - range exceeding 10 tonnes (forklift provided on site)		518.05	543.43	4.9
	Non-automatic weighing machines - range exceeding 10 tonnes (forklift not provided on site)		851.67	893.40	4.9
	Non-automatic weighing instruments - range not exceeding 6kg		53.35	55.96	4.9
	Non-automatic weighing instruments - range exceeding 6kg but not exceeding 100kg		75.86	79.58	4.9
	Non-automatic weighing instruments - range exceeding 100kg but not exceeding 250kg		95.35	100.02	4.9
	Non-automatic weighing instruments - range exceeding 250kg but not exceeding 1 tonne		190.73	200.08	4.9
	Non-automatic weighing instruments - range exceeding 1 tonne but not exceeding 10 tonnes (forklift provided on site)		310.84	326.07	4.9
	Non-automatic weighing instruments - range exceeding 1 tonne but not exceeding 10 tonnes (forklift not provided on site)		390.91	410.06	4.9
	Non-automatic weighing instruments - range exceeding 10 tonnes (forklift provided on site)		912.10	956.79	4.9

	Non-automatic weighing instruments - range exceeding 10 tonnes (forklift not provided on site)		1379.16	1446.74	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range not exceeding 6kg		53.35	55.96	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 6kg but not exceeding 100kg		75.86	79.58	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 100kg but not exceeding 250kg		95.35	100.02	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 250kg but not exceeding 1 tonne		190.73	200.08	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 1 tonne but not exceeding 10 tonnes (forklift provided on site)		310.84	326.07	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 1 tonne but not exceeding 10 tonnes (forklift not provided on site)		390.91	410.06	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 10 tonnes (forklift provided on site)		912.10	956.79	4.9
	Non-automatic weighing equipment (UKAS procedure - including determination of uncertainty budgets) range exceeding 10 tonnes (forklift not provided on site)		1379.16	1446.74	4.9
	Measuring instruments for liquid fuel and lubricants (10% surcharge applicable to initial assessment of conformity under MID) - single/multi-outlets (nozzles) - first nozzle tested (per site)		127.20	133.43	4.9
	Measuring instruments for liquid fuel and lubricants (10% surcharge applicable to initial assessment of conformity under MID) - single/multi-outlets (nozzles) - each additional nozzle tested		63.60	66.72	4.9
	Measuring instruments for liquid fuel and lubricants with temperature compensation (20% surcharge applicable to initial assessment of conformity under MID) - single/multi-outlets (nozzles) - first nozzle tested (per site)		190.80	200.15	4.9
	Measuring instruments for liquid fuel and lubricants with temperature compensation (20% surcharge applicable to initial assessment of conformity under MID) - single/multi-outlets (nozzles) - each additional nozzle tested		95.40	100.07	4.9
	Road tanker fuel measuring equipment (above 100 Litres) meter measuring systems - per hour (reference meter provided by submitter)		63.60	66.72	4.9
	Road tanker fuel measuring equipment (above 100 Litres) - replacement dipstick (including examination of compartment)		50.86	53.35	4.9
	Road tanker fuel measuring equipment (above 100 Litres) - spare dipstick		23.06	24.19	4.9
	Calibration certificates - basic calibration certificate		31.80	33.36	4.9
	Calibration certificates - detailed results in calibration certificate		31.80	33.36	4.9
	Calibration certificates - testing and certification of weighing equipment for the purposes of fish catching records		63.60	66.72	4.9
Hire of test weights	Weight hire: weights not exceeding 20kg - per individual weight hired for a period not exceeding seven days	per weight	8.14	8.54	4.9
	Weight hire: 500kg block weights - per individual weight hired for a period not exceeding seven days	per weight	15.13	15.87	4.9
	Delivery and collection of hired weights - per officer hour (plus transport costs)	per hour	63.60	66.72	4.9
The Fireworks Regulations 2004	Licence to supply fireworks outwith the prescribed periods (one year's duration) - set by regulation		500.00	500.00	0.0
Explosives Regulations 2014 - all set by regulation	Licence to store explosives with a prescribed minimum separation distance (one year's duration)		193.00	193.00	0.0
	Licence to store explosives with a prescribed minimum separation distance (two years' duration)		253.00	253.00	0.0
	Licence to store explosives with a prescribed minimum separation distance (three years' duration)		317.00	317.00	0.0
	Licence to store explosives with a prescribed minimum separation distance (four years' duration)		390.00	390.00	0.0
	Licence to store explosives with a prescribed minimum separation distance (five years' duration)		441.00	441.00	0.0
	Renewal of a licence to store explosives with a prescribed minimum separation distance (one year's duration)		90.00	90.00	0.0
	Renewal of a licence to store explosives with a prescribed minimum separation distance (two years' duration)		153.00	153.00	0.0
	Renewal of a licence to store explosives with a prescribed minimum separation distance (three years' duration)		215.00	215.00	0.0
	Renewal of a licence to store explosives with a prescribed minimum separation distance (four years' duration)		277.00	277.00	0.0
	Renewal of a licence to store explosives with a prescribed minimum separation distance (five years' duration)		340.00	340.00	0.0
	Licence to store explosives with no prescribed minimum separation distance (one year's duration)		113.00	113.00	0.0
	Licence to store explosives with no prescribed minimum separation distance (two years' duration)		147.00	147.00	0.0
	Licence to store explosives with no prescribed minimum separation distance (three years' duration)		181.00	181.00	0.0
	Licence to store explosives with no prescribed minimum separation distance (four years' duration)		215.00	215.00	0.0

	Licence to store explosives with no prescribed minimum separation distance (five years' duration)		248.00	248.00	0.0
	Renewal of a licence to store explosives with no prescribed minimum separation distance (one year's duration)		56.00	56.00	0.0
	Renewal of a licence to store explosives with no prescribed minimum separation distance (two years' duration)		90.00	90.00	0.0
	Renewal of a licence to store explosives with no prescribed minimum separation distance (three years' duration)		125.00	125.00	0.0
	Renewal of a licence to store explosives with no prescribed minimum separation distance (four years' duration)		158.00	158.00	0.0
	Renewal of a licence to store explosives with no prescribed minimum separation distance (five years' duration)		193.00	193.00	0.0
	Varying name of licensee or address of site		38.00	38.00	0.0
	Any other kind of variation		38.00	38.00	0.0
	Transfer of licence		38.00	38.00	0.0
	Replacement of licence if lost		38.00	38.00	0.0
Petroleum (Consolidation) Regulations 2014 - all set by regulation	Fee per year of storage certificate for petrol of a quantity not exceeding 2,500 litres	per year	46.00	46.00	0.0
	Fee per year of storage certificate for petrol of a quantity exceeding 2,500 litres but not exceeding 50,000 litres	per year	62.00	62.00	0.0
	Fee per year of storage certificate for petrol of a quantity exceeding 50,000 litres	per year	131.00	131.00	0.0
	Fee per year of licence to keep petrol of a quantity not exceeding 2,500 litres	per year	46.00	46.00	0.0
	Fee per year of licence to keep petrol of a quantity exceeding 2,500 litres but not exceeding 50,000 litres	per year	62.00	62.00	0.0
	Fee per year of licence to keep petrol of a quantity exceeding 50,000 litres	per year	131.00	131.00	0.0
Tonnes light iron	Dependent on market price	per tonne	variable	variable	
Tonnes burnt metal	Dependent on market price	per tonne	variable	variable	
Batteries lead acid	Dependent on market price	per tonne	variable	variable	
Water sampling	Water sampling from private water supply		variable	variable	
Public Toilets	Esplanade toilets: shower, towel, soap		6.50	6.50	0.0
	Esplanade toilets: shower		3.50	3.50	0.0
Hire of Council buses (Whalsay)	9am to 5pm - Monday to Friday	per hour	38.00	39.90	5.0
	5pm to 10pm - Monday to Friday and 9am to 10pm - Saturday	per hour	48.50	51.00	5.2
	10pm to 9am - Monday to Saturday and all day Sunday	per hour	59.00	62.00	5.1
Domestic Energy Assessments	To produce EPCs and Retrofit Assessments carried out in accordance with PAS2035 (the British Standard for retrofitting dwellings).	per survey	279.27	279.27	0.0
Energy Performance Certificate	Carried out in accordance with the relevant Green Deal Code of Practice (CoP), the Energy Act 2011 and the Energy Performance of Buildings (Scotland) Regulations 2008. All areas, unified rate.	per survey	164.97	173.05	4.9
	The Energy Performance in Buildings Directive requires non-domestic buildings over 50m ² , when constructed, lease or sold to have a valid energy performance certificate. Energy Performance certificates require an onsite survey of property and report is compiled using National Calculation Methodology software based on Simplified Building Energy Modelling.	per survey	variable	variable	
Garage	MOT Fee's - Set by the Vehicle and Operator Services Agency (VOSA). There's a maximum amount MOT test stations can charge. This depends on the type of vehicle. The maximum fee for a car is £54.85. A full list of charges can be found at: https://www.gov.uk/getting-an-mot/mot-test-fees	per MOT	maximum amount set by VOSA	maximum amount set by VOSA	
	Triscan fuel issues		variable	variable	
	Vehicle maintenance		variable	variable	
Garage -Taxi charges	Taxi Vehicle inspection	per inspection	50.00	52.50	5.0
	Taxi Re-test	per re-test	12.50	13.00	4.0
	Taxi Installation of meter		variable	variable	
	Taxi Check and calibrate meter		variable	variable	
Estate Operations	Building maintenance works - external contracts		variable	variable	
Roads Service					
Traffic Orders and Notices	Temporary notice (in an emergency, not exceeding 5 days) (applicable to Utilities and similar, charges levied using powers in the New Roads and Street Works Act)		217.77	228.44	4.9
	Temporary Traffic Order (up to 18 months) (applicable to Utilities and similar, charges levied using powers in the New Roads and Street Works Act)		703.04	737.49	4.9
	Extension of a Temporary Traffic Order (applicable to Utilities and similar, charges levied using powers in the New Roads and Street Works Act)		319.19	334.83	4.9
	Inspection charge per week or part thereof (applicable to Utilities and similar, charges levied using powers in the New Roads and Street Works Act)		76.67	80.43	4.9
	Advert in Shetland Times (public notices) (applicable to Utilities and similar, charges levied using powers in the New Roads and Street Works Act)		at cost	at cost	
Permit System and Charges	New Roads and Street Works Act 1991, Section 109. Permission for minor road works consent to open the road for the purpose of installing or maintaining apparatus within the public road. (3 x Inspection Fee) - Minor Works		133.63	140.18	4.9

	New Roads and Street Works Act 1991, Section 109. Permission for minor road works consent to open the road for the purpose of installing or maintaining apparatus within the public road. (3 x Inspection Fee) - Standard Works		236.39	247.97	4.9
	New Roads and Street Works Act 1991, Section 109. Permission for minor road works consent to open the road for the purpose of installing or maintaining apparatus within the public road. (3 x Inspection Fee) - Major Works		603.84	633.43	4.9
	Private Apparatus Record Fee (to be applied to private apparatus installed in a public road that will not be adopted by a recognised statutory undertaker)		128.61	134.91	4.9
	Roads (Scotland) Act 1984, Section 56 - Permission for minor road works consent to construct a new access, vehicular crossing or make an opening within the public road. (3 x Inspection Fee)		193.04	202.50	4.9
	Roads (Scotland) Act 1984, Section 58(1) and 58(2) Permission to temporarily occupy a portion of the public road in connection with building operations and/or to erect staging and scaffolding - Up to one week		64.29	67.44	4.9
	Roads (Scotland) Act 1984, Section 58(1) and 58(2) Permission to temporarily occupy a portion of the public road in connection with building operations and/or to erect staging and scaffolding - Weekly charge after first week		38.34	40.22	4.9
	Roads (Scotland) Act 1984, Section 85(1) and 85(2) - Permission to place a builders skip within the public road - up to one week		32.21	33.79	4.9
	Roads (Scotland) Act 1984, Section 85(1) and 85(2) - Permission to place a builders skip within the public road - Weekly charge after first week		19.86	20.83	4.9
	Roads (Scotland) Act 1984, Section 59 - Permission to occupy the road with a market or stall - Regularly recurring events - Initial admin fee (admin fee only paid with initial application)		74.23	77.87	4.9
	Roads (Scotland) Act 1984, Section 59 - Permission to occupy the road with a market or stall - Regularly recurring events - annual charge	per square metre of occupation	6.43	6.75	5.0
	Roads (Scotland) Act 1984, Section 59 - Permission to occupy the road with a market or stall - One-off events - Admin fee		74.23	77.87	4.9
	Roads (Scotland) Act 1984, Section 59 - Permission to occupy the road with a market or stall - One-off events	per square metre of occupation	2.60	2.73	5.0
	Roads (Scotland) Act 1984 Section 59 - Permission to occupy the road or pavement with tables and chairs in connection with siting an operation of a Street Café - Initial admin fee and occupation for first year		153.41	160.93	4.9
	Roads (Scotland) Act 1984 Section 59 - Permission to occupy the road or pavement with tables and chairs in connection with siting an operation of a Street Café - Annual registration fee		64.29	67.44	4.9
	Roads (Scotland) Act 1984 Section 59 - Permission to occupy the road or public footway in connection with the siting of an A-Board advertising Sign - Annual fee		32.21	33.79	4.9
NR&SWA Inspection Fees	The inspection fees we as a Roads Authority can charge Utilities when they excavate in a public Road is given in the Road Works (Inspection Fees) (Scotland) Amendment Regulations.	National Rate - can not be increased	36.00	36.00	0.0
Retrospective Penalty Charge	Penalty charge equivalent to the current value of Roads (Scotland) Act 1984 (Fixed Penalty) Regulations 2008 Fixed Penalties plus inspection fee and additional administration costs. Applied to instances where there has been a failure to apply for the relevant licence or consents under Sections 56, 58 and 85 of the Roads (Scotland) Act 1984, or section 109 of the New Roads and Streetworks Act 1991.		197.17	206.83	4.9
NRSA Recharges	NRSA recharges to utilities		variable	variable	
Gritting Fees	Gritting fee per occasion a gritter treats a private road, access or car park - Blacksness Pier, Scottish Water accesses, large car park	per treatment	81.87	85.88	4.9
	Gritting fee, per occasion a gritter treats a private road, access or car park - Small private roads / accesses, small car park	per treatment	32.75	34.35	4.9
	Other private gritting not covered above will be charged at a rate based on the above list, or a charge will be calculated taking account of the scope of the work involved.	per treatment	variable	variable	
	NHS mobilisation charge	annually	7063.96	7410.09	4.9
	NHS car parks - pre-salt treatments	per treatment	81.87	85.88	4.9
	NHS car parks - gritting treatments	per treatment	285.13	299.10	4.9
	Filling grit bins	at cost	at cost	at cost	
	Supply of rock salt	per tonne	61.60	64.62	4.9
	Liquid limit (BS 1377, Part 2 : 1990 - Method 4.3)	per test	36.50	38.29	4.9
Classification Tests - Soils	Plastic limit (BS 1377, Part 2 : 1990 - Method 5.3)	per test	36.50	38.29	4.9
	Plasticity & liquidity index (BS 1377, Part 2 : 1990 - Method 5.4)	per test	36.50	38.29	4.9
	Specific gravity (density bottle) (BS 1377, Part 2 : 1990 - Method 8.3)	per test	41.00	43.01	4.9
	Particle size distribution (washed analysis) (BS 1377, Part 2 : 1990 - Method 9.2)	per test	66.00	69.23	4.9
Compaction Tests - Soils	2.5kg rammer (for soils to medium gravel size) (BS 1377, Part 4 : 1990 - Method 3.3)	per set	106.50	111.72	4.9
	2.5kg rammer (for soils to coarse gravel size) (BS 1377, Part 4 : 1990 - Method 3.4)	per set	106.50	111.72	4.9

	4.5kg rammer (for soils to medium gravel size) (BS 1377, Part 4 : 1990 - Method 3.5)	per set	120.00	125.88	4.9
	4.5kg rammer (for soils to coarse gravel size) (BS 1377, Part 4 : 1990 - Method 3.6)	per set	120.00	125.88	4.9
	Vibrating hammer (BS 1377, Part 4 : 1990 - Method 3.7)	per set	146.00	153.15	4.9
	California bearing ratio (BS 1377, Part 4 : 1990 - Method 7)	per set	80.00	83.92	4.9
Aggregate Testing	Relative density & water absorption (BS EN 1097, part 6 : 2000)	per test	53.10	55.70	4.9
	Bulk density of received material (BS EN 1097, Part 3 : 1998)	per test	33.10	34.72	4.9
	Grading of sub-base (BS EN 933, Part 1 : 1997)	per test	66.20	69.44	4.9
	Grading of concrete aggregates (BS EN 933, Part 1 : 1997)	per test	53.10	55.70	4.9
	Flakiness index (BS EN 933, Part 3 : 1997)	per test	53.10	55.70	4.9
	Elongation index (BS 812, Part 105.2 : 1985)	per test	53.10	55.70	4.9
	Aggregate crushing value (BS EN 1097, Part 2 : 1998)	per test	100.00	104.90	4.9
	Ten per cent fines value (BS EN 1097, Part 2 : 1998)	per test	100.00	104.90	4.9
	Compressive strength of concrete cubes (BS EN 12390, Part 3 : 2002) (from certified cube moulds)	per cube	9.95	9.95	0.0
	Compressive strength of concrete cubes (BS EN 12390, Part 3 : 2002) (from cube moulds that are not certified)	per cube	18.10	18.99	4.9
Concrete Testing	Compressive strength of concrete cores (BS EN 12504, Part 1 : 2000)	per core	67.00	70.28	4.9
	Compressive strength of concrete blocks (fibre board) (BS 1052, Part 1 : 1999)	per block	15.85	16.63	4.9
	Binder content & grading (by difference) (BS EN 12697, Part 2 : 2002)	per test	97.00	101.75	4.9
	Percentage refusal density (BS 598, Part 104 : 1989)	per set	265.00	277.99	4.9
Field Testing - Soils	CBR by Clegg impact hammer (in-house method)	per hour	60.00	62.94	4.9
	Plate Load Test (BS1377, Part 9 : 1990)	per test	200.00	200.00	0.0
Field Testing - Concrete	Cube making (including workability test) (BS EN 12390, Part 2 : 2000)	per hour	60.00	62.94	4.9
	Determination of air content (BS EN 12390, Part 8 : 2000)	per test	20.00	20.98	4.9
	Bremore Mortar Test	per test	20.00	20.98	4.9
	Density of compacted fresh concrete (BS EN, 12350 : Part 6 : 2000)	per test	33.50	35.14	4.9
	Cover meter survey (BS 1881, Part 201 : 1986)	per hour	60.00	62.94	4.9
	Schmidt hammer tests (BS EN 12504, Part 2 : 2001)	per hour	60.00	62.94	4.9
	Core cutting	per hour	60.00	62.94	4.9
	On-site sampling of blacktop (BS EN 12697, Part 27 : 2001)	per hour	60.00	62.94	4.9
	Determination of texture depth (BS 598, Part 3 : 1985 - Method 7)	per test	20.00	20.98	4.9
	Core cutting for PRD & pavement examination	per hour	60.00	62.94	4.9
Field Testing - Blacktop	Skid Resistance meter (TRRL)	per hour	60.00	62.94	4.9
	Work done on a time basis will be charged per hour; as well as labour, the charge will cover the use of a vehicle, normal tools and equipment.		variable	variable	
Time Based Charges	Mileage to site will be charged at standard Council rates.		variable	variable	
Other Tests	Any other tests required will either be charged at a rate based on a comparable test listed above, or a charge will be calculated taking account of equipment required and time normally taken to carry out the test. If not appropriate charges will be on a time basis.		variable	variable	
Scord Quarry Materials (DryStone)	As dug hardcore	per tonne	9.00	9.44	4.9
	Primary armouring	per tonne	11.50	12.06	4.9
	Armouring	per tonne	11.50	12.06	4.9
	Quarry cleanings	per tonne	7.50	7.87	4.9
	Scalplings	per tonne	5.00	5.25	4.9
	Type 1	per tonne	8.50	8.92	4.9
	Crusher run	per tonne	9.60	10.07	4.9
	Dust	per tonne	11.50	12.06	4.9
	Frost grit	per tonne	11.50	12.06	4.9
	All-in-aggregate	per tonne	11.50	12.06	4.9
	Aggregate 40mm	per tonne	11.50	12.06	4.9
	Aggregate 28mm	per tonne	11.50	12.06	4.9
	Aggregate 20mm	per tonne	11.50	12.06	4.9
	Aggregate 14mm	per tonne	11.50	12.06	4.9
	Aggregate 10mm	per tonne	11.50	12.06	4.9
	Aggregate 6mm	per tonne	11.50	12.06	4.9
	Recycled asphalt (no levy)	per tonne	10.00	10.49	4.9
	AC 28 base	per tonne	103.26	111.00	7.5
	AC 20 base	per tonne	113.84	122.38	7.5
	AC 20 base Nytherm 190	per tonne	115.74	124.42	7.5
Scord Quarry Materials (Coated Stone)	AC 14 surface	per tonne	116.43	125.16	7.5
	AC 14 surface Nytherm 190	per tonne	118.34	127.22	7.5
	AC 14 surface cement 2%	per tonne	134.78	144.89	7.5
	AC 10 surface	per tonne	117.22	126.01	7.5
	AC 10 surface Nytherm 190	per tonne	119.13	128.06	7.5
	AC 6 surface	per tonne	125.79	135.22	7.5
	AC 6 surface Nytherm 190	per tonne	127.64	137.21	7.5
	AC 14 surface	per tonne	134.78	144.89	7.5
	Bitsand	per tonne	167.21	179.75	7.5
	Dry materials (National rate - cannot be increased)	per tonne	2.00	2.00	0.0
Scord Quarry Aggregate tax	Coated materials (National rate - cannot be increased)	per tonne	1.90	1.90	0.0
Rural Quarry Materials	Charge added to above material price depending on which quarry	per tonne	as above material costs plus price of haulage at the time of delivery	as above material costs plus price of haulage at the time of delivery	
Scord Quarry Bitumen Emulsion	K1-40	barrel	139.64	162.60	16.4
		tonne	680.87	714.23	4.9
	K1-60	barrel	208.89	208.89	0.0

		tonne	1021.32	1071.36	4.9
Scord Quarry Haulage	Delivery of materials >2 tonnes - fixed element	per load	29.48	30.92	4.9
	Delivery of materials > 2 tonnes - variable element	per mile	4.65	4.88	4.9
	Delivery of materials <=2 tonnes using pickup - fixed element	per load	9.95	10.44	4.9
	Delivery of materials <= 2 tonnes using pickup - variable element	per mile	2.00	2.10	4.9
Scord Quarry Callout charge	By special agreement dependant on volume and subject to minimum charge	per occasion	372.40	390.65	4.9
	Charging for mixing bituminous materials outwith normal operating hours	per occasion	597.92	627.22	4.9
Labour	Filling of ton bags (not including supply of bag)	per bag	11.32	11.87	4.9
Roads Operations	Surface dressing treatment - single coat (mainland)	per square metre	4.60	4.83	4.9
	Surface dressing treatment - double coat (mainland)	per square metre	9.20	9.65	4.9
	Surface dressing treatment - single coat (isles)	per square metre	5.03	4.83	-4.0
	Surface dressing treatment - double coat (isles)	per square metre	10.06	9.65	-4.1
	Chargeable works - various, e.g. surfacing, sweeping, sign manufacture, drainage, inspections etc	at cost	at cost	at cost	
	Roads maintenance compensation		variable	variable	
Ferry & Air Operations					
Tingwall Airport	Passenger charges (per departing passenger) - charter flights		6.46	6.78	5.0
	Baggage charge (per aircraft)		8.17	8.57	4.9
	Extended opening hours - public, charter and general aviation (by arrangement) per 15 minute segment		63.83	66.96	4.9
	Extended opening hours - air ambulance, search and rescue/medi-vac (by arrangement) per 15 minute segment		46.50	48.78	4.9
	Callout charge		151.33	158.75	4.9
	HM Revenue and Customs - an attendance charge may apply		variable	variable	
	Over 2,730kgs MTWA - per tonne or part thereof		29.00	30.42	4.9
	Over 2,730kgs MTWA - per tonne or part thereof - air ambulance/ search and rescue/medi vac- 50% concession		14.50	15.21	4.9
	Less than 2,730kgs MTWA - per landing (including out of hours landings)		24.96	26.18	4.9
	Annual consolidated landing fee - less than 2,730kgs MTWA		418.58	439.09	4.9
	Training circuits (per session max 10 circuits or part thereof per sessions)		29.00	30.42	4.9
	Landing supplements - fuel handling charge - JET A-1 - per fuelling, per aircraft		32.54	34.13	4.9
	Landing supplements - fuel handling charge - AVGAS - per fuelling, per aircraft		13.25	13.90	4.9
	Out of hours indemnity permit - duration 12 months		69.75	73.17	4.9
	Parking charges - for each 24 hours or part thereof		13.25	13.90	4.9
	Air ambulance standby		variable	variable	
	Jet A1 fuel		variable	variable	
Return Fare Mainland to Bressay/Whalsay/ Yell, Yell to Unst/Fetlar and Skerries and Papa Stour	Adults - single	per passenger	2.80	2.80	0.0
	Adults - 10 journey ticket	per ticket	28.00	28.00	0.0
	Children - up to 19 years & OAPs (with valid SIC pass)	per ticket	0.80	0.80	0.0
	Children & OAPs (with valid SIC pass) - 10 journey ticket	per ticket	8.00	8.00	0.0
	Infant (up to 5 years old)	per ticket	no charge	no charge	
	Bicycle - rider pays passenger fare	per ticket	rider pays passenger fare	rider pays passenger fare	
	Cars & other vehicles & driver - single	per ticket	16.50	16.50	0.0
	Cars & other vehicles & driver - 10 journey	per ticket	106.00	106.00	0.0
	Cars & other vehicles & driver - single -discounted rate on production of card	per ticket	10.60	10.60	0.0
	Motorcycle & driver - single	per ticket	13.00	13.00	0.0
	Motorcycle & driver - 10 journey	per ticket	85.00	85.00	0.0
	Motorcycle & driver - single - discounted rate on production of card	per ticket	8.50	8.50	0.0
	Motorhome 5.5m - 9m	per ticket	23.50	23.50	0.0
	Motorhome 9.01m - 12m	per ticket	27.50	27.50	0.0
	Motorhome 12m plus	per ticket	32.00	32.00	0.0
	Domestic towed trailers including caravans <3.5m	per ticket	8.00	8.00	0.0
	Domestic towed trailers including caravans 3.5 - 5.5m	per ticket	11.50	11.50	0.0
	Domestic towed trailers including caravans >5.5m	per ticket	15.50	15.50	0.0
	Commercial vehicles & driver (including coaches without passengers) 5.01m - 8.00m	per ticket	28.29	28.29	0.0
	Commercial vehicles & driver (including coaches without passengers) 8.01m - 12.00m	per ticket	54.21	54.21	0.0
	Commercial vehicles & driver (including coaches without passengers) 12.01m - 18.00m	per ticket	75.79	75.79	0.0
	Commercial vehicles & driver (including coaches without passengers) 18.00m plus - prior arrangement only	per ticket	220.96	220.96	0.0
	Commercial vehicles & driver - if a load is wider than 2.6m	per ticket	18.33	18.33	0.0
	Coaches carrying passengers & driver - 5.01m - 8.00m	per ticket	28.50	28.50	0.0
	Coaches carrying passengers & driver - 8.01m - 12.00m	per ticket	55.00	55.00	0.0
	Coaches carrying passengers & driver - 12.01m - 18.00m	per ticket	76.00	76.00	0.0
	Tankers - up to 7.50m	per ticket	50.75	50.75	0.0
	Tankers - 7.51m - 10.00m	per ticket	92.50	92.50	0.0
	Tankers - 10.01m - 16.00m	per ticket	120.67	120.67	0.0
	Plant - up to 7.50m	per ticket	72.08	72.08	0.0
	Plant - 7.51m - 10.00m	per ticket	128.83	128.83	0.0
	Plant - 10.01m - 16.00m	per ticket	175.96	175.96	0.0
	Contract rate for approved coaches carrying workers	per ticket	variable - dependent on passenger numbers	variable - dependent on passenger numbers	
Single Fare Mainland to Fair	Adults - single	per ticket	2.80	2.80	0.0
	Adults - 20 journey ticket	per ticket	56.00	56.00	0.0

Mainland to Fair Isle/Foula, Foula/Fair Isle to Mainland	Children - up to 19 years & OAPs - single	per ticket	0.40	0.40	0.0
	Children & OAP - 20 journey ticket	per ticket	8.00	8.00	0.0
	OAPs with valid SIC Pass	per ticket	0.40	0.40	0.0
	Infant (up to 5 years old)	per ticket	no charge	no charge	
	Bicycle (rider pays passenger fare)	per ticket	rider pays passenger fare	rider pays passenger fare	
	Non Fair Isle resident (Fair Isle only) - single	per ticket	19.50	19.50	0.0
	Cars & other vehicles & driver - single	per ticket	8.50	8.50	0.0
	Motorcycle & driver - single	per ticket	17.50	17.50	0.0
	Domestic towed trailers including caravans <3.5m	per ticket	8.00	8.00	0.0
	Domestic towed trailers including caravans 3.5m - 5.5m	per ticket	11.50	11.50	0.0
	Towed trailers including caravans >5.5m	per ticket	15.50	15.50	0.0
	Commercial vehicles & driver (including coaches without passengers) Fair Isle CV (Return)	per ticket	13.92	13.92	0.0
Bressay Season Tickets	Monthly unlimited foot travel	per ticket	58.20	58.20	0.0
	Monthly - up to 15 foot passenger journeys and 10 car journeys per month	per ticket	123.40	123.40	0.0
	Monthly - unlimited foot travel and up to 20 car journeys per month	per ticket	163.40	163.40	0.0
Standby ambulance	Standby ambulance		variable	variable	
Community Council and Private Hire Rate	Good Shepherd crew working within salary	fuel cost only	variable	variable	
	Good Shepherd - crew working at straight time	first 3 hour block or part thereof	391.00	391.00	0.0
	Good Shepherd - crew working at straight time	per hour in addition to first 3 hour block	130.00	130.00	0.0
	Snolda - crew working at straight time	first 3 hour block or part thereof	283.00	283.00	0.0
	Snolda - crew working at straight time	per hour in addition to first 3 hour block	95.00	95.00	0.0
	Snolda 4-crew	first 3 hour block or part thereof	413.00	413.00	0.0
	Snolda 4-crew	per hour in addition to first 3 hour block	138.00	138.00	0.0
	Snolda to Fair Isle	first 3 hour block or part thereof	530.00	530.00	0.0
	Snolda to Fair Isle	per hour in addition to first 3 hour block	167.00	167.00	0.0
	Bigga 4-crew	first 3 hour block or part thereof	413.00	413.00	0.0
	Bigga 4-crew	per hour in addition to first 3 hour block	138.00	138.00	0.0
	Fivla 4-crew	first 3 hour block or part thereof	489.00	489.00	0.0
	Fivla 4-crew	per hour in addition to first 3 hour block	163.00	163.00	0.0
	Leirna	first 3 hour block or part thereof	530.00	530.00	0.0
	Leirna	per hour in addition to first 3 hour block	167.00	167.00	0.0
	Hendra	first 3 hour block or part thereof	530.00	530.00	0.0
	Hendra	per hour in addition to first 3 hour block	167.00	167.00	0.0
	Geira 4-crew	first 3 hour block or part thereof	466.00	466.00	0.0
	Geira 4-crew	per hour in addition to first 3 hour block	155.00	155.00	0.0
	Linga	first 3 hour block or part thereof	530.00	530.00	0.0
	Linga	per hour in addition to first 3 hour block	167.00	167.00	0.0
	Daggri	first 3 hour block or part thereof	530.00	530.00	0.0
	Daggri	per hour in addition to first 3 hour block	167.00	167.00	0.0
	Dagalien	first 3 hour block or part thereof	530.00	530.00	0.0
	Dagalien	per hour in addition to first 3 hour block	167.00	167.00	0.0
	Daggri/Dagalien outside Yell Sound and/or >95 pax	first 3 hour block or part thereof	593.00	593.00	0.0
	Daggri/Dagalien outside Yell Sound and/or >95 pax	per hour in addition to first 3 hour block	198.00	198.00	0.0
	Filla	first 3 hour block or part thereof	530.00	530.00	0.0
	Filla	per hour in addition to first 3 hour block	167.00	167.00	0.0

	Filla To Fair Isle	first 3 hour block or part thereof	593.00	593.00	0.0
	Filla to Fair Isle	per hour in addition to first 3 hour block	198.00	198.00	0.0
	Out of hours emergency call out rate when charter does not pay for crew on stand-by on route. Charged at Commercial Charter rate	per hire	variable	variable	
	Use of SIC booking office service	per hire	119.00	119.00	0.0
Commercial Charter Rate	Good Shepherd crew working within salary	first three hour block	238.00	238.00	0.0
	Good Shepherd crew working within salary	each additional hour	82.00	82.00	0.0
	Good Shepherd crew working at straight time	first three hour block	530.00	530.00	0.0
	Good Shepherd crew working at straight time	each additional hour	173.00	173.00	0.0
	Snolda 4-crew - crew working at straight time	first three hour block	530.00	530.00	0.0
	Snolda 4-crew - crew working at straight time	each additional hour	173.00	173.00	0.0
	Snolda 4-crew	first three hour block	651.00	651.00	0.0
	Snolda 4-crew	each additional hour	221.00	221.00	0.0
	Snolda to Fair Isle	first three hour block	738.00	738.00	0.0
	Snolda to Fair Isle	each additional hour	250.00	250.00	0.0
	Bigga 4-crew	first three hour block	500.00	500.00	0.0
	Bigga 4-crew	each additional hour	168.00	168.00	0.0
	Fivla 4-crew	first three hour block	500.00	500.00	0.0
	Fivla 4-crew	each additional hour	168.00	168.00	0.0
	Leirna	first three hour block	593.00	593.00	0.0
	Leirna	each additional hour	204.00	204.00	0.0
	Hendra	first three hour block	593.00	593.00	0.0
	Hendra	each additional hour	204.00	204.00	0.0
	Geira 4- crew	first three hour block	500.00	500.00	0.0
	Geira 4-crew	each additional hour	168.00	168.00	0.0
	Linga	first three hour block	668.00	668.00	0.0
	Linga	each additional hour	228.00	228.00	0.0
	Daggri	first three hour block	668.00	668.00	0.0
	Daggri	each additional hour	228.00	228.00	0.0
	Dagalien	first three hour block	668.00	668.00	0.0
	Dagalien	each additional hour	228.00	228.00	0.0
	Daggri/Dagalien outside Yell Sound and/or >95 pax	first three hour block	813.50	813.50	0.0
	Daggri/Dagalien outside Yell Sound and/or >95 pax	each additional hour	269.00	269.00	0.0
	Filla	first three hour block	812.00	812.00	0.0
	Filla	each additional hour	303.00	303.00	0.0
	Filla to Fair Isle	first three hour block	947.00	947.00	0.0
	Filla to Fair Isle	each additional hour	315.00	315.00	0.0
Bulk Cargo	Small Package/Item (up to A4 size)	per item	0.63	0.63	0.0
	Small Gas Bottle/Drum	per item	0.92	0.92	0.0
	Medium Item/Box/Bag	per item	0.92	0.92	0.0
	Large Mail Bag	per bag	1.62	1.62	0.0
	Large Box/Package/Item	per item	2.46	2.46	0.0
	Large Gas Bottle/Drum	per item	3.96	3.96	0.0
	Pallet/Crate/Large Bulky Item	per item	9.71	9.71	0.0
	Skip/Bowser	per skip	18.25	18.25	0.0
	Livestock - Lamb/Foal	each	0.63	0.63	0.0
	Livestock - All excluding Lamb/Foal	each	1.08	1.08	0.0
Loose Freight Ro-Bo Services	Carton/mail bag - large	per bag	2.08	2.08	0.0
	Carton/mail bag - small	per bag	1.08	1.08	0.0
Freight Services - Skerries, Papa Stour, Fair Isle & Foula	Bulk cargo (by arrangement only)	per tonne	15.29	15.29	0.0

Parcel Rates for Island Shops	Open to island based retailers, restaurants and cafes on islands service by inter island ro-ro ferries - to cover the cost of all small parcels placed on the ferry by the supplier and picked up at the island end of the journey by the island business. This scheme applies only to parcels that are placed on the vessel by suppliers in a defined storage area and picked up at the island end by the business without incurring handling by Ferry Services staff.	per year	238.83	238.83	0.0
Ferry fares	Ferry fares charged to a non-UK company, charges applied as above	charges applied as above	charges applied as above	charges applied as above	
Transport Planning					
Inter-Island Air Services	Lerwick - Fair Isle (non resident adult, 25yrs +)	single fare	59.20	59.20	0.0
	Lerwick - Fair Isle (non resident adult, 25yrs +)	return fare	112.75	112.75	0.0
	Lerwick - Fair Isle (non resident youth, 17 - 24 or non resident senior citizen, 60yrs +)	single fare	39.07	39.07	0.0
	Lerwick - Fair Isle (non resident youth, 17 - 24 or non resident senior citizen, 60yrs +)	return fare	74.44	74.44	0.0
	Lerwick - Fair Isle (non resident child, 2 - 16yrs)	single fare	29.59	29.59	0.0
	Lerwick - Fair Isle (non resident child, 2 - 16yrs)	return fare	56.38	56.38	0.0
	Lerwick - Fair Isle - (island resident, 25yrs +)	return fare	55.20	55.20	0.0
	Lerwick - Fair Isle (island resident youth, 17 - 24 or resident senior citizen, 60yrs +)	return fare	36.34	36.34	0.0
	Lerwick - Fair Isle - (island resident, 2 - 16 yrs or pupil attending AHS)	return fare	27.60	27.60	0.0
	Lerwick - Foula (non resident adult, 25yrs +)	single fare	55.38	55.38	0.0
	Lerwick - Foula (non resident adult, 25yrs +)	return fare	106.38	106.38	0.0
	Lerwick - Foula (non resident youth, 17 - 24 or non resident senior citizen, 60yrs +)	single fare	36.49	36.49	0.0
	Lerwick - Foula (non resident youth, 16 - 24 or non resident senior citizen, 60yrs +)	return fare	70.18	70.18	0.0
	Lerwick - Foula (non resident child, 2 - 16yrs)	single fare	27.72	27.72	0.0
	Lerwick - Foula (non resident child, 2 - 16yrs)	return fare	53.21	53.21	0.0
	Lerwick - Foula - (island resident, 25yrs +)	return fare	55.20	55.20	0.0
	Lerwick - Foula (island resident youth, 17 - 24 or resident senior citizen, 60yrs +)	return fare	36.34	36.34	0.0
	Lerwick - Foula - (island resident, 2 - 16 yrs or pupil attending AHS)	return fare	27.60	27.60	0.0
Taxi Licensing Charges	Taxi or private hire car drivers licence	per application	90.00	90.00	0.0
	Taxi or private hire car licence (grant)	per application	410.00	410.00	0.0
	Taxi or private hire car licence (renewal)	per application	137.00	137.00	0.0
	Deposit on taxi/private hire car licence plates	per application	32.00	32.00	0.0
	Vehicle inspection	per inspection	50.00	52.50	5.0
	Re-test	per re-test	12.50	13.00	4.0
	Installation of meter	per application	variable	variable	
	Check and calibrate meter	per application	variable	variable	
	Replacement drivers I.D. badge	per application	10.00	10.00	0.0
	Replacement licence (driver or car)	per application	10.00	10.00	0.0
Bus Service	Taxi booking office licence	per application	115.00	115.00	0.0
	To Sumburgh Airport	per ticket	2.90	2.90	0.0
	To Sumburgh	per ticket	2.90	2.90	0.0
	To Sandwick	per ticket	2.30	2.30	0.0
	To Cunningsburgh	per ticket	2.00	2.00	0.0
	To Walls	per ticket	2.90	2.90	0.0
	To Bixter	per ticket	2.60	2.60	0.0
	To Weisdale	per ticket	2.30	2.30	0.0
	To Hillswick	per ticket	3.80	3.80	0.0
	To Mossbank	per ticket	3.20	3.20	0.0
	To Toft	per ticket	3.20	3.20	0.0
	To Brae	per ticket	2.90	2.90	0.0
	To Scalloway	per ticket	1.80	1.80	0.0
	To Lerwick Town Service	per ticket	1.20	1.20	0.0
Bus Service	NOTE: Discounted travel is available through the use of pre-paid local bus service cards. The use of this type of card provides a 20% discount on				
Hire of Council Bus and Driver	9am to 5pm - Monday to Friday		£1.77 per mile for all hires plus £18.58 per hour	£1.86 per mile for all hires plus £19.13 per hour	5.1 & 3.0
	5pm to 10pm - Monday to Friday and 9am to 10pm - Saturday		£1.77 per mile for all hires plus £27.88 per hour	£1.86 per mile for all hires plus £28.70 per hour	5.1 & 3.0
	10pm to 9am - Monday to Saturday and all day Sunday		£1.77 per mile for all hires plus £34.07 per hour	£1.86 per mile for all hires plus £35.07 per hour	5.1 & 3.0
Disabled Parking Badge (Blue Badge) Charges	New badge issue	per application	20.00	20.00	0.0
	Badge renewal	per application	20.00	20.00	0.0
	Replacement for lost/stolen badge	per application	10.00	10.00	0.0
	Fast tracked badge	per application	24.00	24.00	0.0
Bus Service	Claim for bus pass top up		variable	variable	
	Hire of SIC bus without driver		variable	variable	
	Thermal ticket rolls		variable	variable	

Quality Improvement/Schools					
School Meals from start of academic year (Aug 24)	Secondary pupils, single course	per meal	2.30	2.50	8.7
	Secondary pupils, two courses	per meal	2.75	3.00	9.1
	Secondary pupils, cash cafeteria	per meal	Set by school	Set by school	
	Visitors and staff, cash cafeteria	per meal	Set by school	Set by school	
	Visitors and staff	per meal	6.25	6.55	4.8
	Primary pupils	per meal	2.30	2.50	8.7
	Nursery pupils - private nursery meals	per meal	1.95	2.20	12.8
School Milk from start of academic year (Aug 24)	Pupil	per week	1.05	1.25	19.0
Early Years	Early years nursery charge outwith funded place	Charge per hour outside funded place	4.88	5.10	4.5
School Lettings	Classroom	per hour	24.65	26.00	5.5
	Large meeting (e.g. school hall/gym hall)	per hour	39.50	41.50	5.1
	Dramatic performance	per hour	75.00	79.00	5.3
	School hall	per function	300.00	315.00	5.0
	School hall plus large school kitchen	per function	367.50	386.00	5.0
	School hall plus small school kitchen	per function	320.00	350.00	9.4
	Up Helly Aa (including kitchen)	per function	615.00	650.00	5.7
	Tea/coffee facilities (e.g. for meetings) - large school kitchen		110.25	116.00	5.2
	Tea/coffee facilities (e.g. for meetings) - small school kitchen		61.00	65.00	6.6
	All schools - multicourt area	per hour	8.05	9.00	11.8
Lockers	Charge for lockers	per annum	0.00	0.00	
	Replacement key for lockers	per annum	3.00	3.25	8.3
Sporting Activities Only	All schools - whole games hall over 18s (e.g. football, netball, volleyball)		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - whole games hall under 18s (e.g. football, netball, volleyball)		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - hire per badminton court in games hall over 18s (e.g. badminton, table tennis, short tennis)		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - hire per badminton court in games hall Under 18s (e.g. badminton, table tennis, short tennis)		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - 1 badminton court gym hall over 18s		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - 1 badminton court gym hall under 18s		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - multipurpose sports area over 18s		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	All schools - multipurpose sports area under 18s		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
	Equipment - trampoline		22.60	24.00	6.2
	Equipment - 2 trampolines (on 1 badminton court)		33.10	35.00	5.7
	Use of car parks (e.g. car boot sales)		26.80	30.00	11.9
	Sporting activities - block booking		variable	variable	
	Projector	per hour	12.90	14.00	8.5
	Charge for room or area not returned to original state		52.50	60.00	14.3
	Charge for cleaning after function		92.00	100.00	8.7

Hall of Residence Board & Accommodation Charges	Placing request pupils - full board	per week	262.15	350.00	33.5
	Placing request pupils - full board	per day	61.50	75.00	22.0
	Adults (holiday periods only) - bed and breakfast	per day	51.35	to be determined by report at committee	
	Parents flat	per night	21.40	60.00	180.4
	Hire of conference room	half day	62.05	70.00	12.8
	Hire of conference room	full day	91.00	100.00	9.9
Out of School Clubs	Tea, coffee and biscuits	per head	3.55	4.00	12.7
	Out of School Club (snack provided, trips additional)	per hour	4.88	5.10	4.5
	Out of School Club (snack provided, trips additional)	per session	10.50	11.00	4.8
	Out of School Holiday Programme (snack provided, trips additional)	full day	34.00	35.70	5.0
	Out of School Holiday Programme (snack provided, trips additional)	half day	17.00	17.85	5.0
	Out of School Holiday Programme (snack provided, trips additional)	half day	17.00	17.85	5.0
Office Cleaning	Cleaning non-SIC offices		variable	variable	
International Education	Grant		variable	variable	
GCTS Registration Fee	GCTS registration fee		variable	variable	
	Supply cover		variable	variable	
	Reimbursement of salary costs		variable	variable	
Youth Work	Wellbeing youth work		variable	variable	
Sports, Leisure and Library					
Sale of publications	Sale of books		variable	variable	
	Less 33.3% trade discount		variable	variable	
Parks General - Jubilee Flower Park	Tennis - hire of court - concession rate	per hour	3.11	3.25	4.5
	Tennis - hire of court - standard rate	per hour	6.21	6.50	4.7
	Hire of up to 4 tennis racquets and 3 balls - concession rate	per hour	1.49	1.55	4.0
	Hire of up to 4 tennis racquets and 3 balls - standard rate	per hour	2.97	3.10	4.4
	Putting - 18 Holes - concession rate	per hour	1.00	1.05	5.0
	Putting - 18 Holes - standard rate	per hour	2.00	2.10	5.0
	Bowling - hire of rink - concession rate	per hour	3.15	3.30	4.8
	Bowling - hire of rink - standard rate	per hour	6.30	6.60	4.8
	Bowling - hire of up to 4 sets of bowls - concession rate	per hour	1.27	1.35	6.3
	Bowling - hire of up to 4 sets of bowls - standard rate	per hour	2.54	2.65	4.3
	Bowling - hire of shoes - concession rate	per person per hour	1.29	1.35	4.7
	Bowling - hire of shoes - standard rate	per person per hour	2.54	2.65	4.3
	Seasonal hire of green to bowling club (excluding use of bowls and shoes) - concession rate	per person	18.00	18.90	5.0
	Seasonal hire of green to bowling club (excluding use of bowls and shoes) - standard rate	per person	36.00	37.75	4.9
	Hire of kitchen and viewing area	per hour	7.65	8.00	4.6
Parks General - Gilbertson Park Games Hall	Games Hall - hire for sporting use - single booking - concession rate	per hour	12.70	13.34	5.0
	Games Hall - hire for sporting use - single booking - standard rate	per hour	25.40	26.67	5.0
	Games Hall - hire for general use - concession rate	per hour	12.70	13.34	5.0
	Games Hall - hire for general use - standard rate	per hour	25.40	26.67	5.0
	Games Hall - block booking (10 or more) - concession rate	per hour	12.70	13.34	5.0
	Games Hall - block booking (10 or more) - standard rate	per hour	25.40	26.67	5.0
Parks General - Pitches	Hire of kitchen facilities - standard rate	per hour	7.65	8.50	11.1
	Pitch hire with changing rooms - block booking (10 or more) - concession rate	per hour	21.00	22.00	4.8
	Pitch hire with changing rooms - block booking (10 or more) - standard rate	per hour	35.00	37.00	5.7
	Pitch hire with changing rooms - single booking - concession rate	per hour	21.00	22.00	4.8
	Pitch hire with changing rooms - single booking - standard rate	per hour	35.00	37.00	5.7
	Pitch hire only - block booking (10 or more) - concession rate	per hour	13.12	14.50	10.5
	Pitch hire only - block booking (10 or more) - standard rate	per hour	27.12	29.00	6.9
	Pitch hire only - single booking - concession rate	per hour	13.12	14.50	10.5
	Pitch hire only - single booking - standard rate	per hour	27.12	29.00	6.9
	Hire of archery field - block booking (10 or more) - (1/4 pitch) - concession rate	per hour	7.20	7.55	4.9
	Hire of archery field - block booking (10 or more) - (1/4 pitch) - standard rate	per hour	14.40	15.10	4.9
	Hire of archery field - single booking (1/4 pitch) - concession rate	per hour	7.20	7.55	4.9
	Hire of archery field - single booking (1/4 pitch) - standard rate	per hour	14.40	15.10	4.9
	Hire of cricket wicket - block booking (10 or more) - concession rate	per hour	7.20	7.55	4.9
	Hire of cricket wicket - block booking (10 or more) - standard rate	per hour	14.40	15.10	4.9
	Hire of cricket wicket - single booking - concession rate	per hour	7.20	7.55	4.9
	Hire of cricket wicket - single booking - standard rate	per hour	14.40	15.10	4.9
	Hire of plant and labour for grounds maintenance works on external pitches	per hour	35.00	45.00	28.6
Parks General - Pitch Changing Rooms	Changing room only - per changing room - standard rate	per hour	3.94	4.15	5.3

Parks General - Pitch Equipment Hire	Equipment hire - block booking (10 or more) - per extra sets of goals - concession rate	per session	2.95	3.50	18.6
	Equipment hire - block booking (10 or more) - per extra sets of goals - standard rate	per session	5.90	7.00	18.6
	Equipment hire - single booking - per extra sets of goals - concession rate	per session	2.95	3.50	18.6
	Equipment hire - single booking - per extra sets of goals - standard rate	per session	5.90	7.00	18.6
Sandwich JHS Games Hall	Hire of games hall and courts		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
Salloway JHS Games Hall	Hire of games hall and courts		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
Brae Secondary School Games Hall	Hire of games hall and courts		Proposed prices are the same as Shetland Recreational Trust facilities for 2023/24	Proposed prices are the same as Shetland Recreational Trust facilities for 2024/25	
Outdoor Education and Activities	General outdoor activities where there is an element of educational training or instruction e.g. coasteering, canoeing or climbing (minimum group size of 6 people)	per adult per half day	45.00	48.00	6.7
	General outdoor activities where there is an element of educational training or instruction e.g. coasteering, canoeing or climbing (minimum group size of 6 people)	per adult per full day	63.00	67.00	6.3
	General outdoor activities where there is not an element of educational training or instruction e.g. coasteering, canoeing or climbing (minimum group size of 6 people)	per adult per half day	45.00	48.00	6.7
	General outdoor activities where there is not an element of educational training or instruction e.g. coasteering, canoeing or climbing (minimum group size of 6 people)	per adult per full day	63.00	67.00	6.3
Room Hire Charges for Islesburgh Complex	Voluntary Organisations, Health & Fitness Group charge - meetings and activities	per session	20.60	21.60	4.9
	Voluntary Organisations, Health & Fitness Group charge - meetings and activities - extra hours after 11pm	per hour	22.70	23.80	4.8
	Voluntary Organisations, Health & Fitness Group charge - social functions	per session	50.00	52.45	4.9
	Voluntary Organisations, Health & Fitness Group charge - social functions - extra hours after 11pm	per hour	22.70	23.80	4.8
	Voluntary Organisations, Health & Fitness Group charge - room 16 meetings and activities	per session	50.00	52.45	4.9
	Voluntary Organisations, Health & Fitness Group charge - room 16 meetings and activities - extra hours after 11pm	per hour	22.70	23.80	4.8
	Voluntary Organisations, Health & Fitness Group charge - room 16 social functions	per session	105.00	110.15	4.9
	Voluntary Organisations, Health & Fitness Group charge - room 16 social functions - extra hours after 11pm	per hour	43.20	45.30	4.9
	Voluntary Organisations, Health & Fitness Group charge - radio room and room 13 (2 hours)	per session	12.30	12.90	4.9
	Voluntary Organisations, Health & Fitness Group charge - radio room and room 13 (2 hours) - extra hours after 11pm	per session	11.70	12.30	5.1
	Standard charge - meetings and activities	per session	51.50	54.00	4.9
	Standard charge - meetings and activities - extra hours after 11pm	per hour	22.00	23.00	4.5
	Standard charge - social functions	per session	103.00	108.00	4.9
	Standard charge - social functions - extra hours after 11pm	per hour	51.50	54.00	4.9
	Standard charge - room 16 meetings and activities	per session	84.00	88.10	4.9
	Standard charge - room 16 meetings and activities - extra hours after 11pm	per hour	56.50	59.30	5.0
	Standard charge - room 16 social functions	per session	178.00	186.70	4.9
	Standard charge - room 16 social functions - extra hours after 11pm	per hour	65.00	68.20	4.9
	Standard charge - radio room and room 13 (2 hours)	per session	27.50	28.85	4.9
	Standard charge - radio room and room 13 (2 hours) - extra hours after 11pm	per session	22.00	23.10	5.0
	Standard charge - children's parties	per session	40.00	41.95	4.9
	Standard charge - room 16 children's parties - bouncy castle	per session	56.50	59.30	5.0
	Service charge for setting up broadband in meeting rooms	per day	12.10	12.70	5.0
Catering - Islesburgh	Islesburgh Pensioners Lunch Club - same charge as meals on wheels	per meal	Same charge as meals on wheels	Same charge as meals on wheels	
	Crockery hire - full set	per 20 full sets	12.10	12.70	5.0
	Cup & saucer hire	per 20 sets	6.55	6.85	4.6
Islesburgh Equipment Bank Hire - Play Equipment	Soft play equipment	per item per day	5.25	5.50	4.8
	Badge making kit (materials extra)	per item per day	5.25	5.50	4.8
	Badge blanks per bag of 25	per bag of 25	5.25	5.50	4.8
	Bouncy castle	per item per day	22.60	23.70	4.9
Islesburgh Equipment Bank	Parachutes - 20', 10'	per item per day	2.26	2.35	4.0
	Stilts (per set)	per item per day	2.26	2.35	4.0
	Unicycle	per item per day	2.26	2.35	4.0

Islesburgh Equipment Bank Hire - Events Equipment	Portable staging (per section)	per item per day	2.75	2.90	5.5
	Portable lighting	per item per day	16.70	17.50	4.8
	UV lighting	per item per day	5.25	5.50	4.8
	Bunting (per bag, approx. 100 metres)	per bag of 25	2.26	2.35	4.0
	Flags (per flag)	per item per day	2.26	2.35	4.0
	Loud hailer	per item per day	5.25	5.50	4.8
	Stopwatch	per item per day	2.26	2.35	4.0
	Hi-vis vest	per item per day	1.17	1.25	6.8
	Stacking chair	per item per day	0.57	0.60	5.3
	Coat rail	per item per day	2.26	2.35	4.0
	Portable table (Go-Pak 4ft or 6ft)	per item per day	5.20	5.45	4.8
Islesburgh Equipment Bank Hire - Audio Visual Equipment	Projector screen	per item per day	3.26	3.40	4.3
	Tripod (heavy duty)	per item per day	5.25	5.50	4.8
	Data projector	per item per day	15.80	16.55	4.7
	35mm slide projector	per item per day	5.25	5.50	4.8
	Addabox (small, external PA)	per item per day	11.10	11.65	5.0
	Coomber	per item per day	5.25	5.50	4.8
	Fender PA	per item per day	22.60	23.70	4.9
	Microphone stand	per item per day	2.26	2.35	4.0
	Microphones	per item per day	5.25	5.50	4.8
	Overhead projector	per item per day	5.25	5.50	4.8
	Lectern	per item per day	2.26	2.35	4.0
	Flipchart easel	per item per day	2.26	2.35	4.0
	Display stand (per unit)	per item per day	3.26	3.40	4.3
	Party rocker / boom box / PA	per item per day	14.80	15.55	5.1
Islesburgh - Office Services	Flip charts - per pad	per pad	8.15	8.55	4.9
	Flip charts - per sheet	per sheet	0.34	0.35	2.9
	Gaffa tape	per roll	7.25	7.60	4.8
	Video copying - video to DVD or DVD to DVD	per DVD	10.80	11.35	5.1
	Badge printing - minimum of 25	per badge	0.25	0.25	0.0
	Laminate covers - credit card sized	per cover	0.33	0.35	6.1
	Laminate covers - A4 (150 microns)	per cover	0.93	1.00	7.5
	Laminate covers - A3 (150 Microns)	per cover	1.36	1.45	6.6
Islesburgh House Hostel	Exclusive Use - 2 bed room - Shared toilets and showers	per night	42.00	44.05	4.9
	Exclusive use - 4 bed room - Shared toilets and showers	per night	58.00	60.85	4.9
	Exclusive use - 4 bed room - Ensuite	per night	65.00	68.20	4.9
	Exclusive use - 6 bed room - Ensuite	per night	92.00	96.50	4.9
	Exclusive use - 8 bed room - Shared toilets and showers	per night	123.00	129.00	4.9
	Exclusive use - 12 bed room - Shared toilets and showers	per night	173.35	182.00	5.0
	Exclusive use - 12 bed room - Ensuite	per night	195.00	204.75	5.0
	Exclusive use - whole hostel - Peak	per night	950.00	996.50	4.9
	Towel hire	per hire	2.21	2.30	4.1
	Washing powder	per sachet	0.63	0.65	3.2
	Postcards	per postcard	0.42	0.45	7.1
	The Islesburgh House Hostel operates from mid January to end of November each year and is affiliated to the Scottish Youth Hostel Association				
	ANNUAL CLOSURE: The Hostel is not available for bookings other than large group bookings, from the end of November until the middle of January each year.				
	ACCOMMODATION: Islesburgh House Hostel provides self-catering accommodation. Rooms vary in size from 2 to 12 beds. Exclusive/Family rooms are available.				
PLEASE NOTE: These prices are the maximum charge and will vary depending on the time of year and number of occupants per room.					
Children's Services					
Bursaries	Repayment of bursary		variable	variable	
Reimbursement	Reimburse travel, subsistence, supply cover etc.		variable	variable	
Children's Social Work					
Adoption	Interagency adoption fee		variable	variable	
Adult/Child Protection Co- ordinator	Provision of Adult/Child Protection Services		variable	variable	
	Provision of admin for MARAC		variable	variable	
Consultancy	Recharge costs		variable	variable	
Training	Recharge costs		variable	variable	

Harbour Charges					
Consolidated charge for segregated ballast tankers entering the Port of Sullom Voe	Shipping dues	per gross tonne per visit	3.40	3.56	4.7
	Mooring charge	per gross tonne per visit	0.08	0.08	0.0
	Pilotage charge	per gross tonne per visit	0.48	0.50	4.2
	B & L charge	per gross tonne per visit	0.22	0.24	9.1
Towage - Sullom Voe Area	Towage	per gross tonne per visit	2.55	2.67	4.7
	Sullom Voe area outwith Port of Sullom Voe - Cancellation charge will apply if tugs depart the tug jetty and are cancelled before making fast to vessel	per gross tonne per visit	0.26	0.27	4.7
	Sullom Voe area outwith Port of Sullom Voe - Aborted Berthings or sailings will apply if a movement is unable to be completed after a tug or tugs have made fast, or have commenced assistance.	per gross tonne per visit	1.28	1.34	4.7
	Push up charge will be levied if a tug or tugs are required to push-up on a vessel during periods of extreme weather conditions	per tug per hour or part thereof	2174.00	2281.00	4.9
	Escorting charges/shifting from one jetty to another	per tug per hour or part thereof (minimum charge 3 hours)	2174.00	2281.00	4.9
	Standby Charge will be levied if tugs are not used within an hour of order time	per tug per hour or part thereof	2174.00	2281.00	4.9
	Fire fighting and oil dispersal duties	a) per tug per hour or part thereof (minimum charge 3 hours)	2174.00	2281.00	4.9
	Fire fighting and oil dispersal duties	b) per use in addition to a) above	cost of fire fighting foam and oil dispersant liquids used	cost of fire fighting foam and oil dispersant liquids used	cost of fire fighting foam and oil dispersant liquids used
	Late order charges may be charged if less than 12 hours notice is given in writing	per individual case	15% surcharge (Calculated as per individual case)	15% surcharge (Calculated as per individual case)	15% surcharge (Calculated as per individual case)
	Bunker charges	per tug movement	rates available on application	rates available on application	rates available on application
	Other charges for towage operations not listed above are charged on a case by case basis to ensure income generation	rates available on application	rates available on application	rates available on application	rates available on application
Ships dues - Sullom Voe Harbour & Gas Processing Plant	Vessels engaged in the provision of services, supply of materials and export of products from the Sullom Voe Terminal and the Gas Processing Plant - Segregated ballast tankers	per gross tonne	2.10	2.20	4.8
	Vessels engaged in the provision of services, supply of materials and export of products from the Sullom Voe Terminal and the Gas Processing Plant - Other	per gross tonne	1.95	2.05	5.1
	Vessels and barges working within the harbour limits in Yell Sound and not passing inward past number 5 buoy will be charged per gross tonne (Note: vessels transiting are not liable to charges)	per gross tonne per vessel	0.49	0.51	4.1
Ships dues - Applicable to all Harbours	Any other vessel calling at a Council Pier or Harbour (a) Per gross ton	per gross tonne per vessel per entry and stay per four day period or part thereof	0.53	0.56	5.7
	(b) Barges - gross tonnage by calculation or certificate	per gross tonne per vessel per entry and stay per four day period or part thereof	0.53	0.56	5.7
	(c) Passenger vessels/accommodation barges or vessels engaged in offshore oil/gas or other similar operations – long term rate	per gross tonne per vessel per day (minimum charge 1 month stay)	0.13	0.14	3.8
	(d)(i) Cruise ships berthed at pier	per gross tonne per vessel per entry and stay per four day period or part thereof	0.16	0.17	6.3
	(d)(ii) Cruise ships at anchor within harbour	per gross tonne per vessel per entry and stay per four day period or part thereof	0.08	0.09	6.3
	(d)(iii) Security staff for ISPS restricted area	per vessel per day	28.00	29.50	5.4
	(e) Passengers disembarking - (tourist traffic/ passenger liners only)	per person	1.89	1.98	4.8
	(f)(i) Renewable devices etc up to and including 40mtrs. If an ITC69 is available the charge will be as (a) above, otherwise the following charge applies	per meter per day per vessel	2.28	2.39	4.8

(f)(i) Renewable devices etc over 40mtrs. If an ITC69 is available the charge will be as (a) above, otherwise the following charge applies	a) per metre up to 40mtrs per day per vessel	2.28	2.39	4.8
(f)(i) Renewable devices etc over 40mtrs. If an ITC69 is available the charge will be as (a) above, otherwise the following charge applies	b) per metre above 40mtrs per day per vessel in addition to a) above	4.18	4.38	4.8
(g)(i) Yachts in port	per vessel, per meter, per day or part thereof	1.97	2.07	5.1
(g)(iii) Yachts - visiting more than one Shetland Islands Council Pier or Harbour within one calendar month. Receipt must be shown at each Pier or Harbour	per yacht per calendar month	37.71	39.56	4.9
(g) Minimum charge per entry in stay at any Pier or Harbour	per vessel	23.15	24.30	5.0
Salmon cages below 70mtr launched and floating in Harbour	per 4 day period	54.95	57.64	4.9
70 metre salmon cage launched and floating in Harbour	per 4 day period	55.40	58.11	4.9
80 metre salmon cage launched and floating in Harbour	per 4 day period	64.34	67.49	4.9
90 metre salmon cage launched and floating in Harbour	per 4 day period	72.43	75.98	4.9
100 metre and above salmon cage launched and floating in Harbour	per 4 day period	80.48	84.42	4.9
Annual compounded dues for registered fishing/shellfish vessels up to and including 10m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	176.15	184.78	4.9
Annual compounded dues for registered fishing/shellfish vessels over 10m and up to and including 20m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	383.50	402.29	4.9
Annual compounded dues for registered fishing/shellfish vessels over 20m and up to and including 30m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	580.15	608.58	4.9
Annual compounded dues for registered fishing/shellfish vessels over 30m and up to and including 40m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	987.90	1036.30	4.9
Annual compounded dues for registered fishing/shellfish vessels over 40m and up to and including 50m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	1354.75	1421.13	4.9
Annual compounded dues for registered fishing/shellfish vessels over 50m and up to and including 60m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	1935.95	2030.81	4.9
Annual compounded dues for registered fishing/shellfish vessels over 60m and up to and including 70m overall length. (To qualify for annual compounded dues registered fishing vessels must make a minimum of 10 landings per calendar year at SIC piers/harbours).	per year	2904.45	3046.77	4.9
Registered fishing/shellfish vessel up to and including 10 overall length that does not meet the requirements for annual compounded dues listed above	per year	659.30	691.61	4.9
Registered fishing/shellfish vessel over 10m and up to and including 20 overall length that does not meet the requirements for annual compounded dues listed above	per year	1127.40	1182.64	4.9
Registered fishing/shellfish vessel over 20m and up to and including 30 overall length that does not meet the requirements for annual compounded dues listed above	per year	2130.95	2235.37	4.9
Registered fishing/shellfish vessel over 30m and up to and including 40 overall length that does not meet the requirements for annual compounded dues listed above	per year	3220.88	3378.70	4.9
Registered fishing/shellfish vessel over 40m and up to and including 50 overall length that does not meet the requirements for annual compounded dues listed above	per year	4506.45	4727.27	4.9
Registered fishing/shellfish vessel over 50m and up to and including 60 overall length that does not meet the requirements for annual compounded dues listed above	per year	14331.65	15033.90	4.9
Registered fishing/shellfish vessel over 60m and up to and including 70 overall length that does not meet the requirements for annual compounded dues listed above	per year	16367.75	17169.77	4.9
Registered fishing/pelagic vessels over 70m	a) per gross tonne per vessel for first 4 day period or part thereof	0.53	0.56	5.7
Registered fishing/pelagic vessels over 70m	b) per day in addition to a) above	257.50	270.12	4.9
Pleasurecraft/unregistered vessels up to and including 9m berthed within a Harbour Area but not within an established marina	per month (minimum six month charge)	18.30	19.20	4.9
Pleasurecraft/unregistered vessels over 9m and up to and including 12m berthed within a Harbour Area but not within an established marina	per month (minimum six month charge)	23.25	24.39	4.9

	Pleasurecraft/unregistered vessels over 12m and up to and including 15m berthed within a Harbour Area but not within an established marina	per month (minimum six month charge)	29.10	30.53	4.9
	Pleasurecraft/unregistered vessels over 15m berthed within a Harbour Area but not within an established marina	per month (minimum six month charge)	38.35	40.23	4.9
	Vessels up to and including 8m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	274.70	288.16	4.9
	Vessels over 8m and up to and including 10m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	412.10	432.29	4.9
	Vessels over 10m and up to and including 12m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	548.35	575.22	4.9
	Vessels over 12m and up to and including 15m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	714.25	749.25	4.9
	Vessels over 15m and up to and including 18m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	972.80	1020.47	4.9
	Vessels over 18m and up to and including 20m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	1230.30	1290.58	4.9
	Vessels over 20m and up to and including 25m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	3654.25	3833.31	4.9
	Vessels over 25m and up to and including 30m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	5384.45	5648.29	4.9
	Vessels over 30m and up to and including 35m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	8241.50	8645.33	4.9
	Vessels over 35m and up to and including 40m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	10439.25	10950.77	4.9
	Vessels over 40m and up to and including 45m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	16367.80	17169.82	4.9
	Vessels over 45m and up to and including 50m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	18186.30	19077.43	4.9
	Vessels over 50m and up to and including 55m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	19985.40	20964.68	4.9
	Vessels over 55m and up to and including 60m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	21823.30	22892.64	4.9
	Vessels over 60m and up to and including 65m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	23625.70	24783.36	4.9
	Vessels over 65m and up to and including 70m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	per year	25457.10	26704.50	4.9
	Vessels over 70m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	a) per year	25457.10	26704.50	4.9
	Vessels over 70m primarily engaged in the supply/operation or harvesting of farmed fish/farmed shellfish	b) per metre above 70m in addition to a) above	364.15	381.99	4.9
	Barges/feed barges up to and including 10m	per year	4010.90	4207.43	4.9
	Barges/feed barges over 10m and up to and including 20m	per year	8021.75	8414.82	4.9
	Barges/feed barges over 20m and up to and including 30m	per year	12032.60	12622.20	4.9
	Barges/feed barges over 30m	a) per year	12032.60	12622.20	4.9
	Barges/feed barges over 30m	b) per meter above 30m in addition to a) above	32.85	34.46	4.9
	Vessels over 8 metres overall length regularly providing services within a Council Harbour	per gross tonne, per calendar month or part thereof	4.15	4.35	4.8
Goods dues - Applicable to all Harbours	Salmon farmers and shellfish farmers operating within or serviced from a harbour area but not making use of a Council pier or landing place	per year	280.85	294.61	4.9
	Vessels storing nets on any pier, outwith designated net mending areas	per net per day	52.75	55.08	4.4
	Where nets are stored in bins as provided by the Council the following bin rates apply	per glass fibre bin per day	0.52	0.54	4.2
	Where nets are stored in bins as provided by the Council the following bin rates apply	per small metal bin (1.925m x 1.925m) per day	1.15	1.21	5.1
	Where nets are stored in bins as provided by the Council the following bin rates apply	per large metal bin (1.925m x 2.60m) per day	1.28	1.34	4.8
	Where nets are stored in bins as provided by the Council the following bin rates apply	new style metal bins (3.04m x 2.43m) per day	2.04	2.14	5.0
	Where nets are stored in bins as provided by the Council the following bin rates apply	container style metal bins per day	2.94	3.08	4.9

	Use of designated net mending area where not paying compounded dues or landing dues on that visit for first seven dates, thereafter the rates for use of hard standing areas will apply. Where excessive waste net materials are left behind after use of the net mending area vessels will be charged for collection and disposal of the materials	per net for the first seven days	112.40	117.91	4.9
	Fresh fish landings	per £1.00 value ad valorem	0.03	0.03	0.0
	Farmed fish landings	per tonne	21.85	22.92	4.9
	Fresh shellfish landings	per £1.00 value ad valorem	0.03	0.03	0.0
	Fresh shellfish - owners/agents of vessels 15 metres and under who undertake to provide weekly details of the weight/value of their caught shellfish landings directly to the Council including place of landing, or who provide the Council with authorisation to access their landing information direct from the relevant agent/buyer.	per £1.00 value ad valorem	0.02	0.02	0.0
	Vessels under 15 metres who do not declare their landings will be charged	per landing	34.65	36.35	4.9
	Farmed shellfish landings (mussels etc)	per tonne	8.85	9.28	4.9
	Any fish or shellfish landed outwith a Council pier and stored in the fish market	per £1.00 value ad valorem	0.03	0.03	0.0
	Fishermen, vessel owners and agents are advised that if the value of fresh fish consigned through a Shetland Islands Council port is not declared within one calendar month of landing, a charge per box will be levied in lieu of the published dues.	per box	4.15	4.35	4.8
	Vehicular tractors, lorries, plant, motor cars and trailers (any goods which they might be carrying will be charged separately in accordance with the table of dues) per tonne	per tonne	10.30	10.80	4.9
	Machinery – per tonne	per tonne	5.15	5.40	4.9
	Bulk materials aggregates both coarse and fine, fertilisers, boulders and cement/sand - per tonne (bulk includes carriage in flexible intermediate bulk containers - FIBC's)	per tonne	0.29	0.30	3.4
	Salmon feed - per tonne	per tonne	2.02	2.12	5.0
	Salmon nets (from/to cages) per net	per net	31.10	32.62	4.9
	Ice - per tonne	per tonne	2.55	2.67	4.7
	Fuel/gas oil/diesel - per tonne	per tonne	2.40	2.52	5.0
	Live animals	per animal	0.51	0.53	3.9
	Any other goods not specified above, per tonne	per tonne	2.65	2.78	4.9
	Minimum charge on any one item	minimum charge	10.65	11.17	4.9
	Supplied water	a) per tonne	2.65	2.78	4.9
	Supplied water	b) minimum charge	16.95	17.78	4.9
	Electricity supplied from power bollards (available in Scalloway only)	over a seven day period	16.95	17.78	4.9
	Where staff are required outwith normal working hours to provide water or electricity an additional charge will apply		rates available on application	rates available on application	rates available on application
	Personnel outwith normal hours		rates available on application	rates available on application	rates available on application
Use of Hard Standing Area - Applicable to all Harbours	Outdoor storage	a) per square metre of part thereof (see below for minimum)	0.29	0.30	3.4
	Outdoor storage	b) minimum charge	17.20	18.04	4.9
	Outdoor storage - long term (min 120 days) NB: Long term storage rates for Outdoor or Warehouse only apply on receipt of a written request and cannot be retrospective. Where goods have been on short term storage and the charge is to change to long term the long term rate will only apply from the date that request is received.	per square metre, per day or part thereof	0.14	0.15	7.1
	Trailers/containers parked on Harbour property not engaged in loading/discharging of goods (unless a request for long term storage is received) shall be liable for the following charge	a) per day (see below for minimum charge)	6.17	6.47	4.9
	Trailers/containers parked on Harbour property not engaged in loading/discharging of goods (unless a request for long term storage is received) shall be liable for the following charge	b) minimum charge	16.95	17.78	4.9
	Salmon cages under construction - Storage of parts before construction commences		as per applicable storage rates above	as per applicable storage rates above	as per applicable storage rates above
	Salmon cages under construction - whilst construction takes place	per day for each cage plus hard standing charge	96.90	101.65	4.9
Use of Hard Standing Area - Applicable to Scalloway Harbour	Warehouse – indoor storage, Scalloway short term	a) per square metre of part thereof (see below for minimum)	0.38	0.40	5.3
	Warehouse – indoor storage, Scalloway short term	b) minimum charge	16.95	17.78	4.9
	Warehouse – Indoor storage, Scalloway Long term (min 120 days) NB: Long term storage rates for Outdoor or Warehouse only apply on receipt of a written request and cannot be retrospective. Where goods have been on short term storage and the charge is to change to long term the long term rate will only apply from the date that request is received.	per square metre per day or part thereof	0.15	0.16	6.7

	Bulk cargo shipments - however, to avoid any delay to the ship when bulk cargo is being handled e.g. sand, aggregate, limestone etc., the consignee/shipper shall be assigned an area of the quay for stock piling purposes at the rate of 400m ² per 1,000 tonnes. The shipper shall be responsible for clearing up the designated area after the total cargo has been shipped. One week (7 days) per cargo will be allowed free of hard standing storage fees. Any cargo remaining after one week will attract hard standing storage dues at the above storage rates.		as per applicable storage rates above	as per applicable storage rates above	as per applicable storage rates above
Charges for Harbour Craft and Plant - Applicable to Sullom Voe Harbour	Hire of the Pilot/Harbour Launch	per hour or part thereof	476.75	500.11	4.9
	Hire of a mooring boat	per hour or part thereof	169.00	177.28	4.9
	Hire of Sullom Shearwater (subject to availability)	per hour or part thereof	169.00	177.28	4.9
	Hire of forklift truck	per hour or part thereof	55.00	57.70	4.9
	Hire of the marine travel lift Hire subject to the availability of equipment and staff and acceptance of the Terms and Conditions of Marine Travel Lift. These can be found at www.shetland.gov.uk/ports or by contacting Ports and Harbours Reception at port.reception@shetland.gov.uk	per hour or part thereof	186.30	195.43	4.9
Charges for Harbour Craft and Plant - Applicable	Hire of Scalloway Harbour launch	per hour or part thereof	169.00	177.28	4.9
	Hire of the Scalloway Harbour launch to assist berthing	per hour or part thereof	224.85	235.87	4.9
	Hire of forklift truck	per hour or part thereof	55.00	57.70	4.9
	Hire of power washers	per hour or part thereof	25.30	26.54	4.9
Security Charge - Applicable to All Harbours	Security charge - (a) Applicable to all vessels, not belonging to the Authority, that are required to report to the Harbour Authority under ISPS regulations and that are not on annual dues.	per visit	76.90	80.67	4.9
	Security charge - (b) Applicable to all vessels, not belonging to the Authority, that are required to report to the Harbour Authority under ISPS regulations and have paid annual dues.	per annum	76.90	80.67	4.9
Access - Applicable to All Harbours	Gangways - where available and supplied	per day	45.90	48.15	4.9
	Gangways - where available and supplied	per week	137.66	144.41	4.9
	Personnel access control barriers - where available per day. Long term rates available on request	per day	4.60	4.83	5.0
Fenders - Applicable to All Harbours	Fenders	per day	84.30	88.43	4.9
Ship to Ship Transfer of Oil - Sullom Voe	Ship-to-ship transfers of oil at a Sullom Voe Terminal jetty, excluding bunker transfers Export vessels only (no charge for import vessels)	per gross tonne	0.43	0.45	4.7
	Where an export tanker loads crude ex shore tankage before or after a ship-to-ship transfer (no charge for import vessels)	export vessel per gross tonne (vessel will be moved once free of charge)	0.43	0.45	4.7
	Hire of craft to transfer hoses and fenders to/from vessels involved in Ship-to-Ship operations - Deployment of materials (Does not include hire of shore cranes)	per hire (includes hire of vessel/s up to 3 hours)	1257.15	1318.75	4.9
Ship to Ship Transfer of Oil - Sullom Voe	Hire of craft to transfer hoses and fenders to/from vessels involved in Ship-to-Ship operations (Does not include hire of shore cranes)	per hour per vessel after above charge has been applied	381.45	400.14	4.9
	Hire of craft to transfer hoses and fenders to/from vessels involved in Ship-to-Ship operations Retrieval of materials (Does not include hire of shore cranes)	per hire (includes hire of vessel/s up to 2 hours)	817.75	857.82	4.9
	Hire of craft to transfer hoses and fenders to/from vessels involved in Ship-to-Ship operations Retrieval of materials (Does not include hire of shore cranes)	per hour per vessel after above charge has been applied	381.45	400.14	4.9
Mooring Rates - Sullom Voe Harbour	At any one of the oil loading jetties	per gross tonne, per mooring operation	0.08	0.08	0.0
	At any other jetty	per mooring boat per hour or part thereof	301.45	316.22	4.9
	At any jetty but not requiring a mooring boat	per hour or part thereof	139.35	146.18	4.9
Pilotage Charges - Sullom Voe Harbour	For piloting a vessel inwards or outwards in the Harbour Area and for each piloted movement within the harbour	per gross tonne	0.24	0.25	4.2
	For piloting a vessel inwards or outwards in the Harbour Area and for each piloted movement within the harbour	minimum charge per act of pilotage	371.45	389.65	4.9

	When a pilot is requested for the departure, moving or arrival of a vessel and the vessel fails to move or arrive within one hour of the stated time of departure, move or arrival;	per hour	219.30	229.17	4.5
	When a pilot is requested and the requirement is cancelled after the pilot has set out to undertake pilotage;	per hour	219.30	229.17	4.5
Pilotage Charges - Sullom Voe Harbour Contd	For detention aboard ship of a pilot by request of the Master, Owner or Agent and no pilotage service is being rendered, and	per hour	219.30	229.17	4.5
	When a pilot is in attendance on board a vessel berthed alongside during periods of severe weather.	per hour	219.30	229.17	4.5
Pilotage Charges - Scalloway Harbour	For piloting a vessel up to and including 300 Gross Tonnes inwards or outwards in the Pilotage District, to or from either an anchorage, buoy or berth and for each piloted movement within the harbour	per act of pilotage	52.35	54.91	4.9
	For piloting a vessel 301 Gross Tonnes and over, inwards or outwards in the Pilotage District, to or from either an anchorage, buoy or berth and for each piloted movement within the harbour	per gross tonne	0.16	0.17	6.3
	When a pilot is requested for the departure, shifting or arrival of a vessel and the vessel fails to move or arrive within one hour of the stated time of departure, shift or arrival;	per hour or part thereof	219.30	229.17	4.5
	When a pilot is requested and the request is cancelled after the pilot has set out to undertake pilotage, and	per hour or part thereof	219.30	229.17	4.5
	For detention aboard ship of a pilot by request of the Master, Owner or Agent and no pilotage service is being rendered.	per hour or part thereof	219.30	229.17	4.5
Boarding and Landing Charges - Sullom Voe Harbour	(a) per gross tonne	per gross tonne	0.11	0.12	9.1
	(b) minimum charge per act of pilotage	minimum charge per act of pilotage	371.45	389.65	4.9
	If the pilot launch is detained under any of the circumstances as mentioned in paragraph two of the scale of charges for pilotage	for each hour or part thereof	826.25	866.74	4.9
Boarding and Landing Charges - Scalloway Harbour	For each act of pilotage undertaken every vessel shall pay a boarding fee or a landing fee for use of the pilot cutter, plus outside normal working hours, there shall be an additional charge for labour involved	per hour or part thereof	169.00	177.28	4.9
	If the pilot launch is detained by virtue of any of the circumstances in paragraph three of the scale of pilotage charges, a charge shall apply.	per hour or part thereof	169.00	177.28	4.9
All Services					
Visitor and Staff Meals (Staff in certain supported accommodation settings receive a 50% reduction in cost)	Breakfast	per meal	2.85	2.99	4.9
	Lunch/dinner	per meal	5.17	5.42	4.9
	Tea/coffee	per meal	0.86	0.90	4.9
	Light meal/snack	per meal	2.32	2.43	4.9
General Photocopying	Black and white, A4	one side	0.18	0.15	-16.7
	Black and white, A4	two sides	0.36	0.25	-30.6
	Colour, A4	per side	0.36	0.45	25.0
	Black and white, A3	per side	0.36	0.30	-16.7
	Colour, A3	per side	0.73	0.90	23.3
	Black and white, A2 (only available at certain locations)	per side	0.73	0.80	9.6
	Colour, A2 (only available at certain locations)	per side	1.44	1.50	4.2
	Black and white, A1 (only available at certain locations)	per side	1.44	1.50	4.2
	Colour, A1 (only available at certain locations)	per side	2.80	3.00	7.1
	Black and white, A0 (only available at certain locations)	per side	2.80	3.00	7.1
	Colour, A0 (only available at certain locations)	per side	5.60	6.00	7.1



Meeting(s):	Policy and Resources Committee	20 March 2024
Report Title:	Council Investment Review for Quarter to December 2023	
Reference Number:	F-11-24-F	
Author / Job Title:	Paul Fraser / Executive Manager - Finance	

1.0 Decisions / Action required:

- 1.1 That the Policy and Resources Committee consider the outcome of this quarterly review.

2.0 High Level Summary:

- 2.1 This report will allow the Policy and Resources Committee to review the investment position and performance of the Council's long term external investments, managed on its behalf by fund managers, for the quarter to December 2023.
- 2.2 The Council's investments increased in value by £16 million over the quarter, which was a £22 million positive investment return less £6 million that was withdrawn and returned to the Council. The overall value of the Council's investments at the end of December 2023 was £387 million.
- 2.3 This report is only a three month snapshot of how the markets and fund managers have performed. Over the remainder of the financial year the performance of the Council's investments could easily increase or decrease depending on economic and investment circumstances.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council's overall investment strategy is important to the Council's Investments, which play a key role in helping the Council deliver its corporate objectives, as described in its Our Ambition 2021-26.

4.0 Key Issues:

- 4.1 Over the quarter to December 2023 BlackRock were just above their benchmark aim, and the two active fund managers Baillie Gifford and Partners both outperformed their respective benchmarks. The combined investment return over the three month period was 6.2%, which was 2.1% above the combined benchmark return. See additional information in Appendix 1.
- 4.2 The main investment markets rallied strongly over the quarter to December as inflation fell, leading to views that interest rates may start to come down during 2024. There was some concern in the markets as October saw the start of a

	conflict between Gaza and Israel.
4.3	The conclusion of the quarterly review is that the active fund managers have over the three month period performed well, and the passive equity fund manager was close to achieving their aim of equalling the benchmark return. Market and investment performance volatility is to be expected over short time periods and this report is only concerned with a three month period. There is no immediate action recommended to be taken from these results.
4.4	A review of the Council's investment strategy will be undertaken by Isio, the Council's investment consultants, during 2024. A review is conducted every five years, and the last one was in 2018/19.
5.0	Exempt and/or confidential information:
5.1	<i>None</i>

6.0 Implications :	
6.1 Service Users, Patients and Communities:	The performance of the Council's investments has a direct impact on the level and volume of services that it can afford to provide to the people and communities of Shetland. Therefore monitoring of performance provides assurance that the additional funding that is created through the investments is sustainable.
6.2 Human Resources and Organisational Development:	<i>None</i>
6.3 Equality, Diversity and Human Rights:	<i>None</i>
6.4 Legal:	<p>The Council's investment activity is regulated by section 40 of the Local Government in Scotland Act 2003, which provides the Council with the power to invest money. This power can be exercised in accordance with the Local Government Investments (Scotland) Regulations 2010 ("2010 Regulations") and associated Scottish Government Finance Circular (5/2010).</p> <p>The regulatory framework introduced by the 2010 Regulations provides greater autonomy for the Council in their investment activities. With this additional responsibility, the onus is on the Council to act prudently with regard to their investment activities.</p> <p>As per regulation 3 of the 2010 Regulations the Council must, when making investments, have regard to the CIPFA Treasury Management in the Public Services Code of Practice and the Prudential Code for Capital Finance in Local Authorities.</p>

6.5 Finance:	<p>It is recognised that the actual investment performance each year will be different to what is expected or required however over the long term this will be monitored and reviewed to ensure that the Council is working towards meeting its long term investment objectives.</p> <p>It is not likely that the Council can expect a positive investment return from its investments every year but having robust governance and monitoring in place, alongside a diversified investment strategy, mitigates the financial risks and enables the Council to take action at appropriate times to address poor performance by the fund managers. This report is part of that governance and monitoring framework, and compliments the reporting requirements of the CIPFA Code of Treasury Management that requires a Mid Year Review report and an Annual Year End Performance Review Report.</p>
6.6 Assets and Property:	<p>Long term investments are assets of the Council and represent money given to fund managers to manage on its behalf for sustainable long term benefits. The Council relies upon each fund manager's fiduciary duty and to buy and sell appropriate assets in accordance with the mandate awarded to them and to report regularly on the value and performance of the fund in which Council money is invested. The value of long term investments under these mandates can go down as well as up.</p>
6.7 ICT and new technologies:	<p><i>None</i></p>
6.8 Environmental:	<p>Whilst the fund managers have delegated powers for the acquisition and realisation of investments, fund managers will be expected as part of their investment process to consider all factors, including the social, environmental and ethical policies of companies in which they may invest, to the extent that these may materially affect the long term prospects of such companies. The fund managers will also be expected to enter into dialogue with companies in which they invest, in relation to the pursuance of socially responsible business practices, and report on these activities.</p> <p>Corporate Governance is a key responsibility for institutional shareholders and as a matter of principle the Council will seek to exercise all of its voting rights in respect of its shareholdings. It is recognised however that in practical terms this may not always be possible for overseas holdings. However for UK stocks all voting rights will be exercised in a positive fashion, i.e. no abstentions.</p> <p>The fund managers, who will act in accordance with this policy, will exercise voting.</p> <p>All of the Council fund managers have signed up to the United Nations Principles on Responsible Investment. The principles</p>

	reflect the view that environmental, social and corporate governance (ESG) issues can affect the performance of investment portfolios, and therefore must be given appropriate consideration by investors, if they are to fulfil their fiduciary (or equivalent) duty. The Principles provide a voluntary framework by which all investors can incorporate ESG issues into their decision-making and ownership practices, and so better align their objectives with those of society at large.	
6.9 Risk Management:	All investments carry risk. Risks, such as market risk are mitigated and actively managed through diversification of fund managers, asset classes, markets, size of holdings and through performance monitoring against benchmarks.	
6.10 Policy and Delegated Authority:	In accordance with Section 2.2.1(7) of the Council's Scheme of Administration and Delegations, the Policy and Resources Committee has delegated authority to secure the coordination, control and proper management of the financial affairs of the Council.	
6.11 Previously considered by:	None	

Contact Details:

Colin Bain: Treasury Accountant
Telephone: 01595 744616
E-mail: colin.bain@shetland.gov.uk

Appendices:

Appendix 1 - Quarter to December 2023 Performance Review

Background Documents:

None

Quarter to December 2023 Performance Review

1.0 Investment Position and Market Performance

- 1.1 This report forms part of the Council's governance arrangements where the Policy and Resources Committee will receive a quarterly investment report on the external investments.
- 1.2 This report concentrates on the three month period from September to December 2023. The report looks at the performance of the Council's fund managers, the overall investment performance relative to the markets, the physical movement of funds, any changes from the investment strategy, and any other relevant issues relating to the investments over the period.
- 1.3 The Council has three fund managers with total investments under management at the end of December 2023 of £387 million. The funds, type of mandate and market values at the end of December 2023 are as follows:

Manager	Mandate	% of Reserves	Market Value Dec 23 (£m)	Market Value Sep 23 (£m)	Change in Value (£m)
Baillie Gifford	Equity and Diversified Growth	57%	221	209	12
BlackRock	Equity and Diversified Alternatives	35%	133	127	6
Partners	Direct Lending	8%	33	35	-2
		100%	387	371	16

- 1.4 All fund manager fees are calculated based on the value of the investment that the fund manager invests for the Council. This gives a relationship on benefit between the Council and the fund manager. If the fund manager performs well and the investments rise in value then the fund manager will get more fees, and correspondingly if they underperform the value will fall and the fund manager will get less fees.
- 1.5 Individual fund manager performance is detailed later but there is the need to consider the effect of the markets themselves and of any cash withdrawals or injections into the funds. The following table shows the effect on the overall investments of these factors over the three month period to December 2023.

	£ Million
Market value as at 30/09/23	371
(Withdrawals) / Additions	(6)
Investment Return	<u>22</u>
Market value December 2023	<u>387</u>

1.6 The figures show a £22 million positive investment return over the three month period to December. This increase in investment value was mainly due to the investment markets positive sentiment on falling inflation figures.

1.7 The withdrawals from the Council's investments during the period were made up from the following:

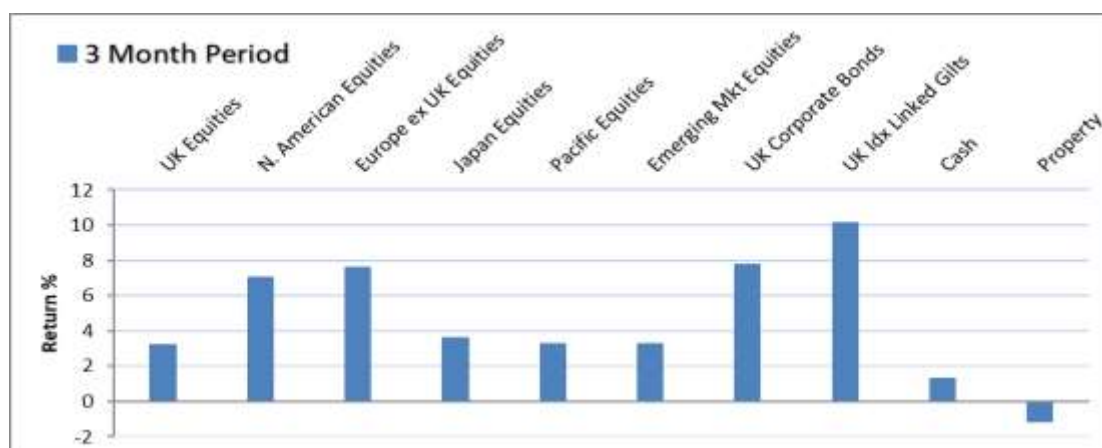
- Partners returned £1.2 million to the Council. This is in line with their Direct Lending mandate, as they return funds to the Council when their investment loans mature.
- A further £5.0 million was withdrawn from the Council's investments with Baillie Gifford.

These amounts were paid into the Council's bank account and used to support the Council's cash flow needs, which covers both revenue expenditure and the capital programme.

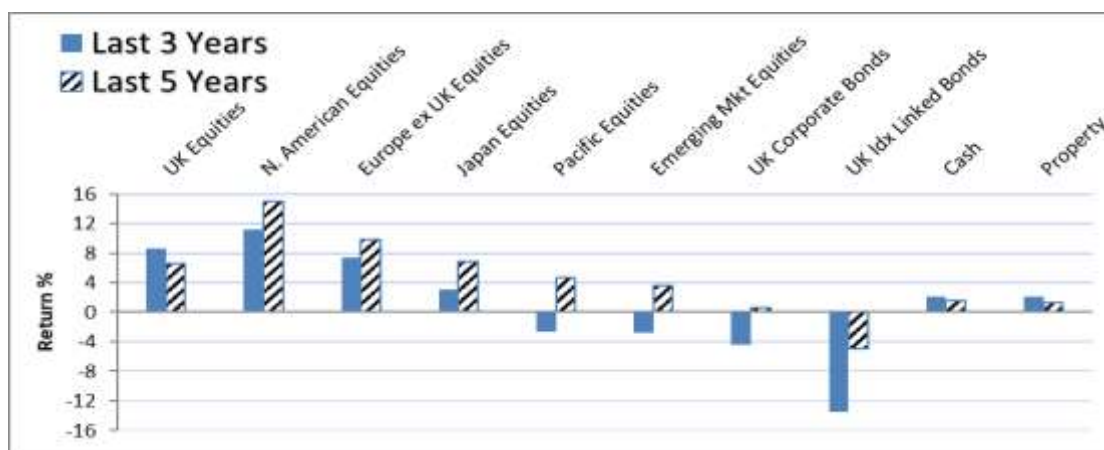
1.8 The Council's Investments have therefore increased in overall value by £16 million over the three month period to end December 2023.

1.9 Over the investment quarter to December 2023 the main global equity markets rallied strongly based on falling inflation figures, which helped to ease interest rate expectations for 2024. The US economy had improved economic figures which not only benefitted equity markets but also boosted bond markets. During October saw the start of conflict between Gaza and Israel, and there was concern that it might spread to other countries. Property markets continued to struggle with the cost of finance making investing more expensive for investors.

1.10 The investment markets performance by asset class over the three month period looks like this:



- 1.11 This is only a three month snapshot of how the various investment classes and sectors have performed, and unusually it shows a period of positive return for most asset classes, but over the short term you can have volatility that produces both positive and negative returns. History shows that investments in these asset classes over the long term are usually positive, which is the reason the investment strategy is based on a long term investment horizon. As an example of the differences in market returns over a slightly longer time period, the following graph shows the same asset classes but with returns per annum over the last three and five years.



- 1.12 The fund manager has negligible influence over the market return but they may be required by the mandate agreement to invest into these markets. The main constituent of a fund's performance is the market return, where the fund is invested. A fund manager with an active mandate is asked to outperform the market return by a certain percentage, or cash plus a percentage return, whereas a fund manager with a passive mandate is aiming to match the market return.

2.0 Fund Manager Performance

- 2.1 This report looks at the performance of the fund managers, and the investment return over a three month period, although the Council invests in various asset classes for the long term, generally five years or more.
- 2.2 In this environment the Council's fund managers have, over the three month period to the end of December 2023, performed as follows:

Manager	Fund Return	Benchmark Return	% Return v's Benchmark
Baillie Gifford	7.9	4.5	3.4
BlackRock	6.1	5.8	0.3
Partners	2.9	1.3	1.6

Baillie Gifford

- 2.3 Baillie Gifford's mandate is split between their Global Equity Fund (55%), UK Equity Fund (17%) and Diversified Growth Fund (28%). The Diversified Growth Fund invests in 13 various asset classes such as equities, property, commodities, bonds, infrastructure, active currency, cash etc. to spread risk and smooth returns.
- 2.4 Over the three month period to the end of December all three investments outperformed their respective benchmarks. Over this period the Global Equity Fund returned 9.9%, the UK Equity Fund returned 3.5% and the Diversified Growth Fund returned 7.0%. The overall combined fund returned 7.9% over the three month period and outperformed the benchmark return.
- 2.5 Baillie Gifford is an equity fund manager, and their investment style is to prefer strong growth and technology companies. This type of growth investing has been out of favour with the market over the past two years but as interest rates steadied the markets turned more optimistic. Baillie Gifford are more positive in their outlook, as they are seeing good forecasted earnings for the companies in the portfolio, and they have also been adding new companies to the portfolio at attractive valuations. Baillie Gifford have always believed on assessing the fundamental characteristics of the businesses they invest in, as they believe this is what will drive company share prices in the future.

BlackRock

- 2.6 The equity fund with BlackRock is invested passively, this means that BlackRock is trying to track the market return, which is the benchmark for the fund. BlackRock will therefore follow the market return whether positive or negative. Equity markets performed well over the quarter, and BlackRock's fund return is a mix of these market returns, and produced a return of 6.1% which was 0.3% above the benchmark return.
- 2.7 The equity fund with BlackRock is split between Developed World Equities 75% and Emerging Market Equities 25%. Over the three month period the Developed World Equities Fund returned 6.7% compared to the Emerging Market Equities Fund which returned 3.1%.
- 2.8 BlackRock were awarded a Diversified Alternative mandate as part of the Council's investment strategy review in 2018/19. The mandate reached a fully funded position in May 2022, and was funded from within BlackRock's current equity mandate. This mandate is invested in five different sectors, Infrastructure Debt, Infrastructure Equity, Real Estate Debt, Private Credit and Real Estate Equity. These investments give a spread of mainly fixed income returns with the infrastructure investment also adding inflation cover.
- 2.9 The Diversified Alternative fund is invested across 66 direct investments and two additional investment funds. The Diversified Alternative Fund has a fixed investment benchmark target of 5% per annum after fees.

- 2.10 We receive quarterly performance figures from BlackRock for the Diversified Alternatives Fund around 4 months after the quarter end, so the only performance figures we have to date are for the quarter to September. This is due to the nature of the investments and the time required to collate the figures. The performance figures for the quarter to September 2023 show a return of 1.0%, against a benchmark of 1.3%.

Partners

- 2.11 As part of the Council's investment strategy review in 2018/19 Partners were awarded an investment mandate in Direct Lending. Partners lend to medium sized companies through fixed interest rate agreements, and currently 92% of their loans are in Senior Secured Debt, which is secured against a company's assets and ranks higher than other company debts.
- 2.12 Partners mandate is currently invested in 46 companies, which are split between North America 51%, Europe 44% and Asia 5%. Partners mandate has a fixed benchmark target of 5% per annum after fees.
- 2.13 Partners mandate was fully funded at the beginning of 2021. This mandate is for a limited time period of about eight years, a two year investment period which concluded at the beginning of 2021, followed by a six year repayment period as the loans are repaid back. At the end of December £17.8m in total had been repaid to the Council.
- 2.14 Partners produced an investment return of 2.9% over the quarter to December 2023, which was 1.6% above their fixed benchmark return.

Overall

- 2.15 The quarter to December saw good equity returns from the main investment markets, as inflation started to fall. The overall Council investment return for the three month period to the end of December 2023 was 6.2%, which was 2.1% above the overall benchmark return.

3.0 After the end of December 2023

- 3.1 The main equity markets were flat at the start of 2024 as ships were attacked in the Red Sea which forced vessels to take long and costly detours around Africa. The markets were concerned that this could create an inflationary hit to the global economy, which could see interest rates remain higher for longer.
- 3.2 The most up to date investment value is £386 million (unaudited) at the end of February 2024.
- 3.3 A review of the Council's investment strategy will be conducted during 2024. A review is done every five years and the last one was completed during 2018/19. Isio the Council's investment consultants will undertake the investment strategy review.



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Treasury Management Strategy Statement & Annual Investment Strategy 2024/25	
Reference Number:	F-15-24-F	
Author / Job Title:	Report Presented by Executive Manager - Finance	

1.0 Decisions / Action required:

1.1 That the Policy and Resources Committee **RESOLVES** to **ENDORSE**:

- a) the four clauses within the CIPFA Code of Practice as set out in Part A of Appendix 1,
- b) the Treasury Management Policy Statement as set out in Annex 1 of Appendix 1,
- c) the Statement of Treasury Management Practices as set out in Annex 2 of Appendix 1, and
- d) the Borrowing Policy to be followed for the financial year 2024/25, as set out in Annex 5 of Appendix 1.

1.2 That the Policy and Resources Committee **RECOMMENDS** that the Shetland Islands Council **APPROVES**:

- a) the Treasury Management Strategy to be followed for the financial year 2024/25, as set out in Part A of Appendix 1.
- b) the Annual Investment Strategy Statement to be followed for the financial year 2024/25, as set out in Part B of Appendix 1,
- c) the Treasury Management Prudential Indicators for 2023/24 to 2026/27, as set out in Annex 3 of Appendix 1.

2.0 High Level Summary:

2.1 The Annual Treasury Management Strategy Statement & Annual Investment Strategy for the financial year 2024/25 is intended to bring together all of the applicable policies, practices and strategies that govern how the Council manages its daily cash flows, short and long-term debt and investment activities.

2.2 To ensure all of these activities are managed appropriately the Council is required to comply with the requirements of the Scottish Minister's consent under the Local Government Investments (Scotland) Regulations 2010. The Council is also required to have regard to the CIPFA Code of Treasury Management in the Public Services: Code of Practice and Cross-sectional Guidance Notes (2021 edition) and the CIPFA Prudential Code for Capital Finance in Local Authorities 2021.

- 2.3 As per the Scottish Minister's consent and the CIPFA codes the Council must approve annually a Treasury Management Strategy, Investment Strategy and its Prudential Indicators. The Council must also review certain statements along with its borrowing policy.
- 2.4 The Scottish Ministers recommended that there be a single strategy covering capital, treasury management, the setting of prudential indicators and the requirements of the investment regulations and consent. This report complies with that recommendation.

3.0 Corporate Priorities and Joint Working:

- 3.1 The Council is legally required to report annually its strategy in regard to its Treasury Management, Investment Strategy and its Prudential Indicators. This not only allows the Council to manage its Treasury services and investments but shows that the Council is responsibly managing its finances. This is in line with the principle of financial sustainability and the safeguarding of public funds, to support the delivery of the Council's priorities as set out in "Our Ambition 2021-26".

4.0 Key Issues:

- 4.1 The Treasury Management Strategy Statement & Annual Investment Strategy for the financial year 2024/25 assists the Council's Treasury function with firm foundations and clear objectives covering all treasury operations, while emphasising the importance of risk management.
- 4.2 The Annual Investment Strategy is one of the required statements and it is designed to state the integrated local authority investment strategy, within which all investments are considered, including long term and short term investments, permitted investments and financial risks related to those investments.
- 4.3 The Council must have regard to the requirements of the CIPFA Prudential Code 2021, which provides a framework to ensure capital investment plans are affordable, prudent and sustainable. The Code states that local authorities should have in place a capital strategy that provides an overview of how capital expenditure, capital financing and treasury management activity contributes to the delivery of public services. A capital strategy is included in Part A of Appendix 1 and the Capital Expenditure Policy and Capital Funding Policy are set out in Annex 4 of Appendix 1.
- 4.4 The CIPFA Code of Treasury Management in the Public Services: Code of Practice and Cross-sectional Guidance Notes (2021 edition) is intended to provide guidance on the best practice for treasury management. It defines treasury management as "The management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 4.5 A key principle of the CIPFA Code is "Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities."

4.6	<p>In line with this principle, the CIPFA Code recommends the adoption of the CIPFA Code itself, which was adopted by the Council on 21 March 2012 (Min Ref 25/12), along with:</p> <ul style="list-style-type: none"> • an annual review of the four clauses within the CIPFA Code, that are seen as essential for the effective management and control of treasury management activities, • a Treasury Management Policy Statement, which defines the policies and objectives of the treasury management function, and • a Treasury Management Practices Statement, which covers twelve specific areas that are relevant to the scope and powers of treasury management activities. They define and set out the general approach to be followed in treasury management. <p>The schedules complying with the clauses and the statements are covered in Part A section 3 of Appendix 1 and Annexes 1 and 2.</p>
4.7	<p>There is a new International Financial Reporting Standard which introduces a 'Right of Use' asset class to the Council's balance sheet, and it also recognises the corresponding lease liability. From the first of April 2024 most operating leases must be accounted for on the balance sheet. This could see around £16.7m of property, plant and equipment added to the balance sheet with around £7.7m of lease liabilities also included. Further information is included in the Capital Strategy section of Appendix 1.</p>
5.0	Exempt and/or confidential information:
5.1	None

6.0 Implications :	
6.1 Service Users, Patients and Communities:	None
6.2 Human Resources and Organisational Development:	None
6.3 Equality, Diversity and Human Rights:	None
6.4 Legal:	The Council's investment activity is regulated by section 40 of the Local Government in Scotland Act 2003, which provides the Council with the power to invest money. This power can be exercised in accordance with the Local Government Investments

	<p>(Scotland) Regulations 2010 ("2010 Regulations") and accompanying Scottish Government Finance Circular (5/2010).</p> <p>The regulatory framework introduced by the 2010 Regulations provides greater autonomy for the Council in their investment activities. With this additional responsibility, the onus is on the Council to act prudently with regard to their investment activities.</p> <p>Local authorities are required to prepare an Annual Investment Strategy before the start of the financial year which must be approved by the local authority (full Council or Board) in accordance with the 2010 Regulations.</p>
6.5 Finance:	<p>It is recognised that the actual investment performance of the investment strategy each year will be different to what is expected or required, however over the long term this will be monitored and reviewed to ensure that the Council is working towards meeting its long term objectives.</p> <p>It is not likely that the Council can expect a positive investment return from its investments every year but having robust governance and monitoring in place, alongside a diversified investment strategy, mitigates the financial risks and enables the Council to take action at appropriate times to address poor performance by the fund managers. This report is part of that governance and monitoring framework, and compliments the reporting requirements of the CIPFA Code of Treasury Management that requires a Mid Year Review report and an Annual Year End Performance Review Report.</p> <p>The Prudential Code requires local authorities to: <i>'look at capital expenditure plans, investments and debt in the light of overall organisational strategy and resources and ensure that decisions are being made with sufficient regard to the long-run financing implications and potential risks to the authority. Effective financial planning, option appraisal, risk management and governance processes are essential in achieving a prudential approach to capital expenditure, investments and debt.'</i></p> <p>The fundamental objective in the consideration of the affordability of the Council's capital expenditure plans is to ensure that the total capital investment of the Council remains within sustainable limits.</p> <p>The updating of the Prudential Indicators itself does not have an immediate financial impact on the Council however it provides the framework for complying with proper practices in managing capital expenditure and treasury management. The Executive Manager - Finance is able to respond to the financial circumstances that the Council faces and can take decisions based on this.</p>
6.6	Long term investments are assets of the Council and represent

Assets and Property:	<p>money given to fund managers to manage on its behalf for sustainable long term benefit. The Council relies upon each fund manager's fiduciary duty and to buy and sell appropriate assets in accordance with the mandate awarded to them and to report regularly on the value and performance of the fund in which Council money is invested. The value of long term investments under these mandates can go down as well as up.</p>
6.7 ICT and new technologies:	None
6.8 Environmental:	<p>Whilst the fund managers have delegated powers for the acquisition and realisation of investments, fund managers will be expected as part of their investment process to consider all factors, including the social, environmental and ethical policies of companies in which they may invest, to the extent that these may materially affect the long term prospects of such companies. The fund managers will also be expected to enter into dialogue with companies in which they invest, in relation to the pursuance of socially responsible business practices, and report on these activities.</p> <p>Corporate Governance is a key responsibility for institutional shareholders and as a matter of principle the Council will seek to exercise all of its voting rights in respect of its shareholdings. It is recognised however that in practical terms this may not always be possible for overseas holdings. However for UK stocks all voting rights will be exercised in a positive fashion, i.e. no abstentions.</p> <p>The fund managers, who will act in accordance with this policy, will exercise voting.</p> <p>All of the Council's fund managers have signed up to the United Nations Principles on Responsible Investment. The principles reflect the view that environmental, social and corporate governance (ESG) issues can affect the performance of investment portfolios, and therefore must be given appropriate consideration by investors, if they are to fulfil their fiduciary (or equivalent) duty. The Principles provide a voluntary framework by which all investors can incorporate ESG issues into their decision-making and ownership practices, and so better align their objectives with those of society at large.</p>
6.9 Risk Management:	<p>The annual investment strategy employed by the Council will impact on the long-term projected investment returns of the Council's reserves, and have consequences for the daily operating cash capabilities of the Council.</p> <p>All investments carry risk. Risks, such as market risk are mitigated and actively managed through diversification of fund</p>

	managers, asset classes, markets, size of holdings and through performance monitoring against benchmarks.	
6.10 Policy and Delegated Authority:	<p>In accordance with Section 2.2.1(7) of the Council's Scheme of Administration and Delegations, the Policy and Resources Committee has delegated authority to secure the coordination, control and proper management of the financial affairs of the Council.</p> <p>The Annual Investment Strategy is a specific plan contained within the Council's Policy Framework set out in the Council's constitution (Part A – 3(2)) to be prepared and performance managed by the Policy and Resources Committee. Approving, adapting or amending any plan within the policy framework is reserved to the Council (Part A – 3(1)), taking advice from the Policy and Resources Committee, in accordance with Section 2.2.1 of the Council's Scheme of Administration and Delegations.</p>	
6.11 Previously considered by:	None	

Contact Details:

Colin Bain, Treasury Accountant

Telephone 01595 744616

E-mail colin.bain@shetland.gov.uk

Appendices:

*Appendix 1 – Treasury Management Strategy Statement & Annual Investment Strategy
2024/25*

Background Documents:

None



Treasury Management Strategy Statement & Annual Investment Strategy

2024/25

Contents:

1. Introduction

PART A

2. Treasury Management Strategy

3. CIPFA Codes of Practice

4. Capital Strategy

Purpose of the Capital Strategy

Capital Expenditure

Asset Investment Group

The Gateway Process

International Financial Reporting Standard (IFRS) 16 – leases

Treasury Management

Risk within Capital Projects

Commercial Activity

Borrowing Policy

Internal vs external borrowing

Cost of Borrowing

Knowledge, Skills and Training

PART B

5. Annual Investment Strategy

Long Term Investments

Current Investment Position

Short Term Investments

Permitted Investments

Responsible Investment

Risk Management

Annexes:

1. Treasury Management Policy Statement
2. Treasury Management Practices
3. Prudential Indicators
4. Capital Expenditure Policy and Capital Funding Policy
5. Borrowing Policy

1. Introduction

Treasury management is an essential function of the Council that enables the delivery of day-to-day services and facilitates future investment in services. We are legally required to operate within a balanced budget each year, so it is essential that we balance the cash we receive during the year with the cash needed to pay for our planned revenue and capital expenditure.

The Treasury function plays an important role in planning and managing the Council's cash flows throughout the year, ensuring that sufficient cash is available when required. In addition to managing the Council's day-to-day cash flows, the Treasury function also manages our capital financing requirements and long-term investments, both of which are important elements and part of our annual revenue and capital budgets and our medium-term financial plan.

As a local authority, we have an obligation to have regard to the Code of Practice for Treasury Management in the Public Services (the Code) by virtue of the Scottish Government Finance Circular 5/2010. The Code was first published in 2011 and was subject to revision in 2021, which is the current version in use across the local government sector.

The Council is also required to have regard to the Prudential Code for Capital Finance in Local Authorities 2021 (the Prudential Code), which provides a framework to ensure capital investment plans are affordable, prudent and sustainable. Compliance with the Prudential Code is a requirement of the Local Government in Scotland Act 2003.

This document is intended to bring together all of the applicable policies, practices and strategies that govern how the Council manages its daily cash

flows, short and long-term debt and investment activities. Part A of this document contains the policies, practices and strategies relating to our treasury management activities. Part B contains the policies, practices and strategies relating to our investment activities.

Part A

Treasury Management

2. Treasury Management Strategy

Treasury management is defined by the Chartered Institute of Public Finance and Accountancy (CIPFA) as *'the management of the local authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks'*.

The Council's finance team is responsible for all treasury management activities, with a small treasury team that fulfils three main roles:

- Cash management and banking
- Debt management, and,
- Investment management

(NB investment activities are covered in Part B)

Cash management and banking:

The treasury team is responsible for planning, forecasting and managing the Council's day-to-day cash flows through its various bank accounts. The team seeks to retain a daily working balance so that sufficient cash is available to meet liabilities as they fall due. Cash balances held in the Council's current account and earn interest, currently 5.2% per annum, however this is lower than the return that could be generated if invested with external fund managers. The team actively manage cash balances in order to maximise the interest or return earned on those cash deposits.

The Council has an arranged overdraft facility that can be used to cover expenditure, on a short-term basis, if the current account cash balance is insufficient. The agreed limit of the overdraft facility is £800,000, however the Council seeks to avoid calling upon this facility in order to avoid any banking charges that arise from use of the facility.

Debt management:

The treasury team also manage the Council's debt management activities, which fall into two categories:

- short-term borrowing (for periods no longer than 364 days), or,
- longer-term borrowing (for periods of more than 1 year).

The Council undertakes borrowing, irrespective of length of borrowing period, in line with both the Borrowing Policy and Prudential Code. The Prudential Indicators, as set out in Annex 3, include provision for both short and long-term borrowing.

Local authorities are, at present, able to borrow from other local authorities on a short-term basis, at low rates. It may be more cost effective to meet any short-term cash flow needs (such as payment of monthly salaries) by seeking to borrow via this method rather than recall funding from the Council's long-term investments. The Executive Manager – Finance will determine if and when this may be the most appropriate course of action to take.

3. CIPFA Codes of Practice

The Council sets its annual revenue budget each year, allocating resources to Council departments in order to meet anticipated demand for services in the forthcoming financial year. At the same time, the Council sets an annual capital budget to facilitate investment in non-current assets that are central to the future provision of public services. Professional codes of practice have been developed to assist local authorities discharge their responsibilities in line with statutory requirements and best practice with regard to treasury management and capital financing. The two codes of practice are complementary to one another and summarised below.

i) Code of Practice for Treasury Management in the Public Services 2021:

The CIPFA Code of Practice for Treasury Management in the Public Services (the Code) sets out the key principles that underpins the Council's approach to managing its treasury functions:

Principle 1

Public service organisations should put in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the effective management and control of their treasury management activities.

Principle 2

Policies and practices should make clear that the effective management and control of risk are prime objectives of the treasury management activities and that responsibility for these lies clearly within the organisation. The appetite for risk should form part of their annual strategy, including any use of financial instruments for the prudent management of those risks, and should ensure that priority is given to security and portfolio liquidity when investing treasury management funds.

Principle 3

The organisation should acknowledge that the pursuit of value for money in treasury management, and the use of suitable performance measures, are valid and important tools for responsible organisations to employ in support of business and service objectives; and that within the context of effective risk management, treasury management policies and practices should reflect this.

The Code recommends the adoption of the following clauses:

1. This organisation will create and maintain, as the cornerstones for effective treasury management:
 - a treasury management policy statement, stating the policies, objectives and approach to risk management of its treasury management activities
 - suitable treasury management practices (TMPs), setting out the manner in which the organisation will seek to achieve those policies and objectives, and prescribing how it will manage and control those activities
 - investment management practices (IMPs) for investments that are not for Treasury management purposes.

The content of the policy statement and TMPs and IMPs will follow the recommendations contained in Sections 6,7 and 8 of the TM Code, subject only to amendment where necessary to reflect the particular circumstances of this organisation. Such amendments will not result in the organisation materially deviating from the TM Code's key principles.
2. Shetland Islands Council will receive reports on its treasury and investment management policies, practices and activities, including, as a minimum:
 - an annual strategy and plan in advance of the year (this document)
 - a mid-year review, and,
 - an annual report after its close, in the form prescribed in its TMPs and IMPs.
3. Shetland Islands Council delegates responsibility for the implementation and regular monitoring of its treasury management policies and practices to the Policy and Resources Committee, and for the execution and administration of treasury management

decisions to the Section 95 Officer, who will act in accordance with the organisation's policy statement, TMPs and IMP's, and if a CIPFA member, CIPFA's Standard of Professional Practice on Treasury Management.

4. This organisation nominates the Policy and Resources Committee to be responsible for ensuring effective scrutiny of the treasury management strategy and policies.

The Council initially adopted the clauses above on 21 March 2012 (Minute reference: 25/12), however CIPFA recommend the clauses are reviewed and approved annually.

The Treasury Management Policy Statement can be found in Annex 1 and Treasury Management Practices can be found in Annex 2.

ii) Prudential Code for Capital Finance in Local Authorities (2021):

The Prudential Code for Capital Finance in Local Authorities 2021 (the Prudential Code) was established to assist local authorities with the development of capital investment plans that are central to the delivery of quality public services. The Prudential Code established a framework that supports:

- local strategic planning,
- local asset management planning, and,
- proper option appraisal, including ensuring that capital expenditure is in accordance with the corporate objectives of the authority.

Following the principles set out in the Prudential Code it allows local authorities to demonstrate compliance with statutory requirements and best practice by ensuring:

- capital expenditure plans are affordable and proportionate,

- all external borrowing and other long-term liabilities are within prudent and sustainable levels,
- the risks associated with investments for service and commercial purposes are proportionate to their financial capacity – i.e. that plausible losses could be absorbed in budgets or reserves without unmanageable detriment to local services, and,
- treasury management and other investment decisions are taken in accordance with professional good practice.

The Council is required to set, monitor and revise (if necessary), a range of prudential indicators when setting its annual revenue and capital budget. This allows the Council to demonstrate compliance with the Prudential Code, or in other words, demonstrate that the Council's capital investment plans are affordable, prudent and sustainable and that the Council is managing its treasury activities in line with best practice.

The Council's prudential indicators for 2024/25 are contained in Annex 3.

From 2019/20, the Prudential Code has also required local authorities to set out a capital strategy. The aim of the capital strategy is to provide a high level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services. The capital strategy also considers how any associated risk is managed and how the implications of capital investment affect the Council's financial sustainability.

4. Capital Strategy

Purpose of the capital strategy:

The capital strategy is an overarching framework that provides an overview of how capital expenditure, capital financing and treasury

management activity contributes to the delivery of public services. The strategy also considers how any associated risk is managed and how the implications of capital investment affect the Council's financial sustainability. This section provides a summary of the policies, practices and constitutional documents that govern how this Council manages its capital investment activity.

The Prudential Code requires the Council to consider its capital expenditure and investment plans with regard to the Council's overall organisational plans, strategies and resources and to ensure that decisions are made with sufficient regard to the long-term financial implications and potential risks to the Council.

The capital strategy aligns with 'Our Ambition' in that:

'We will become more financially sustainable and resilient, safeguarding public funds while achieving value for money. This will ensure we are well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference. We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards.'

The Council's future plans for capital investment are shaped by the priorities set out in *Our Ambition*, which will require significant investment in new and existing infrastructure in order to achieve desired policy outcomes. The fundamental objective in the consideration of the affordability of the Council's capital plans is to ensure that the total capital investment of the Council remains within sustainable limits. The capital strategy will help ensure investment decisions are taken with regard to the Prudential Code.

Capital Expenditure:

The Council incurs annual revenue expenditure and longer term capital expenditure. The capital strategy is focused on long-term capital projects and corresponding expenditure required to finance those projects. The Council's financial regulations, part of the Council's wider library of constitutional documents, provides guidance for the planning of, and preparation of business cases for capital projects. The financial regulations require the preparation of an Asset Investment Plan (AIP).

The Council sets a rolling five-year AIP which provides a high level summary of individual projects that are to be undertaken in the next five year period, with planned expenditure profiled by financial year. The AIP is reviewed annually (including any reprioritisation that may be required) by the Policy and Resources Committee, who then recommend it to the full Council for approval. The Executive Manager – Assets, Commissioning and Procurement and Executive Manager – Finance have the responsibility to prepare the updated AIP each year.

Approval of the Asset Investment Plan by the full Council provides the authority for budget responsible officers (BROs) to incur capital expenditure, subject to any separate approvals being in place, as required by the Council's Gateway Process for the Management of Capital Projects.

The Council's current Asset Investment Plan can be found in the 2024/25 Budget Book.

Asset Investment Group:

The Council established an Asset Investment Group (AIG) which has a responsibility for overseeing the Council's capital investment plans, known as the Asset Investment Plan (AIP). The purpose of the AIG is to:

- Receive and assess proposals for new projects from Council services,

- Assess requests from Services to vary the scope or nature of existing projects,
- Make recommendations to Policy and Resources Committee on new and existing projects (including recommendation of prioritisation of projects if budgetary or capacity constraints exist), and,
- Review and report on the progress of the Asset Investment Plan and Property Asset Management Strategy.

The membership of the AIG comprises of:

- the Director of Corporate Services,
- the Executive Manager – Assets, Commissioning and Procurement (who also chairs the AIG),
- the Executive Manager – Finance, and
- the Executive Manager – Governance and Law.

Reports are prepared on a quarterly basis and presented to the Policy and Resources Committee by the Executive Manager – Asset, Commissioning and Procurement and the Executive Manager – Finance to provide Members with a progress report on the AIP and monitoring reports on capital expenditure for each capital project within the current financial year.

The Gateway Process for the Management of Capital Projects:

The Council has established a ‘gateway’ process to ensure that all capital projects put forward for consideration are supported by key stakeholders and that prospective projects contribute to the delivery of Council services and the corporate priorities as outlined in *Our Ambition*.

Appropriate use of assets can make the difference between good and poor service delivery. The gateway process provides a mechanism to effectively coordinate asset management and capital investment. The Council’s gateway process has been developed around the HM Treasury

Green Book approach, the ‘Five-Case Model’, and requires that five aspects of a project are evaluated or re-evaluated at a number of stages through the development of the project. The five cases that need to be evaluated are:

- Strategic
- Economic
- Commercial
- Financial, and
- Management

The gateway process allows the Council to follow the five case model when developing business cases in a proportionate and scalable way, irrespective of complexity or scale of the project.

The gateway process examines projects at key decision points in their lifecycle and looks ahead to provide assurance that they can progress successfully to the next stage. The overall objectives of the gateway process are to ensure that projects are delivered on time; to the right quality and to the right cost thus ensuring that they deliver value for money, and that the outcomes expected from the project are realised.

Projects put forward for inclusion in the AIP require a project sponsor, which is usually a senior officer from the originating service. The gateway process requires that the project sponsor demonstrates how the project fits with the Council’s corporate plan, ‘*Our Ambition*’, and the Shetland Partnership Plan. This helps to ensure that capital investment decisions of the Council are closely aligned to its agreed strategic objectives.

An important element of the gateway process is ensuring that proposed projects comply with the Council’s Capital Expenditure Policy which is set out in Annex 4 to this document.

The Executive Manager – Finance has sole discretion to determine whether any element of expenditure is classified as capital expenditure.

If expenditure meets the definition of capital, there may be opportunities to finance the outlay from capital receipts, general or specific government grant or by spreading the cost over future year's revenues. Examples of eligible and ineligible costs can be found in the Council's Accounting Policy for Capital Assets (Non-Current Assets).

Any expenditure that does not qualify as capital expenditure will be charged to revenue expenditure in the period in which expenditure is incurred.

The Capital Expenditure Policy establishes that only projects where a robust estimate of costs have been undertaken are allowed to be included in the AIP. As part of any recommendations made by the AIG, the Executive Manager – Finance will determine how it is to be funded in accordance with the Prudential Code.

The funding sources available to the Executive Manager – Finance for capital projects is set out in the Council's Funding Policy in the Medium Term Financial Plan. As per this policy, various funding options may be available such as Scottish Government Capital Grants, capital receipts, capital funded from current revenue (CFCR) but if these options are not available then capital expenditure may be financed by borrowing.

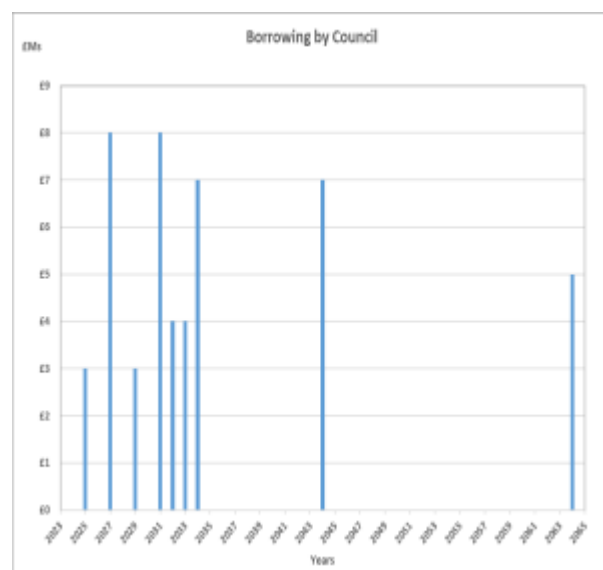
There are certain requirements before borrowing can be used, where interest rates on borrowing must be lower than the return on long term investments, and the service benefitting from the capital asset will be required to make sufficient revenue savings to free up budget to pay for the cost of capital (interest charges plus capital).

The Council has approved a borrowing policy and a set of prudential indicators which set the financial parameters for borrowing. The Executive Manager – Finance as Section 95 Officer is the only Officer

of the Council who may recommend a decision to borrow to the Council.

When a decision to proceed to borrow has been taken by Council, the Executive Manager – Finance will determine the institution, the type, the timing, and the length of the loan after seeking advice from external Treasury Management specialists as to the most economically advantageous transaction.

All external borrowing to date has been from the Public Works Loan Board (PWLB) on a Maturity basis, where the money borrowed is repaid back at the end of the loan period. As at the 31st December 2023 the Council has borrowed a total of £49 million from the PWLB. The graph below shows the Council's current borrowing from the PWLB, the value of each loan and the year when the loan will mature and be repaid.



Within the Prudential Indicators set out in Annex 3, there are annual borrowing limits for the Council. The proposed limits for 2024/25 are:

- £93 million of external debt for the Council
- Authorised limit for external debt for the Council of £103 million

These figures and other authorised limits can be found in Annex 3 to this document.

International Financial Reporting Standard (IFRS) 16 – leases:

IFRS 16 introduces a new 'Right of Use' asset class to the balance sheet, and also recognises the corresponding lease liability. This applies to all leases – property, land, vehicles, plant and equipment.

From 1st April 2024 any operating leasing commitments must be accounted for on the balance sheet (aside from some exemptions). The majority of operating leases will come on to the balance sheet. Leases for items of low value and leases that expire on or before 31 March 2025 are exempt from the new arrangements.

For 2024/25 the Council will adopt the provisions of IFRS 16 Leases, as adopted by the Code of practice on local authority accounting.

IFRS 16 will be applied retrospectively, but with the cumulative effect recognised at 1 April 2024. This means that right-of-use assets and lease liabilities will have been calculated as if IFRS 16 had always applied but recognised in 2024/25 and not by adjusting prior year figures.

The Council has decided to apply recognition exemptions to short-term leases and has elected not to recognise right-of-use assets and lease liabilities for short term leases that have a term of 12 months or less and leases of low value. The Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The de minimus limit for IFRS 16 has been set at £5,000. It is anticipated that the application of the Code's adaption of IFRS 16 will result in the following additions to the balance sheet:

- £16.7m* Property, plant and equipment (right-of-use assets)
- £6.9m Long-term creditors (lease liabilities)
- £0.8m Short-term creditors (lease liabilities)

- £9.0m Unusable Reserves (capital adjustment account)

*Includes £9m for Non-commercial leases, accounted for as donated assets.

Treasury Management:

As set out earlier in section 2 of this document, the Council's finance team is responsible for all treasury management activities, including:

- Cash management and banking
- Debt management, and,
- Investment management

The Council has adopted the revised CIPFA Code of Practice for Treasury Management in Public Services 2021, and the key principles of the Code are set out earlier in this document, in section 3.

To meet the requirements of the Code the Council has policies and strategies in place to manage its investment and treasury management activities, which include:

- Treasury management strategy (Part A of this document),
- Treasury Management Policy Statement (Annex 1 to this document)
- Treasury Management Practices (Annex 2 to this document)
- Annual Investment Strategy (Part B of this document)
- Borrowing Policy (Annex 5 to this document)

Risk within Capital Projects:

The prime policy objectives of local authority investment activities are the security and liquidity of funds, and authorities should avoid exposing public funds to unnecessary or unquantified risks. However, all treasury management activity is subject to risk. The Council's Financial Regulations include governance arrangements for capital

projects, which help to manage and reduce risks to the capital strategy.

The Council's governance arrangements, require regular capital financial monitoring reports be presented to the Council's Policy and Resources Committee on a quarterly basis. These reports also review risk data and narrative which enables the Council to effectively monitor and manage the overall risks of the capital programme. Risk registers are maintained and managed by relevant senior officers and are considered within the Council's risk management arrangements and relevant committee.

Risk management is carried out by the treasury team, in line with policies approved by the Council in the Investment Strategy Statement covered in Part B. The Treasury Management Practice 1 (TMP1) as set out in Annex 2 details the mitigation in place to manage the following risks:

- Credit and counterparty risk,
- Liquidity risk,
- Interest rate risk,
- Exchange rate risk,
- Inflation risk,
- Refinancing risk,
- Legal and regulatory risk,
- Operational risk, including fraud, error and corruption, and
- Market risk management.

Commercial Activity:

The Council manages a large estate, including a number of properties that are leased on a commercial basis that generates rental income. The generation of income from these properties is actively managed by the Council's Assets, Commissioning and Procurement service.

The Council has a history of lending to businesses in order to deliver on its Economic Development objectives. This was further extended by the

transfer of the Shetland Development Trust (SDT) assets to the Council in the months leading up to the formal winding up of the Trust in February 2015. The Council has a portfolio of local investments, predominantly in the form of loans to local businesses to support local economic development. These however only account for a small percentage of the overall investments of the Council. Loans awarded under this scheme are subject to the following criteria:

- The loan will generate a rate of return that is at least equal to the 20 year average fund manager investment returns (net of fees and inflation) in which the Council currently invests, and
- Due diligence work has been undertaken to ensure that any loan granted is at an acceptable risk level to the Council.

In addition to lending to businesses the SDT assets include fishing quota which is managed on behalf of the Council by the Shetland Fish Producers Organisation (SFPO).

Borrowing Policy:

The Council introduced a borrowing policy to enable greater flexibility in the financing of capital projects and as an additional tool within its treasury management arrangements. The borrowing policy is contained in Annex 5.

Internal Borrowing versus External Borrowing:

The decision to secure external borrowing or to use the Council's investments to finance capital expenditure is essentially a question of what is the most economically advantageous option. In other words, it is down to whether interest rates are higher or lower than the long term average return on the Council's external investments (with fund managers).

If interest rates are higher than the long term rolling average return on the Council's investments (currently 5.2%) then it means the cost of borrowing is higher than the lost income forgone by using the Council's investments, so it would make financial sense to use the investments for capital expenditure.

For example, if interest rates were 10% for a £1m loan:

Annual interest payable on £1m at 10% = £100,000

Investment income of 5.2% generated on £1m = £52,000

In this example to borrow would cost £100,000 a year, and to use investments would present an opportunity cost of £52,000 in lost investment income. In this example, using investments would present a saving of £48,000 per year over using borrowing.

However, the reverse is true if interest rates are lower than the long term average return on the Council's investments (currently 5.2%). For example if interest rates were 2% for a £1m loan:

Annual interest payable on £1m at 2% = £20,000

Investment income of 5.2% generated on £1m = £52,000

In this example, to borrow would cost £20,000 a year and to use investments would present an opportunity cost of £52,000 in lost investment income. In this example borrowing would save the Council £32,000 per year.

Therefore when interest rates are lower than long term investment returns, the default position of the Council should be to borrow as it is more cost effective.

The Cost of Borrowing:

Shetland Islands Council has been in the unique position of having significant investments which in the past it has used to fund its capital expenditure.

This has in effect meant that from a service perspective point of view, new assets were paid for outright at the beginning without any recurring revenue implications. When borrowing is used to finance capital expenditure, the service is required to make a provision for servicing the associated debt (principal debt repayment and interest costs), which is a significant difference to the previous practice for General Fund capital expenditure where no service paid for its assets financing costs. This should be borne in mind when a decision to borrow is taken.

In order to demonstrate Best Value in the financing of capital expenditure, the Council should use its statutory powers to consider borrowing as an option to finance its capital investments. In order to regulate and monitor Council borrowing, the Council has a borrowing policy which is set out in Annex 5, and sets prudential indicators which include specific indicators which define the financial parameters for borrowing. The prudential indicators can be found in Annex 3.

Knowledge, Skills and Training:

The Council has access to a wide range of knowledge and skills, both in house, and from external consultants. The Council use external consultants that specialise in cash and debt management to assist and advise on the funding of the capital strategy.

It is the responsibility of the Executive Manager – Finance to ensure that all staff under their authority receives the level of training appropriate to their duties. Training is provided by external advisors as well as on the job training. Further details are included in the Council's Treasury Management Practices as set out in Annex 2.

PART B

Annual Investment Strategy

Long Term Investments:

The long term investments are assets of the Council and represent money given to fund managers to manage on its behalf for sustainable long term benefits. At 31 December 2023 the Council's long term investments had a value of £387 million, and were invested on behalf of the Council with three fund managers:

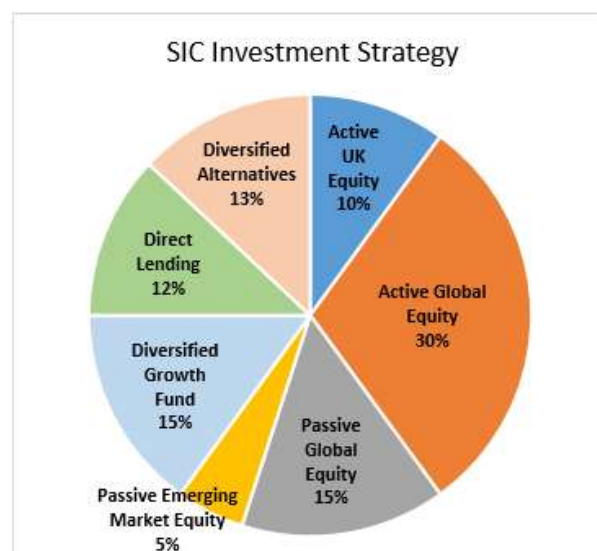
- Baillie Gifford
- BlackRock
- Partners

The Council undertook a review of its Investment Strategy during 2018. Investment consultants KPMG (now called Isio) conducted the review which resulted in a new investment strategy being approved by the Council in August 2018 (Min Ref: 45/18). The new investment strategy complements 'Our Medium-Term Financial Plan 2023-2028'.

The investment strategy aims to achieve gross investment returns of 7.3% per annum over the long term, through a mix of growth seeking and long term income returning assets. The strategy offers increased protection against any negative impact of market change due to the diversity of the investments and fund managers.

The reorganisation of assets from the previous asset allocation into the new investment strategy was completed in May 2022.

The investment strategy has the following asset allocation:



The Council's investment strategy is reviewed by external investment consultants every five years to ensure the investment strategy is still appropriate for the Council's requirements and future expectations.

As the last review of the investment strategy was undertaken in 2018/19, a review of the current investment strategy will be conducted during 2024 by the council's external consultants.

The movement of large sums of money between fund managers or between funds are coordinated by the Council's Treasury Service with the involvement of fund managers and the Council's custodian.

Current Investment Position:

The current percentage of funds under management for each fund manager at 31 December 2023 was:

Council Investments	%
Active UK Equities – Baillie Gifford	10.4
Active Global Equities – Baillie Gifford	31.2
Passive Global Equities – BlackRock	18.4
Passive Emerging Market Equities – BlackRock	6.1

Diversified Growth Fund – Baillie Gifford	15.5
Direct Lending - Partners	8.4
Diversified Alternatives Fund – BlackRock	10.0

All long-term investments that are managed externally by fund managers are held for the purpose of achieving an investment return. To this end all investments are managed in a way that minimises the risk to the capital sum and optimises the return on the investment consistent with those risks. This involves setting benchmarks for each fund and for each unitised product within the funds. These benchmarks (market indexes, cash plus a percentage return) are used to evaluate the performance of each investment against their investment market or set return, with large deviations both above and below these benchmarks questioned similarly.

All of the long-term investments with active mandates require the fund manager to have an investment return target above the benchmark return. The target is a level of outperformance above the benchmark that is seen as achievable with a low level of measured risk on a given mandate. The Manager will actively seek to produce investment returns in order to achieve the stated target. Performance at or above target is desirable but any returns above the benchmark will add value to the fund above the market return.

Short Term Investments

Short-term investments are held in cash, either with the Council's bank or on short-term deposits. These are managed by the Council's Treasury function on a daily basis and reviewed monthly to ensure the efficient operation of Council activities.

Permitted Investments

Every mandate the Council awards to a fund manager is finalised by both the Council and the fund manager entering into an Investment Management Agreement. This agreement covers all aspects of the mandate, including the type of investments to be held and the minimum and maximum investment levels allowed. Any breach of these set levels must be reported immediately by the fund manager and rectified as soon as practical. No rebasing of the asset class allocation split shall take place during 2024/25 unless with the approval of the Council.

On an annual basis each fund manager makes available their internal controls report. These reports are produced by their respective external auditors, and review all aspects of the fund manager's operating controls, with any concerns and weaknesses reported. The reports are reviewed by Treasury within Finance annually, with any concerns or issues identified that may impact on the Council reported accordingly.

The Council does not impose ethical views on fund managers within the Investment Management Agreement. The Council does not place constraints on a fund manager in relation to actual investment decisions, as it would affect the long-term projected investment returns, and the budget set by the Council. The fund manager, within the criteria stated in the Investment Management Agreement, makes investment decisions.

The Council's current investment strategy sets general investment asset class levels, though these are flexible due to money movements and investment returns.

Responsible Investment

Whilst the fund managers have delegated powers for the acquisition and realisation of investments, fund managers will be expected as part of their investment process to consider all factors, including the social, environmental and ethical

policies of companies in which they may invest, to the extent that these may materially affect the long term prospects of such companies. The fund managers will also be expected to enter into dialogue with companies in which they invest, in relation to the pursuance of socially responsible business practices, and report on these activities.

Corporate Governance is a key responsibility for institutional shareholders and as a matter of principle the Council will seek to exercise all of its voting rights in respect of its shareholdings. It is recognised however that in practical terms this may not always be possible for overseas holdings. However for UK stocks all voting rights will be exercised in a positive fashion, i.e. no abstentions.

The fund managers, who will act in accordance with this policy, will exercise voting.

All of the Council fund managers have signed up to the United Nations Principles on Responsible Investment. The principles reflect the view that environmental, social and corporate governance (ESG) issues can affect the performance of investment portfolios, and therefore must be given appropriate consideration by investors, if they are to fulfil their fiduciary (or equivalent) duty. The Principles provide a voluntary framework by which all investors can incorporate ESG issues into their decision-making and ownership practices, and so better align their objectives with those of society at large.

Risk Management

The authority's investments and financial activities expose it to a variety of financial risks:

- Credit risk – the possibility that other parties might fail to pay amounts due to the authority
- Liquidity risk – the possibility that the authority might not have funds available to meet its commitments to make payments
- Market risk – the possibility that financial loss might arise for the authority as a result of

changes in such measures as interest rates and stock market movements

- Foreign Exchange risk – the possibility that financial loss might arise as a result of currency movements on overseas investments

The authority's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the resources available to fund services. Risk management is carried out by the Treasury Service, under policies approved by the Council in the Investment Strategy Statement.

Credit risk arises from deposits with banks and financial institutions, as well as credit exposures to the authority's customers. Deposits are not made with banks or financial institutions unless they meet one of the following categories:

- A Bank or Building Society with at least an A- long term Fitch rating
- Bank of Scotland – Council's own bank
- Any bank which is a wholly owned subsidiary of the above
- Any Local Authority

The A- long term rating is defined by Fitch as "High credit quality with a low expectation of default risk. The capacity for payment of financial commitments is considered strong." An approved lending list of the financial institutions that meets the criteria will be maintained in Treasury.

In addition the following guidelines will apply:

- No more than £3 million to be lent to any single organisation from one account, apart from the Council's own bank.
- No more than £6 million to be lent to any one organisation in total from all accounts, apart from the Council's own bank.

At the 31 December 2023 the Council had deposits with the Council's own bank, amounting to £9.6 million. The Council's exposure to credit risk on these current deposits is very low based on the

last five financial years' experience, where no default or loss has occurred.

Liquidity risk is reduced due to the authority's external investments with fund managers, amounting to £387 million at the 31 December 2023. The authority has access to these funds, so there is no significant risk that it will be unable to meet its daily operating commitments.

The authority is exposed to various market risk in terms of its exposure to cash interest rates, currencies, bond markets, commodity markets but mainly the equity markets. Movements in interest rates, currencies, bond values, commodity values and share prices have a complex impact on the authority's investments. To limit the effect of these movements the investment portfolio is diversified to reduce exposure to any one market. The investment portfolio at the 31 December 2023 was diversified between the following main asset classes:

- UK Equities
- Overseas Equities
- Emerging Market Equities
- Direct Lending
- Cash

The Diversified Growth Fund with Baillie Gifford was invested in 13 different asset classes at 31 December 2023.

The Diversified Alternatives Fund with BlackRock was invested in 5 different investment sectors at 31 December 2023, these were infrastructure debt, infrastructure equity, real estate debt, private credit and real estate equity.

The largest investment asset is equities, which made up about 66% of the Council's investments at 31 December 2023, but this is diversified between four funds over two fund managers.

The Council is exposed to foreign exchange risk through its overseas equities, denominated in foreign currencies, when traded by the fund managers. The exposure to risk of loss in adverse

movements in exchange rates can be reduced by the fund managers, through the use of currency hedging strategies to specifically negate any currency movement impact.

Annex 1: Treasury Management Policy Statement

1. The Shetland Islands Council defines its treasury management activities as:
'The management of the authority's borrowing, investments and cash flows, including its banking, money market and capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks'.
2. The Shetland Islands Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation and any financial instruments entered into to manage these risks.
3. The Shetland Islands Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving value for money in treasury management, and to employing suitable comprehensive performance measurement techniques, within the context of effective risk management.
4. The Prudential Code removed limits on Council's on borrowing to finance capital expenditure, though this is balanced by additional responsibility to act prudently, and to take account of affordability when making decisions on borrowing. The Shetland Islands Council has set borrowing indicators in accordance with the Prudential Code, which are set out in Annex 3 to this document.
5. All investments are held for the purpose of achieving an investment return. To this end all investments are managed in a way that minimises the risk to the capital sum, and optimises the return on the investments consistent with those risks.

Annex 2: Treasury Management Practices

CIPFA recommends the following Treasury Management Practices (TMPs) where they are relevant to an organisation's treasury management powers and/or the scope of its treasury management activities. The following TMPs are relevant to the treasury management activities undertaken by Shetland Islands Council:

TMP1: Treasury Risk Management

The Executive Manager – Finance will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the Council's objectives in this respect, all in accordance with the procedures set out in *TMP6: Reporting Requirements and Management Information Arrangements*.

In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.

i) Credit and Counterparty Risk Management

The risk of failure by a counterparty to meet its contractual obligations to the Council under an investment, borrowing, capital project or partnership financing, particularly as a result of the counterparty's diminished creditworthiness, and the resulting detrimental effect on the Council's capital or current (revenue) resources.

This Council regards a key objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved

Instruments Methods and Techniques and listed in the schedule to this document.

ii) Liquidity Risk Management

The risk that cash will not be available when it is needed, that ineffective management of liquidity creates additional unbudgeted costs, and that the Council's business/service objectives will be thereby compromised.

This Council will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.

The Council will not borrow earlier than required to meet cash flow needs unless there is a clear business case for doing so and will only do so for the current capital programme, to fund future debt maturities, or to ensure an adequate level of short-term investments to provide liquidity.

iii) Interest Rate Risk Management

The risk that fluctuations in the levels of interest rates create an unexpected or unbudgeted burden on the Council's finances, against which the Council has failed to protect itself adequately.

This Council will manage its exposure to fluctuations in interest rates with a view to containing its interest costs, or securing its interest revenues, in accordance with TMP6 reporting requirements and management information arrangements.

It will achieve this by the prudent use of its approved instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates. This should be subject to the consideration and, if required, approval of any policy or budgetary implications.

iv) Exchange Rate Risk Management

The risk that fluctuations in foreign exchange rates create an unexpected or unbudgeted burden on the organisation's finances, against which the organisation has failed to protect itself adequately. This Council will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

v) Inflation Risk Management

The risk that the Council's future income or cash flow will not have the same level of purchasing power as at present. Increased inflation could create unexpected or unbudgeted burden on the organisation's assets, liabilities and affect its investments, against which the Council has failed to protect itself adequately.

The Council will manage this risk by keeping under review the sensitivity of its assets and liabilities to inflation, and will seek to manage the risk accordingly in the context of the whole organisation's inflation exposures.

vi) Refinancing Risk Management

The risk that maturing borrowings, capital, project or partnership financings cannot be refinanced on terms that reflect the provisions made by the Council for those refinancings, both capital and revenue, and/or that the terms are inconsistent with prevailing market conditions at the time.

This Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the Council as can be reasonably be achieved in the light of market conditions prevailing at the time.

The Council will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective, and will avoid overreliance on any one source of funding if this might jeopardise achievement of the above.

vii) Legal and Regulatory Risk Management

The risk that the Council itself, or an organisation with which it is dealing in its treasury management activities, fails to act in accordance with its legal powers or regulatory requirements, and that the Council suffers losses accordingly.

This Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities.

The Council will ensure that there is evidence of counterparties' powers, authority and compliance in respect of the transactions they may effect with the Council, particularly with regard to the duty of care and fees charged.

This Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the Council.

viii) Operational Risk, including Fraud, Error and Corruption

The risk that a Council fails to identify the circumstances in which it may be exposed to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings, and fails to employ suitable systems, procedures and maintain effective contingency management arrangements to these ends. It includes the area of risk commonly referred to as operational risk.

This Council will ensure that it has identified the circumstances that may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

ix) Market Risk Management

The risk that, through adverse market fluctuations in the value of the principal sums an organisation

borrowed and invested, its stated treasury management policies and objectives are compromised, against which effects it has failed to protect itself adequately.

This Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect the Council from the effects of such fluctuations.

TMP2 Performance Measurement

This Council is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its Treasury Management Policy Statement. Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Council's stated service objectives. There will be regular review of the scope for potential improvements.

TMP3 Decision-Making and Analysis

This Council will maintain full records of its major treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time. The issues to be addressed and processes and practices to be pursued in reaching decisions are detailed in the schedule to this document.

TMP4 Approved Instruments, Methods and Techniques

This Council will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule to this document, and within the limits and parameters defined in TMP1 Treasury Risk Management.

The Council has reviewed its classification with

financial institutions under MiFID II and has set out in the schedule to this document those organisations with which it is registered as a professional client.

TMP5 Organisation, Clarity and Segregation of Responsibilities and Dealing Arrangements

This Council considers it essential, for the purposes of effective control and monitoring of its treasury management activities, for the reduction of risk of fraud and error and for the pursuit of optimum performance that these activities are structured and managed in a fully integrated manner and that there is at all times clarity of treasury management responsibilities.

The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with the implementing and controlling of these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions and the audit and review of the treasury management function.

If the Council intends as a result of lack of resources or other circumstances to depart from these principles, the Executive Manager – Finance will ensure that the reasons are properly reported in accordance with *TMP6 Reporting Requirements and Management Information Arrangements*, and the implications properly considered and evaluated.

The Executive Manager – Finance will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management and the arrangements for absence cover. They will also ensure that at all times those engaged in treasury management will follow the policies and procedures set out. The present arrangements are detailed in the schedule to this document.

The Executive Manager – Finance will ensure there is proper documentation for all deals and transactions, and that procedures exist for the

effective transmission of funds. The present arrangements are detailed in the schedule to this document.

The delegations to the Executive Manager – Finance in respect of treasury management are set out in the schedule to this document. They will fulfil all such responsibilities in accordance with the Council’s policy statement and TMPs and, if a CIPFA member, the Standard of Professional Practice on treasury management.

TMP6 Reporting Requirements and Management Information Arrangements

This Council will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effects of decisions taken and the transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

As a minimum the Executive Committee will receive:

- An annual report on the strategy and plan to be pursued in the coming year.
- A mid-year review.
- An annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the Council’s Treasury Management Policy Statement and Treasury Management Practices.

The Policy and Resources Committee will receive regular monitoring reports on treasury management activities and risks.

TMP7 Budgeting, Accounting and Audit Arrangements

The Executive Manager – Finance will prepare, and this Council will approve and, if necessary, from time to time will amend, an annual budget for treasury management, which will bring together all of the costs involved in running the treasury management function, together with associated income. The matters to be included in the budget will at a minimum be those required by statute and regulation, together with such information as will demonstrate compliance with TMP1 Treasury Risk Management, TMP2 Performance Measurement, and TMP4 Approved Instruments, Methods and Techniques.

The Executive Manager – Finance will exercise effective controls over this budget and will report upon and recommend any changes required in accordance with TMP6 Reporting Requirements and Management Information Arrangements. This Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force.

This Council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

TMP8 Cash and Cash Flow Management

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the Executive Manager – Finance, and will be aggregated for cash flow and investment management purposes. Cash Flow projections will be prepared on a regular and timely basis to ensure that these are adequate for the purposes of monitoring compliance with TMP1 ii) Liquidity Risk

Management. The present arrangements for preparing cash flow projections, and their form, are set out in the schedule to this document.

TMP9 Money Laundering

This Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions, and will ensure that staff involved in this are properly trained. The present arrangements, including the name of the officer to whom reports should be made, are detailed in the schedule to this document.

TMP10 Training and Qualifications

The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills.

Training may also be provided on the job and it will be the responsibility of the Executive Manager – Finance to ensure that all staff under their authority receives the level of training appropriate to their duties. This will also apply to those staff who, from time to time cover for absences from the treasury management team. The Executive Manager – Finance will recommend and implement the necessary arrangements. The Executive Manager – Finance will ensure that Council members tasked with treasury management responsibilities, including those responsible for scrutiny, have access to training relevant to their needs and those responsibilities. Training records are maintained for Council members.

TMP11 Use of External Service Providers

This Council recognises that responsibilities for treasury management decisions remain with the organisation at all times. It recognises that there may be potential value in employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such services providers, it will ensure it does so for reasons which will have been submitted to a full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed and properly agreed, documented, and subjected to regular review. It will ensure, where feasible and necessary, that a spread of service providers is used, to avoid over reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the Executive Manager – Finance, and details of the current arrangements are set out in the schedule to this document.

TMP12 Corporate Governance

This Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

This Council has adopted and has implemented the key principles of the CIPFA Code. This, together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury management, and the Executive Manager – Finance will monitor and, if and when necessary, report upon the effectiveness of these arrangements.

Annex 3: Prudential Indicators

It is proposed that the Prudential Indicators for Shetland Islands Council for 2023/24 to 2026/27 should be as follows:

1. Ratio of Financing Costs to Net Revenue Stream

Definition:

- General Fund - The proportion of the General Fund income from the Council's General Revenue Grant (including NNDR) and Council Tax to fund the debt financing costs (interest and principal repayments) of the planned capital expenditure programme.
- Housing Revenue Account - The proportion of income to the HRA (substantially housing rents) to fund the debt financing costs (interest and principal repayments) of the planned capital expenditure programme.
- Harbour Account - The proportion of Harbour Account income (mainly fees & charges) to fund the debt financing costs (interest and principal repayments) of the planned capital expenditure programme.

Ratio of Financing Costs to Net Revenue Stream					
	2022/23 Actual	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate	2026/27 Estimate
General Fund	5.2%	5.1%	5.4%	5.9%	5.6%
HRA	16.2%	15.4%	14.5%	14.2%	13.7%
Harbour Account	5.6%	4.7%	4.6%	4.4%	4.3%

2. Capital Expenditure

Definition:

Actual capital expenditure for 2022/23 and estimated capital expenditure for the current year and the next three years, as set out in the Council's Asset Investment Plan 2023-2028.

Capital Expenditure					
	2022/23 Actual £000	2023/24 Estimate £000	2024/25 Estimate £000	2025/26 Estimate £000	2026/27 Estimate £000
General Fund	10,728	13,131	16,356	13,321	9,758
HRA	3,954	7,076	9,689	8,052	6,037
Harbour Account	285	431	570	249	156
Total	14,967	20,638	26,615	21,622	15,951

3. Debt and the Capital Financing Requirement:

Definition:

The Capital Financing Requirement (CFR) reflects the authority's underlying need to finance capital expenditure by borrowing or other long-term liability arrangements. As the Council should only borrow for a capital purpose, the debt should not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years.

Capital Financing Requirement					
	2022/23	2023/24	2024/25	2025/26	2026/27
	Actual	Estimate	Estimate	Estimate	Estimate
	£000	£000	£000	£000	£000
General Fund	72,100	70,897	75,607	72,447	69,474
HRA	7,950	7,142	6,333	5,525	4,717
Harbour Account	10,730	10,299	9,507	8,715	7,923
Total CFR	90,780	88,338	91,447	86,687	82,114
Gross External Debt	89,324	87,767	93,272	87,906	84,872

The Capital Financing Requirement figures show an unusual position in 2024/25, 2025/26 and in 2026/27 where the Gross External Debt figure is higher than the CFR. This is due to timing as the External Debt includes borrowing from the PWLB, which was borrowed on a maturity basis, so the borrowing is shown at full value until the end of the loan period when it is paid back in full.

4. Operational Boundary for External Debt

Definitions:

A boundary for total external debt based on the estimate of total projected external debt to be monitored against during the year. It may be breached temporarily for variations in cash flow but a sustained or regular breach would require investigation.

Operational Boundary for External Debt			
	2024/25	2025/26	2026/27
	£000	£000	£000
Borrowing	49,029	46,010	46,000
Other Long Term Liabilities	44,243	41,896	38,872
Total	93,272	87,906	84,872

The Operational Boundary for External Debt is based on the Council's expected debt levels over the next three years. It should be seen as the external debt level that the Council would not ordinarily exceed.

5. Authorised Limit for External Debt

Definitions:

Limit for total external debt that should not be breached. This excludes investments and is based on future capital plans and variations in cash flow.

Authorised Limit for External Debt			
	2024/25 £000	2025/26 £000	2026/27 £000
Total	102,599	96,697	93,359

The Authorised Limit for External Debt is set at a level above the Operational Boundary and is a control on the maximum level of external debt that the Council can incur. The Council has no legal power to borrow in excess of this limit. Revision of this indicator would need to be approved by the Council in advance of any external debt taken on in excess of this limit.

6. Actual External Debt at 31 March 2023

Definition

The actual external debt taken from the Balance Sheet as at 31st March 2023.

Actual External Debt	
	31 March 2023 £000
Borrowing	49,048
Other Long Term Liabilities	38,719
Total	87,767

7. Upper limit on Interest Rate Exposures

Definition:

Ranges within which the Council will manage its exposures to fixed and variable rates of interest. Whilst the Council could obtain more favourable interest rates with a variable rate, it increases the longer term risk of rates rising beyond a fixed rate.

It is calculated as a percentage of total net outstanding principal sums of debt.

	2022/23 Actual £'000	2023/24 Indicative £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	2026/27 Indicative £'000
Fixed interest rate exposures	100%	100%	100%	100%	100%
Variable interest rate exposures	0%	40%	40%	40%	40%

8. Maturity Structure of Borrowing

Definition:

Upper and lower limits to assist the Council to avoid large concentrations of fixed rate debt that has the same maturity structure and would therefore need to be replaced at the same time. This is the fixed rate debt maturing in each period as a percentage of total projected borrowing that is fixed rate.

	2022/23 Actual	Lower Limit	Upper Limit
Under 12 months	0.04%	0%	25%
12 months and within 24 months	6.16%	0%	30%
24 months and within 5 years	16.33%	0%	50%
5 year and within 10 years	38.74%	0%	70%
10 years and above	38.74%	0%	100%

9. Net Income from Commercial and Service Investment Income to Net Revenue Stream

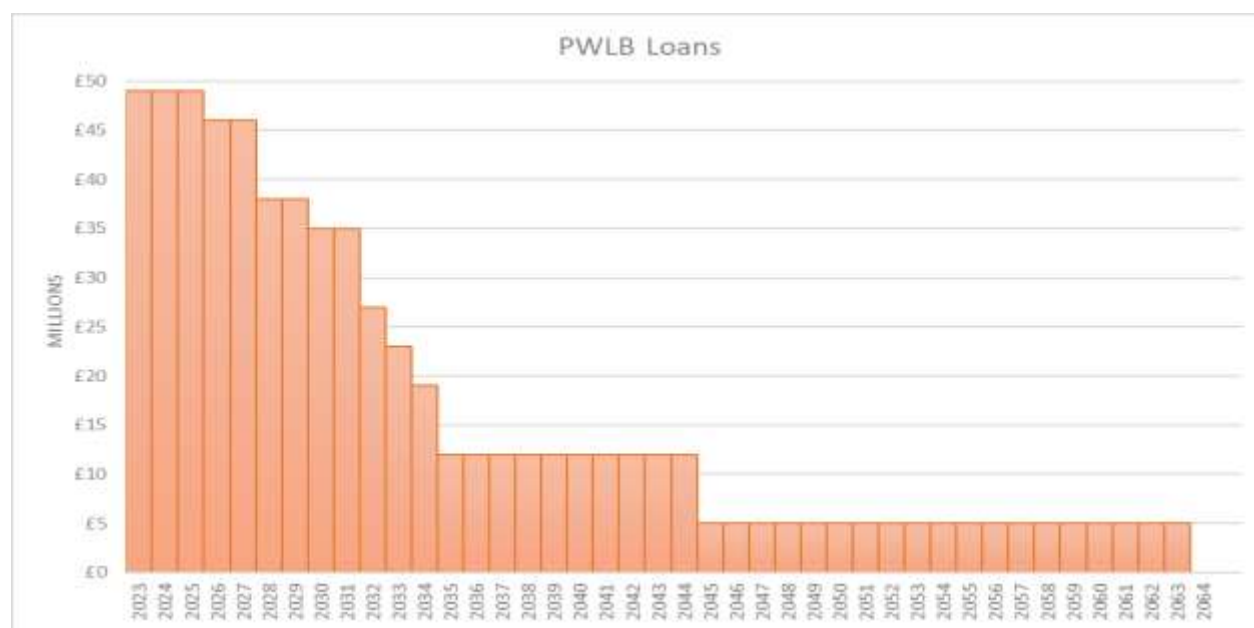
Definition:

This indicator shows the financial exposure of the Council to the loss of its non-treasury investment income. This is primarily commercial income and Development income.

	2022/23 Actual £'000	2023/24 Indicative £'000	2024/25 Indicative £'000	2025/26 Indicative £'000	2026/27 Indicative £'000
Ratio of net income from commercial & service investments	1.2%	1.3%	1.3%	1.3%	1.3%

10. Liability Benchmark

Definition: This is to ensure the Council has a strong grasp of its existing loan portfolio and its maturity profile. The Council currently has long term borrowing from the Public Works Loan Board (PWL) totaling £49 million. The level of debt and maturity profile can be shown as follows:



Annex 4: Capital Expenditure Policy and Capital Funding Policy

Capital Expenditure Policy:

To reflect the significant anticipated financial pressure on the Council, as identified in the Medium-Term Financial Plan, the following policy is recommended:

- No growth in the asset base;
- All capital expenditure to be focused on maintaining the existing assets;
- A gateway process will ensure strategic fit is demonstrated early and decisions are taken at key stages. This will be supported by a full business case, including projected future demand, and options and investment appraisal process before a project can be considered for inclusion on the Asset Investment Plan;
- No project will be considered for inclusion on the Asset Investment Plan, and existing projects will be removed, unless they have a robust financial estimate of cost. The Executive Manager – Finance will determine whether the financial estimate of cost is robust;
- All capital projects must clearly demonstrate the revenue consequences arising from a capital spending decision to assist Councillors in understanding the full financial impact and funding arrangements; and
- The focus will be on effective asset management, driven forward through the Asset Strategy and Implementation Plan. This will ensure that the Council occupies a reduced number of properties in the future.
- The Executive Manager – Asset, Procurement and Commissioning will determine the opportunities for the maximisation of income from the Council's property estate, which may be in the form of revenue income or capital receipts.

Capital Funding Policy:

To reflect the limited availability of capital funding and the cost associated with the use of capital the following policy is recommended:

- Scottish Government Capital Grant will be applied initially to short life assets (e.g. vehicles, ICT, certain maintenance);
- Capital Receipts will be targeted at core capital maintenance costs;
- Capital Funded from Current Revenue (CFCR) will be used where appropriate to fund low value, shorter life capital expenditure;
- Where available and determined as appropriate by the Executive Manager – Finance, other assets may be funded from Capital Grants, Capital Receipts and CFCR;
- All other capital expenditure will be financed by borrowing. If interest rates are lower than the return on long-term investments as described in the Internal Borrowing versus External Borrowing section in Part A of this report, external borrowing will be undertaken. If interest rates are higher than investment returns, internal borrowing will be undertaken;
- The Service(s) that benefit from the capital asset will be required to make sufficient revenue savings to free up budget to pay for the cost of capital (interest charges and principal repayment of debt). This will be calculated based on the amount borrowed. Revenue implications of the capital project also require to be funded by the relevant Service;
- Capital financing products are affected by external and financial market factors and can develop in a way that may enable the Council to achieve its Corporate Plan outcomes through alternative means. Where new capital financing opportunities arise, such as Scottish Government initiatives like the National Housing Trust models, then the Executive Manager – Finance will give consideration to such products, subjecting them to financial viability, affordability and risk tests, and make a recommendation prior to proceeding.
- The level of borrowing required to finance the Asset Investment Plan is called the Capital Financing Requirement (CFR). The Council will be able to manage limits for borrowing based on what it thinks is prudent, affordable and sustainable through annually agreeing Prudential Indicators as part of the Annual Borrowing & Investment Strategy.

Annex 5: Borrowing Policy

The Council's borrowing policy is as follows:

- Borrowing should only be considered as a financing option when the interest rate obtainable is lower than the 20-year average return on the Council's external investments (i.e. Fund Manager returns).
- Borrowing will only be undertaken for capital projects, with a presumption against funding of short life assets (i.e. assets with less than a 5 year useful economic life).
- Borrowing should only be considered for priority capital projects that are supported by a full business case.
- Members must be fully advised of the ongoing revenue implications arising from each recommendation to borrow before a decision is taken by Council.
- If Members decide to borrow, they must also agree how the relevant Council directorate will be able to fund the borrowing costs (i.e. interest and principal repayments) within its existing Target Operating Budget as set out in the Medium Term Financial Plan.
- Borrowing can only be undertaken within the parameters of the Prudential Framework and the Prudential Indicators which will be agreed annually by Council.
- Borrowing may be undertaken up to 2 years in advance of its deployment to finance agreed capital expenditure if expectations on future versus current interest rates make it financially advantageous for the Council to do so.
- The Council will never borrow for the purposes of investing to make a profit.
- The Executive Manager – Finance as Section 95 Officer is the only officer of the Council who may recommend a decision to borrow to Council.
- When a decision to proceed to borrow has been taken by Council, the details of the loan(s) will be delegated to the Executive Manager – Finance who will determine the institution, the type, the timing, and the length of the loan after seeking advice from external Treasury Management specialists as to the most economically advantageous transaction.



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20th March 2024 27th March 2024
Report Title:	Non-Domestic Rates Empty Property Relief Policy	
Reference Number:	F-19-24-F	
Author / Job Title:	Paul Fraser, Executive Manager – Finance	

1.0 Decisions / Action required:

1.1 That the Policy and Resources Committee RECOMMEND that the Council:

- **Consider** the options regarding a new Non-Domestic Rates Empty Property Relief policy as outlined at paragraphs 4.16.
- **Approve** officer's recommendations to adopt Option 2 as the new Non-Domestic Rates Empty Property Relief Policy from 1st April 2024 until 31st March 2026.

2.0 High Level Summary:

2.1 The Council must decide on an Empty Property Relief policy from 1 April 2024. Failure to do so will mean existing relief cannot continue and ratepayers would be liable to pay the full Non-Domestic Rates charge.

2.2 This report proposes that the Council's policy for the application of Empty Property Relief for properties from 1 April 2024 will be as follows:

Amend the existing policy, by applying 50% relief for the first 3 months after rateable occupation ends, followed by 10% thereafter until occupied, applied across all relief categories, except where 100% relief can be indefinitely awarded for unoccupied properties which meet any of the following:

- Empty property which is owned by a trustee for sequestration, liquidation, or executors
- Empty property which cannot be occupied by law
- Empty property which is under a compulsory purchase order
- Empty property where the owner is in administration (or subject to an administration order)
- Empty property where the owner is a company or partnership being wound up

2.3 It is proposed the policy from 1 April 2024, will cover the next two financial years, which will cover the period that Scottish Government funding is known.

2.4 A further report, with policy proposal from 1 April 2026 will be presented to Council once Scottish Funding arrangements are known from 1 April 2026.

3.0 Corporate Priorities and Joint Working:

- 3.1 Implementing a Non-Domestic Rates Empty Property Relief policy from 1 April 2024 links to the Council's corporate priorities, as defined in its Our Ambition 2021-26, specifically to sustain and develop the economy.

4.0 Key Issues:

- 4.1 Local authorities collect Non-Domestic Rates income, which is pooled at a Scottish level and then redistributed from the Scottish Government back to local authorities. .
- 4.2 2,360 Shetland properties are currently liable for Non-Domestic Rates resulting in the Council's Finance Service collecting over £23.86m of rates income during 2023-24.
- 4.3 The Scottish Government devolved responsibility to local authorities for Empty Property Relief on Non-Domestic Rates properties from 1 April 2023.
- 4.4 £183,977 of funding was provided based on historic spend on empty property relief, which is fixed for three financial years from 1 April 2023. There will be no inflationary increase in funding between these years.
- 4.5 On 22 February 2023, Council approved the SIC Non-Domestic Rates Empty Property Relief policy from 1 April 2023 until 31 March 2024, which mirrored the previous national relief scheme. The majority of local authorities took this approach due to the short timescale to assess any changes. The policy for 2023-24 is as follows:
- Unoccupied empty industrial property is eligible for 100% relief for the first six months since becoming unoccupied and 10% thereafter until occupied.
 - Other (non-industrial) unoccupied empty property is eligible for 50% relief for the first three months since becoming unoccupied and 10% thereafter until occupied.
 - 100% relief is indefinitely awarded for unoccupied properties which meet any of the following:
 - Empty property is a listed building
 - Empty property where the rateable value is under £1,700
 - Empty property which is owned by a trustee for sequestration, liquidation, or executors
 - Empty property which cannot be occupied by law
 - Empty property which is under a compulsory purchase order
 - Empty property which has no buildings (i.e., land)
 - Empty property where the owner is in administration (or subject to an administration order)
 - Empty property where the owner is a company or partnership being wound up
- 4.6 During 2022-23, 116 properties received Empty Property Relief to the value of £165,757, which included 20 Council properties with £33,673 of relief. Breakdown of relief awarded detailed below:

2022-23 Split of Empty Property Relief		
Description	No.	Value
Listed Building	6	£43,560
Rateable Value under £1,700	48	£20,112
Sequestration, Liquidation, or Executors	2	£25,140
Cannot be occupied by law	6	£22,481
10% or 50% Empty Property Relief	54	£54,464
Total	116	£165,757

- 4.7 Non-Domestic Rates are based on a property's rateable value, which is a legally defined valuation provided by the Assessor, multiplied by the tax rate known as 'poundage', less any reliefs. The Assessors revalue all properties every three years, with the revaluation date set nationally by the Scottish Government.
- 4.8 This time last year the outcome of the 1 April 2023 revaluation was unknown, resulting in some uncertainty with regard to the impact on the amount of empty property relief awarded during 2023-24.
- 4.9 Regardless of it being a revaluation year, the cost of any policy is dependent on market forces, with any large property becoming empty having a significant impact.
- 4.10 As the Scottish Government previously covered the full cost of the national empty property relief scheme, there was no financial risk to the Council associated with market forces.
- 4.11 Under the current Council policy, as at 11 January 2024, there were 137 properties receiving Empty Property Relief to the value of £148,545 as shown below:

2023-24 Split of Empty Property Relief		
Description	No.	Value
Listed Building	7	£40,848
Rateable Value under £1,700	51	£15,681
Sequestration, Liquidation, or Executors	6	£ 4,139
Cannot be occupied by law	4	£16,532
10% or 50% Empty Property Relief	69	£71,345
Total	137	£148,545

- 4.12 Below is an analysis of the current empty properties:

No. of Properties	Length of Time Empty	Value of Relief
24	More than 10 Years	£21,542
16	5 to 10 Years	£30,931
31	2 to 4 Years	£34,804
66	Less than 2 Years	£61,268
137		£148,545

- 18 of the 24 properties empty for more than ten years have a rateable value under £1,700
- The Council remains the largest single recipient, with 28 properties receiving £39,715 of relief

- 95 properties receive less than £500 of relief
- 65 properties in receipt of £20,318 empty property relief, if occupied would receive 100% mandatory relief via the Small Business Bonus Scheme, at no cost to the Council

4.13 The majority of local authorities applied a similar approach for 2023-24, which mirrored the previous national relief scheme to provide time to consider new options from 1 April 2024. One Council implemented a revised policy from 1 April 2023 removing the previous reliefs and replacing these with one standardised empty property relief policy. This is the most common approach being developed by Councils who are considering a change in policy from 2024-25.

4.14 There are economic challenges facing businesses with increased costs. However, for those properties receiving 100% unlimited rates relief there is little or no incentive to actively bring properties back into use.

4.15 A number of properties in receipt of 100% relief may no longer be commercial entities, particularly those with a rateable value under £1,700. However, due to the availability of 100% relief there is little incentive to remove these from the Assessor's Valuation Roll. If 100% relief was removed, the Assessor may delete a number of properties from the Valuation Roll where they are no longer commercial entities, which will reduce the empty rates relief costs.

4.16 The following options are available to the Council:

1. Continue with the current policy, granting ratepayers the same level of relief currently received.

Although Scottish Government funding currently covers cost of relief, there would be the same financial risk to the Council associated with market forces and little incentive for owners to bring these properties back into use.

2. Amend the existing policy, by applying 50% relief for the first 3 months after rateable occupation ends, followed by 10% thereafter until occupied, applied across all relief categories, except 100% relief is indefinitely awarded for unoccupied properties which meet any of the following:

- Empty property which is owned by a trustee for sequestration, liquidation, or executors
- Empty property which cannot be occupied by law
- Empty property which is under a compulsory purchase order
- Empty property where the owner is in administration (or subject to an administration order)
- Empty property where the owner is a company or partnership being wound up

As this would take effect from 1 April 2024, it would apply to those properties who have had 100% relief under the existing policy, therefore it is proposed that in these cases there would be a phasing in of the relief and the 'clock be reset' for these properties. They would be treated as empty from 1 April 2024, which would result in them being eligible for the 50% three months and 10% for nine months (provided they remained empty). This would allow time to adjust to the new policy.

Based on current empty property information this potentially reduces the amount of relief from £148,545 to £97,668, which includes £38,962 for Council empty properties.

There would be a reduced financial risk to the Council associated with market forces, along with an incentive for owners to bring these properties back into use.

3. The complete removal of any relief for empty properties. This would mean that all empty properties would be charged full rates regardless of occupancy. This would however increase the burden for ratepayers who previously had their rates liability reduced, including the Council.

The full allocation of funding from the Scottish Government £183, 977 would be retained by the Council. However, the cost of Council owned empty properties would need to be offset against funding, currently £39,715

4.17 It is proposed the policy from 1 April 2024, will cover the next two financial years, which will cover the period that Scottish Government funding is known.

4.18 The policy adopted by Council will be monitored and an update report presented to Council next year.

4.19 A further report, with policy proposal from 1 April 2026 will be presented to Council once Scottish Funding arrangements are known from 1 April 2026.

5.0 Exempt and/or confidential information:

5.1 None

6.0 Implications :

6.1 Service Users, Patients and Communities:	None
6.2 Human Resources and Organisational Development:	None
6.3 Equality, Diversity and Human Rights:	None
6.4 Legal:	Non-Domestic Rates Relief for empty properties was removed from 1 April 2023, following the repeal of Section 24 of the Local Government (Scotland) Act 1966. Local authorities were required to develop an empty property relief policy using Section 140 of the Community Empowerment Act 2015.
6.5 Finance:	Option 1 - Scottish Government funding currently covers cost of relief, there would be the same financial risk to the Council

	<p>associated with market forces, with any large property becoming empty having a significant impact</p> <p>Option 2 - There would be a reduced financial risk to the Council associated with market forces, with Scottish Government funding most likely enough to cover cost of relief</p> <p>Option 3 - The full allocation of funding from the Scottish Government £183, 977 would be retained by the Council. However, the cost of Council owned empty properties would need to be offset against funding, currently £39,715</p>	
6.6 Assets and Property:	None	
6.7 ICT and new technologies:	None	
6.8 Environmental:	None	
6.9 Risk Management:	<p>In terms of risk, the primary risk involved in administering an Empty Property Relief scheme is that a ratepayer may be awarded relief they are not entitled to, resulting in a loss to the Council. This risk is managed by having an exhaustive set of procedures, which are diligently and consistently followed by staff.</p>	
6.10 Policy and Delegated Authority:	<p>The Policy and Resources Committee has delegated authority to secure the co-ordination, control and proper management of the financial affairs of the Council.</p> <p>In accordance with Section 2.2.1 of the Council's Scheme of Administration and Delegations, the Policy and Resources Committee is responsible for advising the Council in the development of its strategic objectives, policies and priorities.</p> <p>Approval of any new policy is reserved to the Council, in accordance with Section 2.1.3 of the Council's Scheme of Administration and Delegations</p>	
6.11 Previously considered by:	N/A	

Contact Details:

Judy Fraser
Team Leader – Revenues and Benefits
01595 744664
judy.fraser@shetland.gov.uk

Appendices:

None



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Asset Investment Plan – Prioritisation 2024-29	
Reference Number:	ACP-05-24-F	
Author/ Job Title:	Robert Sinclair, Executive Manager – Assets, Commissioning and Procurement	

1.0 Decisions/ Action required:

- 1.1 That the Policy and Resources Committee RECOMMENDS that the Council RESOLVES to;
- 1.1.1 NOTE the work undertaken to assess and prioritise the projects that have so far been unfunded within the Council's Asset Investment Plan (AIP); and,
- 1.1.2 APPROVE the prioritised list set out at Appendix B to this report.

2.0 High Level Summary:

- 2.1 On 27 September 2023, the Council approved a points-based prioritisation system to assess projects that were previously unfunded within the Council's 5-year AIP (Min Ref: 58/23).
- 2.2 This process ensures that the prioritisation is in line with current political aspirations and the key objectives described in 'Our Ambition 2021-26'.
- 2.3 This report describes how the process has been used in relation to the projects that have up until now been unfunded within our AIP and sets out a prioritised list, at Appendix B, that has informed the draft 5-year AIP for 2024-29.

3.0 Corporate Priorities and Joint Working:

- 3.1 Annual prioritisation is a key principle within our Gateway Process for the Management of Capital Projects.
- 3.2 This Gateway Process supports our Financial Strategy, Reserves Policy and Budget Strategy. 'Our Ambition 2021 to 2026' aspires to the Council being "well placed to respond to the significant funding uncertainties and pressures we face and to target our money to where it can make the most difference". It also states, "We will continue with disciplined financial monitoring, working towards a smaller base budget from 2022 onwards".
- 3.3 The proposals set out in this report will ensure that resources are prioritised in a transparent and objective way that demonstrates best value for the Council and the community.

4.0 Background and Detail

Background

- 4.1 On 29 June 2016, the Council adopted a new Gateway Process for the Management of Capital Projects (Min Ref. 48/16), drawing on national and best practice guidance, to ensure the robustness of all capital projects.
- 4.2 This revised process is based on the process developed by the Office of Government Commerce (OGC) and is in common use throughout the public sector. It applies 'Prince 2' principles to the process and is aligned with the '5-Case Model' that has been promoted to both Officers and Members through 'Building Better Business Case' training. A key principle in that procedure is that the Council's AIP is re-prioritised on an annual basis, although business cases can be processed at any time.
- 4.3 Since 2016, projects have been developed and delivered at a rate that could be accommodated financially, without having to assess the relative merits of competing demands.
- 4.4 However, due to reducing core capital and revenue grant income, our aspirations now exceed our projected capital resources for the foreseeable future. Our AIP 2023-28 includes unfunded projects totalling £80.6m in value. It is therefore clear that a system of prioritisation will need to be applied to these unfunded projects.
- 4.5 Following a series of seminars during 2023 a points-based prioritisation system was developed, with defined scoring criteria and weightings. This was approved by the Council on 27 September 2023 (Min Ref: 58/23).

Methodology

- 4.6 Each project is scored by a panel comprising at least one officer from each Council directorate. Guidance notes are provided to ensure marking is as objective as possible.
- 4.7 The aggregated scores from this process are then used to prioritise the currently unfunded projects in the AIP.
- 4.8 That process has now been undertaken for the unfunded projects that are at the stage where a Business Justification Case (BJC), or an Outline Business Case (OBC), has been approved by the Council, a decision has been taken to commit expenditure and the source of funding is clear. The results of the numeric prioritisation is attached as Appendix A to this report.

Treatment of Anomalies

- 4.9 The approved process undertakes to provide Members with a report setting out the project ranking. The process also requires officers to highlight any anomalies or other matters that Members should bear in mind when approving the AIP. These could include instances where there are interdependencies between projects or where the timing of external funding should influence the timing of a project. Those considerations are then used to adjust the purely numeric prioritisation. This ensures that members can then decide on the content of the AIP, having been provided with the most comprehensive range of information possible.

4.10 Appendix B to this report sets out the adjusted prioritisation list, which is now being recommended to Members for approval. The anomalies that have been taken into account in amending the numerically prioritised list in Appendix A are;

4.10.1 The Stendaal retaining wall project ranks last in Appendix A, but is essential in order to allow refurbishment of the associated housing. The refurbishment has been delayed due to these works not being included in the 2023/24 budget. A single contract incorporating both the housing refurbishment works and the retaining walls is ready to tender. It is therefore recommended that the retaining wall is included in year 2024/25 of the AIP to allow the housing contract to proceed as a matter of urgency.

4.10.2 The Landfill Construction project has been ranked for prioritisation but will not be included in the Approved Projects in the Asset Investment Plan for 2024/25 until a business case is presented and approved by Members in line with the Gateway Process. This business case is underway and will be presented in due course for addition to the Plan at that stage.

Next Stage

4.11 The adjusted prioritisation list set out in Appendix B to this report has been used to inform the draft 5-year Asset Investment Plan 2024-29 that is included within the proposed Budget Book report, a separate item on the agenda for today's meeting.

4.12 Projects within the AIP invariably require input from Corporate Services Directorate. Resources in Corporate Services are limited and under pressure from competing demands; for example, work required to address audit recommendations. Corporate Services will use the priorities agreed by the Council to inform decisions regarding the allocation of resources when experiencing conflicting demands.

4.13 Policy and Resources Committee approved proposals at a meeting on 4 December 2023 that would see additional resources procured by Corporate Services on a project-by-project basis to address peaks in workload to minimise delays. The additional costs would be attributed to the relevant project and reflected in project updates and performance monitoring reports (Min Ref: 77/23).

Conclusion

4.14 The recently approved points-based prioritisation method for projects to be included in the Council's Asset Investment Plan has been used by officers to score the projects that have until now been unfunded. The outcome of that work is set out in Appendices A and B to this report.

4.15 It is recommended that Members approve the funding and prioritisation set out in Appendix B of this report for inclusion within the Council's 5-year Asset Investment Plan for 2024-29.

5.0 Exempt and/ or confidential information:

5.1 None.

6.0 Implications:

6.1 Service Users, Patients and Communities:	<p>The needs and aspirations of the community are set out in Our Ambition and the Council's strategic plans.</p> <p>The Prioritisation Method attached relies on detailed information from business cases to score and rank projects to assist Members of the Council to decide on their relative priority ensuring that this reflects the priorities of the community.</p>	
6.2 Human Resources and Organisational Development:	No implications arising directly from this report.	
6.3 Equality, Diversity and Human Rights:	No implications arising directly from this report.	
6.4 Legal:	No implications arising directly from this report.	
6.5 Finance:	<p>No implications arising directly from this report.</p> <p>However, Finance will have a key role as the proposed prioritisation system forms part of the budget setting process for future years.</p>	
6.6 Assets and Property:	No implications arising directly from this report.	
6.7 ICT and new technologies:	No implications arising directly from this report.	
6.8 Environmental:	No implications arising directly from this report.	
6.9 Risk Management:	The proposals set out in this report seek to mitigate the financial and reputational risks to the Council of failing to set a sustainable budget or being able to evidence the decision making process associated with investment decisions.	
6.10 Policy and Delegated Authority:	Policy and Resources Committee has referred authority to advise the Council in the development of its strategic objectives, policies and priorities. Approval of the financial strategy and budget framework is a matter reserved to the Council.	
6.11 Previously considered by:	N/A	

Contact Details:

Robert Sinclair, Executive Manager – Assets, Commissioning and Procurement
robert.sinclair@shetland.gov.uk
8 March 2024

Appendices:

Appendix A – Numeric Prioritisation List

Appendix B – Adjusted Prioritisation List

Background Documents:

None

END

Numeric Prioritisation List

Project	Score	Ranking
Knab Redevelopment	57.5	1
Active Travel - Rolling Programme	51.3	2
Greening the Fleet	48.3	3
Cullivoe Road	47.7	4
Landfill Phase 3	44.7	5
Outdoor Learning	43.8	6
3G Synthetic Pitch	42.5	7
Tingwall Runway Resurfacing	40.3	8
Gilbertson Park Fence	36.3	9
Levenwick Road	35	10
Stendaal Retaining Walls	29.2	11

Adjusted Prioritisation List

Project	Score	Ranking	Notes
Knab Redevelopment	57.5	1	
Stendaal Retaining Walls	29.2	2	Works needed to enable Housing contract, which is ready to be tendered.
Active Travel - Rolling Programme	51.3	3	
Greening the Fleet	48.3	4	
Cullivoe Road	47.7	5	
Landfill Phase 3	44.7	6	
Outdoor Learning	43.8	7	
3G Synthetic Pitch	42.5	8	
Tingwall Runway Resurfacing	40.3	9	
Gilbertson Park Fence	36.3	10	
Levenwick Road	35	11	



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Asset Investment Plan – Progress Report	
Reference Number:	ACP-03-24-F	
Author / Job Title:	Robert Sinclair, Executive Manager – Assets, Commissioning & Procurement	

1.0 Decisions / Action required:

The Policy and Resources Committee RECOMMENDS that the Council:

- 1.1 NOTES the progress of the projects within the Asset Investment Plan; and
- 1.2 APPROVES the adjustments to capital budgets for updated projected outturn spend in 2023/24, since approval of the 5 Year Asset Investment Plan 2023-28, described at section 4.6.

2.0 High Level Summary:

- 2.1 This report advises the Council on the progress of the projects contained within the Asset Investment Plan, split into the following categories:
 - projects which are currently underway in 2023/24;
 - projects which are complete and awaiting final fees;
 - annual capital maintenance and replacement programmes; and
 - potential projects which are awaiting prioritisation and business case approval.
- 2.2 It includes a summary of the financial status for the full life of each project except the rolling capital maintenance and replacement programmes, which show the 2023/24 annual budgets only as these programmes do not have a finite life.

3.0 Corporate Priorities and Joint Working:

- 3.1 This report forms part of the annual performance reporting arrangements on financial matters in support of the Financial Strategy, Reserves Policy and Budget Strategy.
- 3.2 The projects and programmes within our Asset Investment Plan are fundamental to delivering 'Our Ambition 2021-26'. They contribute to creating a positive, confident and sustainable future for Shetland by sustaining and creating jobs, contributing to the production of sustainable and green energy, reducing the Council's carbon footprint and enabling wider stakeholder and public engagement in local democracy and decision-making.

4.0 Key Issues:

- 4.1 This report provides an overview of projects and programmes of work in the Council's 5 Year Asset Investment Plan 2023-28, shown in the Appendices 1 to 4 attached.
- 4.2 Where projects take place over a number of financial years, this report shows the full project budget from the beginning to completion of the project.
- 4.3 This report shows the capital maintenance and replacement programme budgets and projected outturn position for the current year. Details of the works contained in these programmes, and associated budgets, are reported to Members in the annual Capital Maintenance & Replacement Programme Update reports presented to each Service Committee.
- 4.4 Quarterly monitoring information on capital expenditure is provided by the Executive Manager - Finance for inclusion in each Directorate Performance Report, detailing the progress of all capital project and programme expenditure within the current financial year.

Capital Budget Adjustment Requirements

- 4.5 The Council's Financial Regulations require any proposed changes to existing capital budgets to be reported and approved.
- 4.6 The following adjustments to capital budget are proposed for approval in this report to meet requirements in 2023/24:
 - 4.6.1 ERP Control Systems Upgrade - removal of £201k
This project will be added to the potential projects for future year prioritisation awaiting presentation of a business case.
 - 4.6.2 Roads Equipment Maintenance - removal of £32k
This project will be added to the potential projects for future year prioritisation awaiting presentation of a business case.
 - 4.6.3 Land/ Property Acquisition - additional £150k
For the purchase of a 2 bedroom property for social rent under delegated authority for strategic housing acquisition opportunities. This is funded by £83k external grant funding from the Scottish Government's Affordable Housing Supply Programme, with the remainder of £67k funded from the Council's ring fenced 2nd Homes Council Tax Reserve, held for this purpose.
 - 4.6.4 Health & Social Care Information System Replacement - removal of £222k
This project is not proceeding as previously approved and a new business case will be considered later on today's agenda.
 - 4.6.5 Project Slippage - removal of £10.893m
The following projects will slip into 2024/25 and future years and have already been incorporated into the draft 2024-29 Asset Investment Plan as part of the Budget Book for 2024/25 and therefore the budget can be removed from the current year:

Project	Slippage Amount £000
Happyhansel Multicourt Refurbishment	52
Financial Management System Migration	118
Islands Connectivity Plan - Fair Isle	2,825
Energy Recovery Plant Maintenance	369
Landfill Capping	85
A970 Levenwick Road Improvements	39
St Olaf Street Retaining Wall	200
Vehicle Replacement - General Fund	3,500
Vehicle Replacement - Ports & Harbours	415
Vehicle Replacement - HRA	265
Terminal Life Extension Works	300
Roads Rolling Bridge Replacements	25
Housing Quality Standard	2,000
Sandveien Component Replacement	700
Total	10,893

5.0 Exempt and/or confidential information:

5.1 None.

6.0 Implications :

6.1 Service Users, Patients and Communities:	Upon completion, the projects described in the appendices to this report will either enhance the quality and/ or condition of the assets available to the people of Shetland, or add to them.
6.2 Human Resources and Organisational Development:	No implications arising directly from this report.
6.3 Equality, Diversity and Human Rights:	No implications arising directly from this report.
6.4 Legal:	Many of the projects referred to within this report will have legal implications. Legal advice will be sought for each project to ensure that the Council complies with all statutory and legal requirements.
6.5 Finance:	<p>6.5.1 The adjustments to approved budgets in 2023/24 referenced at paragraph 4.6 above will result in a net reduction in budget requirement for the year of £11.198m across the General Fund, HRA and Harbour Account, with a corresponding reduction in budgeted funding requirement of £8.456m from Reserves and £2.742m from external funding.</p> <p>6.5.2 The following table is a summary of the full project budgets across the life of the projects showing projected outturn, and external funding detailed in Appendices 1-3:</p>

	<table><tr><th colspan="2">Appendix No. Name</th><th>Approved Budget £m</th><th>Projected Outturn £m</th><th>External Funding £m</th></tr><tr><td>1</td><td>Projects Underway</td><td>45.182</td><td>45.146</td><td>(32.656)</td></tr><tr><td>2</td><td>Projects Completed awaiting final fees</td><td>9.632</td><td>9.677</td><td>(4.988)</td></tr><tr><td>3</td><td>Capital Maintenance & Replacement</td><td>18.232</td><td>11.425</td><td>(8.211)</td></tr><tr><td colspan="2">Overall Total</td><td>73.046</td><td>66.248</td><td>(45.855)</td></tr></table>	Appendix No. Name		Approved Budget £m	Projected Outturn £m	External Funding £m	1	Projects Underway	45.182	45.146	(32.656)	2	Projects Completed awaiting final fees	9.632	9.677	(4.988)	3	Capital Maintenance & Replacement	18.232	11.425	(8.211)	Overall Total		73.046	66.248	(45.855)
Appendix No. Name		Approved Budget £m	Projected Outturn £m	External Funding £m																						
1	Projects Underway	45.182	45.146	(32.656)																						
2	Projects Completed awaiting final fees	9.632	9.677	(4.988)																						
3	Capital Maintenance & Replacement	18.232	11.425	(8.211)																						
Overall Total		73.046	66.248	(45.855)																						
	<p>6.5.3 Appendix 4 shows the Potential Projects awaiting prioritisation and inclusion for delivery in the Asset Investment Plan. The full life budgets for these projects totals £144m, with estimated possible external funding of £35m resulting in an estimated cost to the Council of £109m. Once business cases have been presented and approved for these projects, prioritisation and affordability will be required to be determined before final approval to proceed.</p>																									
6.6 Assets and Property:	Upon completion, the projects described in the appendices to this report will either enhance the quality and/ or condition of the Council’s existing asset base, or add to it.																									
6.7 ICT and new technologies:	No implications arising directly from this report.																									
6.8 Environmental:	All maintenance and new-build projects seek to address climate change and carbon management for example by embedding energy saving measures and environmentally friendly materials in their design. Where possible, assets are repaired and maintained where this reduces the carbon footprint associated with new-build. Environmental Impact Assessments are carried out where the nature or scale of the project dictates.																									
6.9 Risk Management:	The main areas of risk are financial in terms of over or under-spend. Regular progress reports to Committee and the Council enable Members to monitor the investment plan.																									
6.10 Policy and Delegated Authority:	<p>The remit of Policy and Resources Committee includes securing the co-ordination, control and proper management of the financial affairs of the Council.</p> <p>To that end, it undertakes the planning and preparation of the Council’s annual service plans and budget estimates of capital and revenue expenditure.</p> <p>Approval of the financial strategy and budget framework is a matter reserved for the Council having taken advice from Policy and Resources Committee.</p>																									
6.11 Previously considered by:	N/A																									

Contact Details:

Robert Sinclair, Executive Manager – Assets, Commissioning & Procurement
robert.sinclair@shetland.gov.uk

27 February 2024

Appendices:

Appendix 1 - Projects underway in 2023/24

Appendix 2 - Completed Projects with Final Fees Outstanding

Appendix 3 - Capital Maintenance & Replacement Programmes

Appendix 4 - Potential Projects

Background Documents: None

END

Asset Investment Plan Progress
Individual Projects Underway in 2023/24

ACP-03-24 - Appendix 1

Full Project Costs from Commencement of Project

Service Area	Project Name	Approved Budget £000	Projected Outturn £000	Projected Variance Under/ (Over) Budget £000	Date to be Completed	Project Update	Projected External Funding (£000)	Projected Cost to SIC £000
Assets, Commissioning & Procurement	Boat Store Recommissioning	341	341		Sept 2024 (Utilities)	Further work to separate utilities ongoing. Awaiting further updates.		341
Assets, Commissioning & Procurement	Knab Site Redevelopment	3,865	3,788	77	Phase 2 Demolition Anticipated March 2023	Phase 2 demolition contract almost complete. The design of infrastructure and public realm is complete and a planning application was submitted in October 2023.		3,788
Environment & Estate Operations	Landfill Phase 3 Construction	75	75		TBC	Consultants to be appointed by 1 March 2024, and they will then start work on the design of the new landfill cell. Completion date will not be known until we get confirmation back from consultants		75
Ferry Operations	Ferry Terminal Life Extension Works	7,038	7,038		TBC	Update report presented and approval of additional project budget received. Vidlin, Skerries, Symbister, Laxo, Gutcher and Belmont Linkspans are now complete. Bressay currently programmed for May 2024 with Lerwick to follow later in 2024. West Burrafirih, Papa Stour, Hammarsness, Toft and Uista to follow over 2025 and 2026.	(4,717)	2,321
Finance	Financial Management System Migration	118	118		March 2025	Purchase order submitted, data-sharing agreements being finalised in time for beginning implementation in Summer 2024		118
Housing	Sandveien Refurbishment	1,800	1,700	100	End June 2024	This line covers Component Replacement Contracts (Kitchens / Bathrooms / Heaters) currently onsite with completion June '24.		1,700
Housing	Land/Property Acquisition	125	275	(150)	November 2023	Purchase of properties for social rent under delegated authority for strategic housing acquisition opportunities. Part funded by external grant from Scottish Government Affordable Housing Supply programme and 2nd Homes Council Tax Reserve.	(166)	109
Roads	B9082 Cullivoe Road Improvements	599	599		TBC	The date of reporting the Full Business Case is now Sept 2024. The draft of the Environmental Impact Assessment has been received by Roads Services. It requires to be revised, reviewed, finalised and submitted with the Planning Application. Progress is being made on land acquisition.		599
Roads	A970 Levenwick Road Improvements	94	94		TBC	Detailed design complete and agreement reached with adjacent land owners. Planning have confirmed that this project can be progressed under the road authority's permitted development rights. Roads are to reconsider the previously discounted option of installing a safety barrier along the eastside of the road now made possible due to developments in barrier technology. Advantages and disadvantages to be presented in an updated report to the Policy & Resources Committee.		94
Roads	Hillhead Railing Replacement	68	63	5	March 2023	Ramp sections opposite Shetland Library to be completed before year end.		63
Roads	Flood Damage Works	39	39		August 2023	Repairs and coastal protection works to be undertaken at the turning head at Boustas, Sandness.	(38)	1
Roads	Active Travel Transformation Fund	242	242		March 2024	Construction of new and improvement / widening of existing footpaths at the A970 Gulberwick, Gardentown Road, Symbister, Baltasound, the A970 South Road Roundabout and Moorfield in Mossbank. Works completed at Brae.	(242)	
Roads	St Olaf Street Retaining Wall	243	243		November 2023	Works have been tendered with tender sum exceeding the cost estimate and budget by £78,410.		243
Schools	Sandwick Multicourt	107	107		Funding time sensitive - March 2024	Following update from Contractor on 26 Feb 2024 works on schedule to be completed before financial year end.	(95)	12
Schools	Happyhansel Multicourt Resurfacing	52	52		(i) May 2024	These works are not due to start until April 2024 with completion in May 2024. Confirmation given from Education that these works can slip into next financial year.		52
Sports & Leisure	Play Park Renewal	437	432	5	September 2023	Rolling programme of play park renewals across Shetland. During the financial year 2023/24 four items of accessible play area equipment have been installed in the King George V Play Area, this was completed in September 2023.	(432)	
Transport Planning	Islands Connectivity Plan - Fair Isle	29,736	29,736		TBC	Progress is being made as follows: Naval Architects have been appointed; Tender documentation for supply of a vessel was developed with the contract notice published on 12th October; - Pre-Construction engagement with Main Contractor underway; Planning Consent and Marine License determination for Grutness complete; Grutness Marine License variations and dredge licence submitted; Planning Consent and Marine License determination for Fair Isle complete; Project timeline under revision; Updated detailed design of Infrastructure almost complete; Updated Draft Full Business Case Strategic and Economic dimensions due to be shared with DfT in March 2024, for early review/feedback; The funding award of £26,762,313 from the UK Government's Levelling Up Fund, is subject to Full Business Case approval. The project team are working towards achieving Full Business Case approval from the Council and the DfT to enable commencement of infrastructure construction and vessel construction in 2024. The overall programme to meet the LUF spending deadlines by March 2026 remains very time critical.	(26,762)	2,974
Transport Planning	Regional Active Travel projects	203	203		2024/25	Proposal to create a footpath in Burrae unlikely to go ahead this financial year due to land purchase requirements, alternative options to be investigated and proposals put to Policy & Resources. No further updates.	(203)	
Total		45,182	45,146	36			(32,656)	12,490

Asset Investment Plan Progress
ACP-03-24 - Appendix 2
Completed Projects with outstanding retentions/final fees

Full Project Costs from Commencement of Project

Service Area	Project Name	Approved Budget £000	Predicted Project Outturn £000	Under/ (Over) Budget £000	Date Completed	Update	Outstanding Retentions £000	External Funding (£000)	Cost to SIC £000
Assets, Commissioning & Procurement	Lerwick Library Refurbishment	1,666	1,772	(106)	November 2021	Works complete and final account agreed, retention will be paid following cladding panel replacement. Overspend in previous years due to shelving purchase and Covid project delays, causing contract slippage and increased fees.	18		1,772
Early Years	Early Learning Expansion across all areas	3,930	3,930		July 2021	All works complete and final accounts settled. Internal fees still to be processed. Fully externally funded by Scottish Government.		(3,930)	
Ferry Operations	Toft Ferry Terminal Painting	550	550		October 2023	Works complete and final invoices expected. Contract sum paid, 50% retention due for release next month, 50% due 2025.	11	(550)	
Roads	Streetlighting LED Upgrade	2,801	2,783	18	November 2023	Works complete.	22		2,783
Roads	Burra Bridge Painting	685	642	43	June 2023	Works complete.	20	(508)	134
	Total	9,632	9,677	(45)			71	(4,988)	4,690

Asset Investment Plan Progress
Capital Maintenance & Replacement Programmes
2023/24 Annual Budgets only

ACP-03-24 - Appendix 3

Service Area	Project Name	Approved Budget £000	Projected Outturn £000	Projected Variance Under (Over) Budget £000	External Funding (£000)	Cost to SIC £000
Environment & Estate Operations	Building Maintenance Capital Works	1,096	1,096			1,096
Environment & Estate Operations	Energy Recovery Plant Maintenance	795	426	369		426
Environment & Estate Operations	Gremista Waste Management Facility Plant	25	25			25
Environment & Estate Operations	Vehicle & Plant Replacement Programme incl HRA & Ports Vehicles	6,512	2,326	4,186		2,326
Environment & Estate Operations	Fleet Garage - Plant & Equip Replacement	23	23			23
Environment & Estate Operations	Burial Grounds Capital Works	49	49			49
Environment & Estate Operations	Landfill Capping	93	8	85		8
Housing	Housing Quality Standard	4,347	2,358	1,989	(1,000)	1,358
Housing	Accessible Adaptations	75	75			75
Housing	Structural Remediation Works	2,300	2,185	115	(701)	1,484
Housing	Heating Replacement Programme	660	660			660
ICT	PC & LAN Replacement incl Ports	213	213			213
ICT	Schools ICT Equipment	266	266			266
ICT	Photocopier Replacement	74	74			74
ICT	Shetland Public Sector Network	119	119			119
Ports & Harbours	Plant & Equipment	150	115	35		115
Ports & Harbours	Nav Aids - Sullom Voe	288	288			288
Ports & Harbours	Building Maintenance Capital Works	26	26			26
Roads	Cycling, Walking, Safer Routes	147	147		(147)	
Roads	Bridge Repairs/Replacement	25		25		
Roads	Traffic Management & Accident Reduction	139	139		(43)	96
Roads	Road Reconstruction	467	467			467
Roads	Road Safety Barrier Replacement	130	130			130
Roads	Pelican Crossings	27	24	3		24
Roads	Scord Quarry Plant Replacement	184	184			184
Scottish Government General Capital Grant					(6,320)	(6,320)
	Total	18,232	11,425	6,807	(8,211)	3,214

Asset Investment Plan Progress
Potential Projects awaiting Prioritisation

ACP-03-24 - Appendix 4

Estimated Full Project Costs

Service Area	Project Name	Estimated Project Budget £000	Estimated External Funding (£000)	Estimated Cost to SIC £000	Update
Assets, Commissioning & Procurement	Knab Site Infrastructure Build	4,900	(1,900)	3,000	Business Case approved 22 February 2024.
Environment & Estate Operations	ERP Control System Upgrades	406		406	Awaiting Business Case presentation . This is a collaborative project with SHEAP and development of the BJC is being undertaken with help and assistance from COWI.
Environment & Estate Operations	Landfill Phase 3 Construction	2,000		2,000	Business Justification Case approved for design works to inform costs, further business case required for construction works once design complete.
Environment & Estate Operations	Chargepoint Infrastructure - Greening the Fleet	1,308		1,308	The methodology for delivery has shifted towards a ten year rolling programme of delivery. This focuses on a flexible approach to transition that's able to make best use of opportunities. This reflects the rapid pace of change in this sector and the overall difficulty in establishing which technology path will be the most beneficial. The aim will be to transition strategic locations to a mix of renewable technology vehicles with investment in charging infrastructure carried out on a case-by-case basis. Business Justification Case approved 22 February 2024.
Environment & Estate Operations	Greening the Fleet - General Fund, Harbour and HRA	1,956		1,956	
Ferry & Air Operations	Tingwall Runway Resurfacing	1,414		1,414	Business Justification Case approved 22 February 2024.
Ferry & Air Operations	Foula Waiting Room	50		50	Business Justification Case to be presented
Housing	Knab Housing Design	985	(985)		Business Case approved 22 February 2024.
Housing	North Road, Lerwick - Mid Market Rent	1,500	(668)	832	Business Justification Case to be presented
Housing	Old Eric Gray/Kantersted Development	3,260	(738)	2,522	Outline Business Case to be presented
Housing	Janet Courtney Hostel	5,275	(1,846)	3,429	Outline Business Case to be presented
Housing	Knab Redevelopment - Phase A	3,490	(895)	2,595	Outline Business Case to be presented
Housing	Knab Redevelopment - Phase B1	9,500	(2,040)	7,460	Outline Business Case to be presented
Housing	Knab Redevelopment - Phase B2	1,600	(1,020)	580	Outline Business Case to be presented
Roads	B9802 Cullivoe Road Improvements	9,500		9,500	Full Business Case to be presented Sept 2024.
Roads	A970 Levenwick Road Improvements	4,976		4,976	Detailed design complete and agreement reached with adjacent land owners. Planning have confirmed that this project can be progressed under the road authority's permitted development rights. Developments in barrier technology may allow a previously discounted, less expensive, option to be reconsidered.
Roads	A971 West Burrafrith Junction to Walls	9,446		9,446	Strategic outline case approved by Council. Work has begun on the report for the Outline Business Case. Design work is required to enable consideration of one of the options to be proposed in the OBC.
Roads	Retaining Walls Stendaal, Nesting	315		315	Business Case approved by Council, awaiting funding approval and prioritisation in the Asset Investment Plan.
Roads	Roads Equipment Rolling Programme	35		35	Business Justification Case to be presented
Schools	Brae High School	38,000		38,000	The bid for funding to Phase 3 of the Scottish Government's Learning Estate Improvement Programme was successful - confirmation received on 30 October 2023. The Outline Business Case for A New Campus in Brae for the North Mainland (The Brae Campus) was approved by the Council on 24 January 2024.
Schools	Outdoor Learning	500		500	Business Justification Case approved 22 February 2024.
Sport & Leisure	Clickimin 3G Synthetic Turf Pitch	1,200	(710)	490	Business Justification Case presented and funding bids submitted. Council contribution now £490k.
Sport & Leisure	Gilbertson Park Fence Replacement	107		107	Business Case approved 22 February 2024.
Transport Planning	Active Travel Infrastructure Rolling Programme	500	(500)		Business Case approved 22 February 2024.
Transport Planning	Islands Connectivity Plan - Fair Isle - Construction	41,436	(23,702)	17,734	Full Business Case to be presented
	Total	143,658	(35,003)	108,655	



Meeting(s):	Employees Joint Consultative Committee	6 February 2024
	Local Negotiating Committee for Teachers	12 March 2024
	Policy & Resources Committee	20 March 2024
Report Title:	Learning at Work Policy and Procedures	
Reference Number:	HR-01-24F	
Author / Job Title:	Ingrid Smith, Executive Manager – Human Resources	

1.0 Decisions / Action required:

- 1.1 That the Employees Joint Consultative Committee (EJCC) and the Local Negotiating Committee for Teachers (LNCT) consider and support the new Learning at Work Policy and Procedures as set out in Appendix 1 and Appendix 2.
- 1.2 That the Policy and Resources Committee RESOLVE to approve the new Learning at Work Policy and Procedures as set out in Appendix 1 and Appendix 2.
- 1.3 That the Council's Executive Manager – Human Resources be given delegated authority to agree updates on the Learning at Work Policy where these are required to give effect to legislative requirements, Council decisions or changes in operational procedure, and to note that any such changes will be notified in the document version control and, where considered necessary, by a briefing note to Councillors and/or officers.

2.0 High Level Summary:

- 2.1 The Learning at Work Policy, set out in Appendix 1, outlines the Council's proposed new approach to learning, training and workforce development.
- 2.2 The Learning at Work Policy and Procedures will replace the current Workforce Development Policy which has been in place since 2017.
- 2.3 The vision of the Learning at Work Policy is 'to have an engaged, highly skilled and adaptable workforce who feel valued and are supported to deliver excellent services for Shetland'.
- 2.4 The Council is committed to improving the ongoing job satisfaction and potential of all staff and learning at work plays a very important part of this. Learning must be available and accessible to all staff no matter their job role. Staff should feel that they are given the support to learn, both formally and informally.

- 2.5 The Learning at Work Policy development has been supported by a short life working group. The result is a Policy document with key principles, supported by accompanying procedures. The proposed new Policy is underpinned by the Council's values.
- 2.6 The Learning at Work Policy will support effective workforce planning and be a key tool for managers in developing service redesign models to deal with their ongoing workforce recruitment and retention challenges.

3.0 Corporate Priorities and Joint Working:

- 3.1 Our Ambition 2021-2026 states 'Our ambition is for the Council to be a fabulous place to work, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality' (Our Ambition, 2021-2026)
- 3.2 The Workforce Strategy 2021-2026 priorities, within the principle Right Skills: 'We are committed to ensuring we have a sustainable, well skilled inclusive workforce for the future, and will support the development of all our staff through an extensive workforce development programme to ensure staff continue to have the skills required to deliver high quality services to our community, We value all our employees and are committed to investing in their career to ensure the Council's future success and our community's resilience.'
- 3.3 The Learning at Work Policy will support Council employees to build knowledge, feel motivated and develop skills which will become embedded in the workplace. This will support the Council's organisational strategy and performance as well as its adaptability to changing organisational needs.

4.0 Key Issues:

- 4.1 The current Workforce Development Policy has been in place since 2017 and whilst many aspects are still relevant, the complex landscape we now find ourselves in means we must review and adapt.
- 4.2 The Council faces ongoing workforce challenges including recruitment and retention issues. The ability to recruit, develop and retain people with the right skills is key to delivering our organisational outcomes.
- 4.3 There have been unprecedented challenges due to the COVID-19 pandemic whereby staff had to adapt quickly and many staff had to be supported to work remotely. The impact of this continues and the ability to learn, adapt and continuously improve has never been more important.
- 4.4 We need to develop our plans around recruitment, retention and supporting our workforce. This Policy will enable us to increase our focus on things like 'grow our own' programmes, training and reskilling, apprenticeships, employability and investment in individual career development for new and existing staff.

4.5 The main changes in the Learning to Work Policy are:

- The Policy now consists of a document with key principles and supporting procedures that looks more specifically at roles and responsibilities.
- The Policy and procedures now applies to all council staff; previously teachers were not included.
- There is greater emphasis on developing the Workforce Strategy priority of 'Right Skills' including areas such as knowledge & skills, values & behaviours, coaching & mentoring, digital, talent management and leadership development.
- The Policy links directly to the Continuous Conversations Policy and the Secondment Policy.
- Greater consideration has been given to talent management, succession planning, career pathways and re-skilling. These were all key areas that came from discussions with managers and the survey that was undertaken with employees as part of the Policy review.
- The acknowledgement that career development is not always a linear process.
- Apprenticeships and employability programmes are now included as key areas.
- The importance of staff wellbeing in the context of learning.

5.0 Exempt and/or confidential information:

None

6.0 Implications :

6.1 Service Users, Patients and Communities:	<p>Having a high performing and motivated workforce has a positive impact on the delivery of Council services to the Shetland Community.</p> <p>The Council's values statement underpins this Policy. "Excellent service is at the heart of everything we do. We provide excellent service by making sure we understand, meet and manage our service users' needs"</p>
6.2 Human Resources and Organisational Development:	<p>The policy will contribute to staff feeling supported, valued, able to do their job to the best of their abilities. It will lead to greater levels of staff retention as well as positively impacting on our aim to grow and develop our workforce with the right skills.</p>
6.3 Equality, Diversity and Human Rights:	<p>This policy puts in place a system to ensure all employees feel valued and supported at work through access to learning at work. All employees should have access to learning at work to ensure they are given the opportunity to grow and realise their full potential. There should be no barriers to accessing learning at work.</p> <p>An Integrated Impact Assessment (Appendix 3) has been completed in developing this policy which shows no detrimental impact on staff with protected characteristics and requires no further information to be gathered.</p>

6.4 Legal:	The proposed policy is based on best practice and is compliant with the general principles set out under relevant legislation and employment law, which relate to the Council ensuring it manages its workforce appropriately.	
6.5 Finance:	There are no financial implications arising directly from approving this policy	
6.6 Assets and Property:	None arising directly from this report.	
6.7 ICT and new technologies:	Forms relating to the Learning at Work Policy and procedures will be available through Firmstep on the Interact platform. This provides an accessible processing platform and will be updated as required.	
6.8 Environmental:	None arising directly from this report	
6.9 Risk Management:	The Council's risk register has identified failure to recruit and retain sufficient skilled employees to deliver services as a risk. This Policy will contribute to having an HR framework in place that supports a qualified, high performing, flexible and agile workforce.	
6.10 Policy and Delegated Authority:	<p>All matters which relate to staffing are referred to the Employee's Joint Consultative Committee, and the Local Negotiating Committee for Teachers to provide a formal mechanism for open and constructive consultation between the Council and its employees, prior to presentation to the Policy and Resources Committee.</p> <p>The Policy and Resources Committee is responsible for the development and operation of the Council as an organisation and all matters relating to organisational development and staffing.</p>	
6.11 Previously considered by:	None	N/A

Contact Details:

Sarah Henry, Workforce Development Advisor
sarah.henry@shetland.gov.uk
19 January 2024

Appendices:

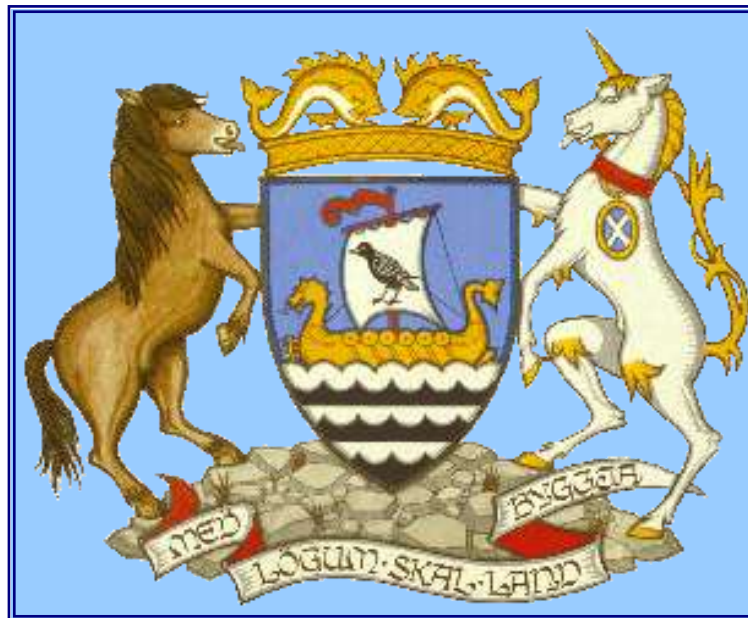
Appendix 1 – Learning at Work Policy
Appendix 2 – Learning at Work Procedures
Appendix 3 – Integrated Impact Assessment

Background Documents:

END

SHETLAND ISLANDS COUNCIL

Learning at Work Policy



Applies to: All Council staff

Document Information			
Document Name/Description		Learning at Work Policy	
Version Number e.g. V1.1		V1.1	
Author		Sarah Henry, Workforce Development Advisor – Workforce Development	
Lead Officer/Manager		Ingrid Smith, Executive Manager – Human Resources	
Final Approval Date			
Approved by Council/Committee/Group/Manager		EJCC LNCT Policy & Resources Committee	
Review Frequency		3 yearly	
Date of next planned review start		April 2027	
Summary of changes to document			
Date	Version updated	New version number	Brief description of changes

Contents

1.	INTRODUCTION	3
2.	VISION OF THE POLICY	4
3.	PRINCIPLES OF THE POLICY	4
	3.1 Core Principles of Learning at Work	
	3.2 The Principles of Right Skills	
4.	DEFINING LEARNING AT WORK.....	5
5.	STAFF WELLBEING	6
6.	EMBEDDING LEARNING AT WORK	6
	6.1 Learning at Work Methods	
	6.2 Onboarding	
	6.3 Learning in the Flow of work	
	6.4 Individual, Team and Organisational Learning at Work	
	6.5 Learning at Work Categories to Develop the Right Skills (Essential Training)	
	6.6 Succession Planning	
	6.7 Career Pathways	
7.	APPRENTICESHIPS AND EMPLOYABILITY PROGRAMMES	9
8.	EVALUATION.....	9

1. INTRODUCTION

1.1 Shetland Islands Council recognises that its employees are its most valuable asset and they must be given opportunities to grow and develop. The Council is committed to ensuring that learning is available and accessible to all staff no matter their job role. This includes removing any barriers to accessing learning.

1.2 This policy supports the Council's Corporate Plan, Our Ambition, and the Council's Workforce Strategy. It is underpinned by the Council values of excellent service, taking personal responsibility and working well together.

'Our ambition is for the council to be a fabulous place to work, through exceptional employee experience, talented managers and leaders, and a culture underpinned by our values, kindness, fairness and equality' (Our Ambition, 2021-2026)

'We are committed to ensuring we have a sustainable, well skilled inclusive workforce for the future, and will support the development of all our staff through an extensive workforce development programme to ensure staff continue to have the skills required to deliver high quality services to our community. We value all our employees and are committed to investing in their careers to ensure the Council's future success and our community's resilience' (Workforce Strategy, 2021-2026)



Figure 1: Linking learning at work to our strategic aims

1.3 The Council is committed to improving the ongoing job satisfaction and potential of all staff and learning at work plays a very important part of this. There is a commitment to enable employees to build their capacity relevant to their current or future roles.

‘To be effective, the Council must build capacity and capability in our workforce and address the skills, knowledge and behaviours the organisation requires going forward into the future. To do so will require an agile approach to career development and opportunities to reskill and move around the organisation.’ (Secondment Policy)

- 1.4** The Learning at Work Policy applies to all staff and supports equality, diversity and inclusion.

2. VISION OF THE POLICY

To have an engaged, highly skilled and adaptable workforce who feel valued and are supported to deliver excellent services for Shetland

- 2.1** Learning should be part of everyone’s role and should be embedded in the way we do things. All staff should feel that they are given the support to learn, both formally and informally.

3. PRINCIPLES OF THE POLICY

3.1. Core Principles of Learning at Work

The following principles must apply to Learning at Work:

- supports our council values
- is accessible and includes everyone
- allows us to meet our statutory requirements
- is a continuous process and can take place on the job as well as through traditional training
- develops effective talent management to allow the organisation to achieve its full potential
- Ensures we have a ‘talent pipeline’ to support effective succession and workforce planning
- wherever possible, allows staff to take responsibility for their own learning
- impacts on all the work we do and ensures services are delivered to a high standard
- recognises the importance of staff wellbeing
- ensures that no direct or indirect discrimination can be claimed when making a decision in relation to learning at work
- ensures that staff are supported with protected time to complete all aspects of their core/essential learning at work (separate arrangements will apply to study time for qualifications)

3.2. The Principles of Right Skills

The way we work continues to change and evolve. The Council is committed to ensuring that we identify the skills that are needed now and in the future in order to meet the demands we face. The key principles we have identified to support the right skills are shown in figure 2.



Figure 2: The key principles when thinking about the ‘right skills’ (Workforce Strategy, 2021-2026)

Through these principles we will:

- Continually improve the way we do things
- Equip everyone with the skills needed to do their current job/future job
- Support all employees to take personal responsibility for their learning in order to learn in the ways that best suit them
- Identify and act on any barriers to accessing learning at work
- Ensure we are aware of any skills gaps and act on these accordingly

4. DEFINING LEARNING AT WORK

4.1 Learning at Work encompasses training, learning and development as defined below:

- **Training** is instructor-led and content based, designed to lead to skills or behaviour changes
- **Learning** is a self-directed, work based process that leads to increased adaptability (could be provided by coaching/mentoring opportunities or being part of an online community or personal learning network)
- **Development** implies a longer-term and broader process – acquiring skills or knowledge by a range of different means such as coaching, formal and informal learning, education/qualification or planned experience.

‘When undertaken effectively, learning supports organisational strategy, performance and bolsters workplace skills.’ (The Chartered Institute of Personnel and Development) Learning at work should build knowledge, motivate staff, develop skills and become embedded in the workplace. Employees must be given the opportunity to reflect on their learning and how it

has impacted on them in their own context, if they wish to do so. This could be done through continuous conversations/professional review & development.

5. STAFF WELLBEING

5.1 This policy recognises that promoting and supporting staff wellbeing is crucial in ensuring that learning at work is successful and an important factor to consider within this policy is personal growth. The Council is committed to ensuring that learning at work promotes and supports personal growth through:

- Ensuring staff feel safe at their work
- Building staff resilience and supporting them to manage change (this could include re-skilling)
- Building trust amongst staff to support positive relationships
- Giving staff meaningful choice in how they learn
- Opportunities for staff to collaborate and learn from each other
- Empowerment for staff over their learning
- Developing creative approaches to learning at work

6. EMBEDDING LEARNING AT WORK

6.1 Learning at Work Methods

The council recognises that employees will have different ways of learning so are committed to offering a variety of learning at work methods. These include:

- Live face to face or virtual training courses/conferences
- Blended learning training courses (combined face to face and e-learning)
- E-learning
- Online courses/webinars
- Study leading to a formal qualification
- Self-directed study/reading
- Work-shadowing or secondment
- Project work
- Mentoring or workplace coaching
- Learning on-the-job
- In service days (schools)

6.2 Onboarding

Onboarding is the process for introducing new employees into the council. The council recognises the importance of supporting new employees. The Council's Onboarding programme will provide new employees with the information and tools to support them through the course of their employment.

6.3 Learning in the Flow of Work

This policy recognises that for some areas of development employees must be able to access learning when they need it. This concept of learning in the flow of work/learning in the moment/learning on the job is not new. The Council is committed to learning being accessible during work, in the workplace environment, encouraging staff to access learning when they need it most and removing any barriers which may stop this from happening. There is a commitment to providing online learning content that is relevant and up to date.

6.4 Individual, Team and Organisational Learning at Work

For learning to be impactful, we need to consider the environment in which the learning is taking place. 'An organisation has a learning culture (learning organisation) when it embeds learning into its way of doing things, at an individual, team and organisational level.' (Creating Learning Cultures, The Chartered Institute of Personnel and Development, 2020). See figure 3

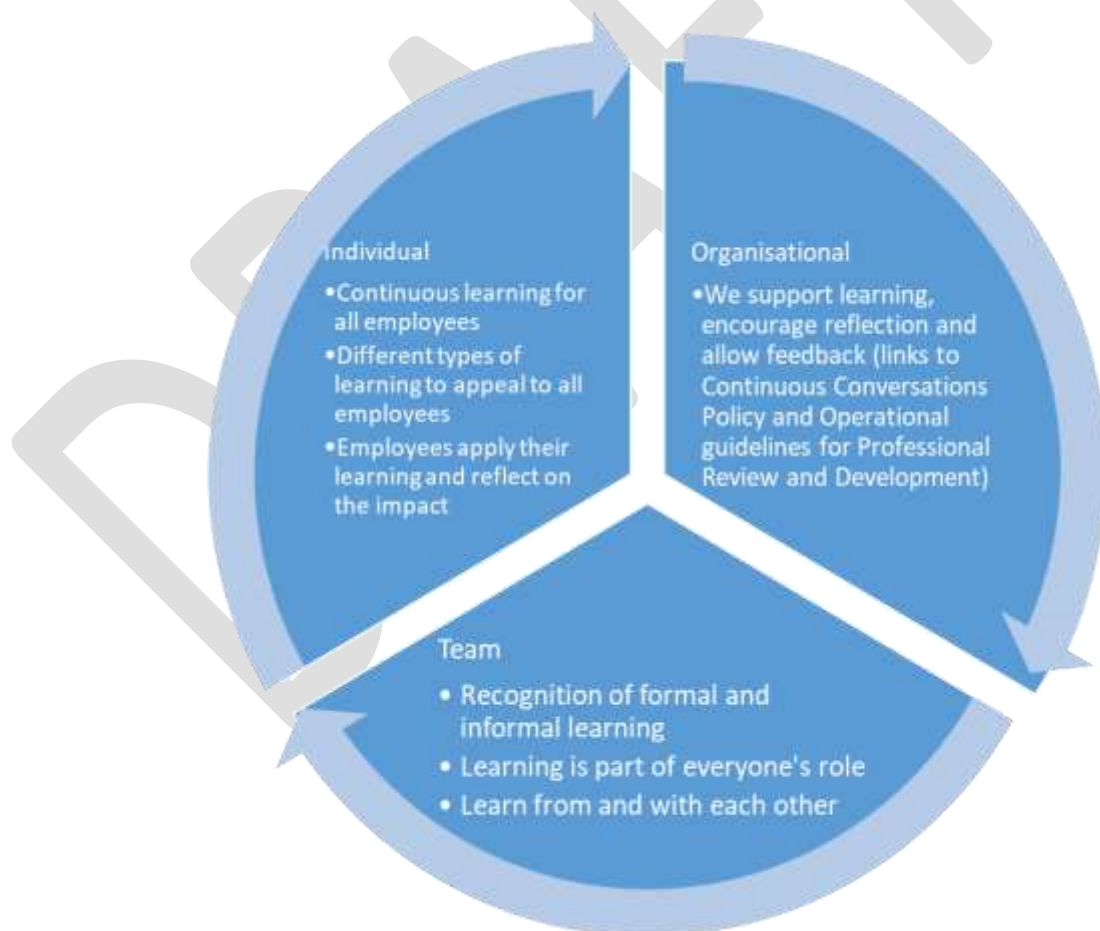


Figure 3: Embedding the learning

At an individual level there is recognition that that whilst some employees may look for career development routes, others may be happy in the role they are in.

The Council is committed to ensuring that learning develops you in the role you are in and allows career development opportunities for those who wish. It is acknowledged that career development is not always a linear process so there is also a commitment for 'opportunities to reskill and move around the organisation' (Secondment Policy).

At a team level it is recognised that collaboration within a team and learning from and with each other can be extremely beneficial. Formal training will continue to play a very important role but opportunities for teams to reflect on and share their learning by way of follow up to formal learning is equally important.

At an organisational level employees will be supported, through Continuous Conversations (Professional Review and Development for teachers), to identify learning through work requirements, undertake formal and informal learning and develop the right skills (see figure 3) through reflection and feedback.

6.5 Learning at Work Categories to Develop the Right Skills (Essential Training)

The Council will support and fund essential training (in line with the Learning at Work procedures). This includes statutory training, training for registration requirements and training that is deemed necessary for employees to carry out their duties safely, effectively and efficiently. Essential training will help maintain levels of competency to the required Council standards.

Essential training will also include opportunities which link to the 'right skills' (figure 2). This is described in more detail below:

Core Requirements	<ul style="list-style-type: none"> • Compliance with legislation/ registration/regulatory requirements • Induction programmes • Technical skills • Career grade progression • Management skills • Succession planning
Knowledge & Skills Values & Behaviours	<ul style="list-style-type: none"> • Knowledge & skills development for the role employees are in • Opportunities to reskill • Understanding our values and behaviours
Coaching & Mentoring	<ul style="list-style-type: none"> • Enhancing personal and professional growth through coaching and mentoring • Coaching to support Continuous Conversations and Professional Review and Development
Talent Management	<ul style="list-style-type: none"> • Attracting, developing, motivating and retaining employees • On the job stretch • Support for career progression • Support for changing career and knowing what career possibilities there are • Grow our own programmes • Apprenticeships/employability programmes
Digital	<ul style="list-style-type: none"> • Technology to enhance and support learning • Digital skills for the future
Leadership Development	<ul style="list-style-type: none"> • Resilience • Change management • Managing people and interpersonal skills

Figure 4: Essential Training overview

6.6 Succession Planning

Succession planning should closely link with talent management practices and is the process of identifying and developing future leaders, senior managers and critical roles that might be hard to fill. The aim is to be able to fill key roles effectively when a post holder leaves the Council. This links to the Secondment Policy and Temporary Higher Duties Policy. The Council is committed to ensuring that staff can gain new skills/qualifications, move around the organisation, gain experience in other areas and undertake secondments/temporary higher duties to support personal growth and development.

6.7 Career Pathways

This Policy recognises that by building and growing employee capabilities and developing and supporting career pathways that are not restricted to being a linear process, we will grow employee career satisfaction and organisational capabilities in ways that suit individuals.

7. APPRENTICESHIPS AND EMPLOYABILITY PROGRAMMES

- 7.1** The Council is committed to supporting a wide range of apprenticeships and employability programmes.

An apprenticeship is a paid job which combines employment and training. They provide opportunities for the Council to 'grow our own'; combining on the job training with off the job learning. They give the Council an effective way of growing the skills base.

Working with partners, the Council supports employability programmes that offer work experience and on the job learning to those furthest from the labour market and into sustainable employment.

8. EVALUATION

- 8.1** All learning at work should be evaluated to measure the impact and contribution to the Council's strategies and objectives.

Evaluation of learning at work can take different forms from individual course feedback to feedback at a team/organisational level. Managers must ensure that they discuss the impact of training through continuous conversations/professional review and development taking into account the impact on the individual and/or team and any further support that may be needed to embed learning at work into practice.

Learning at Work Procedures

APPENDIX 2



Applies to: All Council staff

1. Context

Learning at Work encompasses training, learning and development as defined below:

- **Training** is instructor-led and content based, designed to lead to skills or behaviour changes
- **Learning** is a self-directed, work based process that leads to increased adaptability (could be provided by coaching/mentoring opportunities or being part of an online community or personal learning network)
- **Development** implies a longer-term and broader process – acquiring skills or knowledge by a range of different means such as coaching, formal and informal learning, education/qualification or planned experience.

2. Learning at work activities

The council recognises that employees will have different ways of learning so are committed to offering a variety of learning through work methods. These include:

- Live face to face or virtual training courses/conferences
- Blended learning training courses (combined face to face and e-learning)
- E-learning
- Online courses/webinars
- Study leading to a formal qualification
- Self-directed study/reading (approved library of resources is provided for staff to access in their own time)
- Work-shadowing or secondment
- Project work
- Mentoring or workplace coaching
- Learning on-the-job
- In-service days (schools)

3. Onboarding

Onboarding introduces new employees to the Council. The Council's Onboarding programme can be found on iLearn. Managers should ensure that new employees have adequate time within their working hours to complete Onboarding.

4. Equality of access

Managers should pay particular attention to equalities legislation, ensuring that no direct or indirect discrimination can be claimed when making a decision in relation to learning at work.

Managers must support staff with paid time to complete all aspects of core/essential learning at work requirements including any e-learning.

5. Funding

As part of approved learning at work the Council will fund the following:

- Course fees
- Exam fees
- First re-sit/extension fees where there are extenuating circumstances
- Fees for texts and course materials considered essential to undertake the course
- Travel/subsistence costs to attend course of study
- Paid time off to attend course of study and exams (as agreed in learning plan and commitment form)
- Paid time off to attend first re-sit (where agreed)

6. Study time for Qualifications

Study time/time off to attend a college/university or another institution/provider for an approved course of study/qualification must be agreed by line managers in consultation with Team Leaders/Executive Managers.

Study time is not guaranteed and must be discussed on a case by case basis. When deciding on study time managers must consider the individual learner's circumstances and the needs of the service. They may also need to consider the availability of relief/supply cover and budget availability as these costs must be met from within Service resources.

Managers and employees must complete a Learning Plan and Commitment form as part of agreeing support for any qualification. The discussion around this could be included in continuous conversations/professional review and development with consideration given to the delivery arrangements of the qualification and any study time requirements. The Learning Plan and Commitment form should specify exactly what paid time off the employee will receive and over what period of time so that expectations are clear from the start. The Learning Plan and Commitment form can be revisited at any time if circumstances change.

7. Paid time for Learning at Work

When attending agreed courses or exams within an employee's normal working hours, mileage will be paid for the distance in excess of normal travel to and from work.

When there is a requirement for an employee to attend training outside their normal work pattern (including public holidays), they will be compensated at straight time for the hours attended, either with pay or with time off in lieu depending on the needs of the service. Mileage to attend will also be paid.

No enhanced rates will be paid for attending training on a public holiday or if working over 37 hours per week.

Travel time out with working hours to attend any training on or off island will not be paid.

Where the duration of the course is shorter than the normal working day/shift, employees are expected to return to work for the remaining hours wherever possible or if applicable use flexi time where appropriate. If an employee does not return to work without prior agreement with their manager they will only be paid for the hours they have attended the course.

Please note the Council will **not** pay for attendance at graduation ceremonies. Annual leave, flexi-leave or unpaid leave must be used for time off to attend graduation ceremonies.

Teachers (other than short term supply teachers) have a contractual requirement to complete a maximum of 35 hours of Continuing Professional Development per annum. Teachers on part-time contracts will complete Continuing Professional Development on a pro rata basis, in accordance with the pro rata contractual arrangements that apply to the working week.

Teachers and music instructors must attend five in-service days. This will be pro rata for part-time staff.

8. Repayment of Qualification fees

If an employee does not complete or achieve a qualification, the employee will normally be required to repay all course fee costs paid by the Council where the total spend has been £650 or more. This will be specified from the outset and documented in the Learning Plan and Commitment Form. There must be a consistent Council-wide approach to this. Executive Managers (in consultation with Human Resources) are permitted to consider waiving all or some of these costs in exceptional circumstances, i.e. where an employee has been affected by prolonged or serious ill health. There may also be situations whereby there is external funding in place for qualifications with separate arrangements for repayment of fees or no requirement to repay fees. This should be discussed with the funding body and be clear from the outset.

Employees who leave the Council within 1 year of achieving a qualification that was funded by the Council (where total course fee spend was £650 or more), will be required to repay the full cost of the qualification. If they leave within 2 years of completing a qualification they will be required to pay back 50% of the cost.

In a voluntary severance/early retirement situation, where the Council has agreed to termination of employment, the employee will not be required to repay qualification fees. Where the council terminates employment for other reasons, such as disciplinary outcome/failed probationary period, then the Executive Manager (in consultation with Human Resources) must consider whether repayment of fee is the appropriate course of action.

9. Roles and Responsibilities

	Provide strategic direction for learning at work	Review council-wide learning at work and its impact	Resolve any training related disputes between services/HR	Promote continuous conversations to help identify learning at work needs	*Promote a learning culture within the Council	Encourage staff to realise their career aspirations	Ensure continuous/ PRD conversations are taking place	Ensure essential learning at work needs are met	Monitor & evaluate learning at work activities and their impact on service delivery
CMT	√	√	√	√	√	√			
Executive Managers/ Team Leaders/ Head Teachers				√	√	√	√	√	√
Line Managers				√	√	√	√	√	√

*Learning culture – embedding learning as a way of doing things at an individual, team and organisational level

	Collate and prioritise learning at work requirements and communicate these with Workforce Development	Support informal and formal learning at work including attendance at training	Ensure in-house training is recorded and/or submitted to Workforce Development	Advise employees of the reason for refusing any learning at work request	Actively engage in conversations about learning at work requirements	Take part in appropriate learning at work activities	Implement learning at work in order to deliver excellent services	Reflect on and share learning at work outputs with colleagues
Line Managers	√	√	√	√	√	√	√	√
Employees					√	√	√	√

10. Human Resources/Workforce Development will:

- Take a strategic view of the learning at work needs of the organisation to ensure they are in line with Council strategies and objectives as well as national drivers
- Lead the development and delivery of learning at work across the Council to meet the workforce priorities including the development of career pathways and re-skilling
- Lead the budget setting process for Council wide training budgets and monitor spend to ensure best value is achieved
- Organise, promote and deliver a programme of learning at work, ensuring best practice and best value
- Promote equality, diversity and inclusion within learning at work
- Monitor and evaluate learning at work to ensure it is cost effective and has a positive impact at an individual, team or organisational level
- Ensure all essential learning at work is delivered in accordance with relevant departmental safety management systems and/or in accordance with external bodies/inspection requirements
- Maintain a Council-wide electronic training records management system
- Work with partners to ensure learning at work information and opportunities are shared
- Lead on the Council's digital learning
- Provide best practice guidance relating to learning at work and support managers in implementing the learning at work policy
- Provide management information that enables effective workforce and succession planning across the Council and the Health and Social Care partnership

11. Evaluation of Learning at Work

All learning at work should be evaluated to measure the impact and contribution to the Council's strategies and objectives.

Evaluation of learning at work can take different forms from individual course feedback to feedback at a team/organisational level. Managers must ensure that they discuss the impact of training through Continuous Conversations/Professional Review and Development taking into account the impact on the individual and/or team and any further support that may be needed to embed learning at work into practice.

Human Resources Workforce Development Advisors can offer ongoing advice and support on all aspects of workforce and organisational development.

12. Training and Qualification records

Council-wide learning at work activity will be recorded and monitored. Electronic learning at work records (including qualifications) will be kept for each Council employee. Learning at work will be reported on as and when required and managers will be supported to produce the reports that they require.

Workforce Development are responsible for capturing:	Managers are responsible for capturing and/or providing records to Workforce Development for:	Individuals are responsible for:
<ul style="list-style-type: none"> • E-learning records through Council approved learning management systems • Learning at work (including qualifications) co-ordinated by the Workforce Development team where there is confirmation of attendance 	<ul style="list-style-type: none"> • Accredited learning at work (including qualifications), undertaken by an employee, that are not delivered/supported by the Council • Any other learning at work supported by the Council but out with Workforce Development's remit 	<ul style="list-style-type: none"> • Maintaining their own learning at work records in a format acceptable to their professional body

13. Commissioning external trainers

The appointment of external training providers will be done in line with the Council's procurement procedures and in accordance with processes managed by the Workforce Development team to ensure best value and quality.

Internal trainers, providing training or coaching to Council employees, must be able to demonstrate their competence through a formal qualification and/or appropriate experience. Advice must be sought from the Workforce Development team to ensure appropriate arrangements are in place. Where an agreement is in place for an employee to deliver in-house training expectations and requirements must be agreed from the outset. Managers must support staff with agreed time off taking into account the needs of their service.

14. Conflict

Employees, or their trade union representative, may refer questions of interpretation or problems related to the application of the Learning at Work policy to the relevant Executive Manager who if necessary, will consult with the Executive Manager – Human Resources.

If this fails to produce a satisfactory outcome for the employee, recourse may then be made through the Council's Grievance Procedure.

*Further information about Workforce Development processes and training application forms (including the Learning Plan and Commitment form) can be found on interact.

Integrated Impact Assessment

Part 1 – Background Information

Name of Responsible Authority:	Shetland Islands Council
Title of Plan, Programme or Strategy:	Learning at Work Policy
Contact Name, Job Title, Address, Telephone Number, Email:	Sarah Henry, Workforce Development Advisor, HR sarah.henry@shetland.gov.uk 01595 7444058
Signature:	<i>S Henry</i>
Date of Opinion:	15.01.2024
Purpose of PPS: Please give a brief description of the policy, procedure, strategy, practice or service being assessed	The Learning at Work Policy replaces the Workforce Development Policy which has been in place since June 2017. Its purpose is to ensure that all staff, regardless of their employment status or length of contract, have access to learning at work. Learning at work should build knowledge, motivate staff, develop skills and become embedded in the workplace. The Council strives to ensure there are no barriers to accessing learning. If barriers are identified then support and any necessary adjustments will be made to ensure the learning can go ahead.
Why PPS was written: What is the intended outcome of this policy, procedure, strategy, practice or service?	The Council recognises that its employees are its most valuable asset. Good people management, ongoing learning and development opportunities, continuous conversations to plan, develop and support employees with their learning at work will help everyone do the best job they can. Learning at work will allow the Council to meet its statutory requirements as well as develop the skills needed now and

	in the future. Talent Management and Leadership Development are key factors supported through the policy.
Period covered by PPS: (i.e. years, months)	3 years
Frequency of Updates (when PPS will next be updated):	A formal policy review will be done by April 2027
Area covered by PPS (geographically and/or population):	All Council employees
The degree to which the PPS sets a framework for projects and other activities, either with regard to the location, nature, size and operating conditions or by allocating resources:	The Learning at Work Policy links to the objectives of the Council's Workforce Strategy 2021-26 and Workforce Plan which says the Council will have an "HR framework in place that supports a flexible and agile workforce and ways of working including the design of jobs and work".
The degree to which the PPS influences other PPS including those in a hierarchy:	The Learning at Work Policy links to a number of other HR policies eg. Continuous Conversations Policy, Secondment Policy, Redeployment Policy, Temporary Higher Duties Policy
Summary of content:	<p>The Policy outlines its purpose and scope and explains why learning at work is so important. It describes embedding learning at an individual, team and organisational level. It outlines the key aspects of developing the right skills.</p> <p>There is also supplementary procedures for all staff which provides information about funding, study time, paid time for learning at work. Additional information about roles and responsibilities for managers and employees is also provided.</p>
Objectives of PPS:	For all employees, wherever they work in the Council, to be engaged in learning at work. Research has demonstrated that when learning is undertaken effectively, it supports organisational strategy, performance and bolsters workplace skills as well as motivating staff.

What are you trying to achieve?	To have an engaged, highly skilled and adaptable workforce who feel valued and are supported to deliver excellent services.
---------------------------------	---

Is this a new or an existing policy, procedure, strategy, practice or service being assessed?	Replaces the previous Workforce Development Policy.
Please list any existing documents which have been used to inform this Integrated Impact Assessment.	Workforce Strategy and Plan 2021-2026 Continuous Conversations Policy Professional Review & Development and Professional Update for Teachers Secondment Policy
Has any consultation, involvement or research with people impacted upon by this change, in particular those from protected characteristics, informed this assessment? If yes please give details.	Yes, an employee survey and a short life working group made up of employee and manager volunteers from across the Council developed the new Policy. Each Directorate was represented on the group so a range of personal experience, needs, and views were heard.
Is there a need to collect further evidence or to involve or consult people, including those from protected characteristics, on the impact of the proposed policy? (Example: if the impact on a group is not known what will you do to gather the information needed and when will you do this?)	No, the previous policy was well established and embedded. The new policy emphasises the need to ensure all staff have the opportunity to engage in learning at work and that there must be no barriers to accessing learning.

Part 2 – People and Communities

	Impact (+ve / -ve / no impact / not known)	Next Steps
Economic	No impact	
Cultural	Positive – the Policy aligns with the Council’s corporate Values. Learning at work is about employee growth and development and creating a culture in the Council where people are comfortable to share and embed their learning. It is about supporting employees to reach their full potential. The Policy also encourages employees to self-direct their own learning if they wish.	
Environment	No impact	
Poverty	Positive - the Policy encourages career development for learning and skills development and the potential for progression into higher paid jobs. The Policy supports apprenticeship and employability programmes that offer work experience and on the job learning to those furthest from the labour market in order to get them into well paid sustainable employment.	
Health	Positive – the Policy encourages ‘personal growth’ linking to staff wellbeing.	
Stakeholders	Positive – through high quality learning at work, employees should be delivering excellent services to stakeholders and communities	
Equalities		
Ethnic Minority Communities (consider different ethnic	Positive – all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through	

groups, nationalities, language barriers)	coaching) will provide support required to embed learning at work and encourage reflection on practice.	
Gender	<p>Positive - all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice. Supporting opportunities for development will have a positive impact on career development that will help reduce the equal pay gap.</p> <p>The Council will ensure that part time employees are not disadvantaged in any way with their learning at work. If core/essential training has to take place out with their normal working pattern then they will be paid for this.</p> <p>E-learning is available and accessible for all employees regardless of working patterns. This allows employees to self-direct their own learning and update their skills and knowledge in a wide variety of subject areas and not just those directly related to their current job role. This could support employees who have caring responsibilities to access training at a time that suits them.</p>	
Gender Reassignment (consider transgender and transsexual people. This can include issues such as privacy of data and harassment)	<p>Positive – all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice.</p> <p>If it is difficult for anyone to access training, all possible support will be</p>	

	arranged to ensure that training can go ahead	
Religion or Belief (consider people with different religions, beliefs or no belief)	<p>No expected impact but all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice.</p> <p>If it is difficult for anyone to access training, all possible support will be arranged to ensure that training can go ahead</p>	
People with a disability (consider attitudinal, physical and social barriers)	<p>Positive – all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice this should identify positive actions, support or reasonable adjustments required.</p> <p>There should be no barriers for people with a disability to develop and progress in The Council. The Council will ensure positive actions are taken to make sure no one is disadvantaged. Employees with learning disabilities or difficulties will be given additional support if they need it. This could include specific software/audio resources and accessibility tools.</p>	
Age (consider across age ranges. This can include safeguarding, consent and child welfare)	Positive – all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice.	

	If it is difficult for anyone to access training, all possible support will be arranged to ensure that training can go ahead	
Lesbian, Gay and Bisexual	<p>No expected impact but all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice.</p> <p>If it is difficult for anyone to access training, all possible support will be arranged to ensure that training can go ahead</p>	
Pregnancy and Maternity (consider working arrangements, part-time working, infant caring responsibilities)	<p>No expected impact but all employees will have the opportunity to discuss their learning at work with their manager as well as any barriers to this. Managers (through coaching) will provide support required to embed learning at work and encourage reflection on practice.</p> <p>If it is difficult for anyone to access training, all possible support will be arranged to ensure that training can go ahead. Keeping in Touch days are a great opportunity for women on maternity leave to take part in training and development which will enable them to update their skills and knowledge, and help them to feel supported and valued.</p>	
Other (please state)		

Part 3 - Resources

	Impact (+ve / -ve / no impact / not known)	Next Steps
--	---	-------------------

Staff	<p>Managers and employees will need to prioritise the time and access to resources for essential learning at work</p> <p>Employees can access developmental opportunities for personal development in their own time if they wish to do so. The Policy promotes a culture of self-directed learning and learning (both formal and informal) being open to everyone regardless of job role and length of contract.</p> <p>The Policy encourages growth and development for employees. There are opportunities available to employees in areas that may be of interest to them that may not specifically relate to the job that an employee currently does. The Policy recognises the potential in all employees and the importance of job satisfaction as well as building capacity for future roles.</p>	A communications plan to launch the Learning at Work Policy will need to be developed
Finance	There are no additional financial implications arising from the introduction of the Learning at Work Policy.	
Legal	There are no legal implications arising from the introduction of the Learning at Work Policy	
Assets and Property	There are no implications	



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Participation and Engagement Policy	
Reference Number:	DV-13-24-F	
Author / Job Title:	Vaila Simpson / Executive Manager Community Planning & Development	

1.0 Decisions / Action Required:

- 1.1 That the Policy and Resources Committee recommends that the Council APPROVE the Participation and Engagement Policy as attached at Appendix A.

2.0 High Level Summary:

- 2.1 This report presents a new Council Participation and Engagement Policy (the "Policy"), including a high level action plan for consideration and approval. The Policy and delivery of the action plan, will help to ensure a consistent and joined up approach to all engagements and consultations, in line with the National Standards for Community Engagement.
- 2.2 The aim of the Policy is to build organisational capacity and embed a culture of participation, setting standards both on how the Council engages with people and communities, and on how such engagement is evaluated and reported.
- 2.3 Implementation of the Policy will be supported by the establishment of a Participation Network, as well as various tools, resources and information to build confidence in planning and delivering community engagements, such as VOiCE and the Participation Hub.

3.0 Corporate Priorities and Joint Working:

- 3.1 Our Ambition 2021-26 sets out the Council's ambition of "Working together for a positive and sustainable future". The Council's Values and Behaviours Statement underpins everything we do, specifically "excellent services" and "working well together". Our work is guided by the imperative to "Harness community strengths, collaboration and assets, particularly to tackle inequalities and enable more improvements in wellbeing to be delivered by the community".

This includes the following:

- "We will deliver strong leadership of place, enabling, facilitating and stimulating opportunities for Shetland"
- "We will use technology to support modern, accessible customer interactions, to be a catalyst for cross-council service improvement and support flexible working practices"

- “We will be a learning organisation with a culture that supports psychological safety, intellectual bravery, experimentation, innovation and a willingness to learn from our mistakes, our experiences, and from employee, customer and community feedback, without fear or defensiveness”
- “Our communications will enable us to clearly explain the challenges and opportunities to our workforce, community, partners and other key stakeholders and to engage them in being a part of the solutions, further strengthening these vital relationships and collaborative working”
- “We will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes”.

4.0 Key Issues:

- 4.1 The Council has duties to involve communities in the development, design, delivery and review of plans and services.
- 4.2 The Community Empowerment (Scotland) Act 2015 has a specific focus on promoting effective engagement and participation to help communities achieve greater control and influence in the decisions and circumstances that affect their lives.
- 4.3 The statements in Our Ambition demonstrate that the Council wants to learn from community engagement and work with communities in the development and delivery of plans and services, because of the value such participation adds to discussion, and the improvements that can be delivered in services and outcomes.
- 4.4 There is a strong history of engaged individuals and communities shaping improvement in public sector services in Shetland, for example Voices for Equity; Recreate Scalloway; the Shetland Place Standard Survey and more recently Community Fun Days; Community Conversations and Nort Natters.
- 4.5 These strong foundations have been built on in recent years, with relationships developing and representation improving following work in various localities, as well as Shetland-wide engagement and consultation. However, indications from the Scottish Household Survey in 2022 are that people in Shetland want to be more involved in the decisions that affect them and have more of a say in how services are planned and delivered.
- 4.6 The Council recognises that participation underpins everything that the Council does and links strongly with all the priorities described in Our Ambition. The statements in Our Ambition, the Scottish Households Survey data and feedback from previous consultations has informed this Policy and action plan.
- 4.7 Underpinned by the National Standards for Community Engagement, the Policy aims to ensure community engagement and participation is consistent across all Council services.
- 4.8 The National Standards for Community Engagement are a set of good-practice principles designed to improve and guide the process of community engagement. These include seven standards that cover the main elements of effective community engagement. These principles will guide the Council participation and engagement, and act as a benchmark for the engagement work carried out.

4.9	Delivery of the action plan will help to build organisational capacity and embed a culture of participation, setting standards on how we engage to allow as many people as possible, including children and young people, to have a voice and shape the way we deliver services.
5.0	Exempt and/or Confidential Information:
5.1	None.
6.0	Implications
6.1 Service Users, Patients and Communities:	<p>An integrated Social Impact assessment and an Islands Community Impact Assessment screening have been completed. There are no direct or indirect negative implications arising from this Policy.</p> <p>The measures contained in the Policy and action plan are designed to build organisational capacity, raise standards and consistency in community participation and engagement across all Council services in line with the National Standards for Community Engagement. The involvement of people and communities in the development and delivery of plans and services and in decision-making, will in turn help to improve outcomes for communities in meaningful ways.</p> <p>Impact assessments will be carried out on individual participation projects and engagements as necessary.</p>
6.2 Human Resources and Organisational Development:	<p>A programme of training and the development of online training modules form part of the action plan. A Participation Hub is also being developed, which will include a toolkit and shared learning space to build capacity across the organisation.</p> <p>The development and establishment of a Participation Network will have staffing implications in relation to the time needed to facilitate or participate with the Network. It is intended that this will be met through the use of existing staff resources.</p>
6.3 Equality, Diversity and Human Rights:	<p>An Equality Impact Assessment screening has been completed and there are no direct or indirect negative implications arising from this Policy.</p> <p>The assessment indicated that there would be positive implications arising from this Policy. The use of the VOiCE tool and the National Standards for Community Engagement in designing and planning participation activity, will ensure that the people and organisations that are affected by the focus of the engagement are identified and involved (where they wish to be involved).</p> <p>Consideration is also given as part of this guided planning to identify and overcome any barriers to participation and the use of engagement methods that are fit for purpose. Equality Impact Assessments will be carried out on individual participation projects and engagements as necessary.</p>

<p>6.4 Legal:</p>	<p>This Policy sets out the Council's approach to meeting its legislative duties under the terms of the Local Government in Scotland Act 2003 (in particular, Part 1 of that piece of legislation). Due regard must be had to any associated guidance.</p> <p>The Best Value Statutory Guidance under its Theme 5 states that "Local authorities, both individually and with their community planning partners, have a responsibility to ensure that people and communities are able to be fully involved in the decisions that affect their everyday lives. Community bodies – as defined in the Community Empowerment Act 2015 (section 4(9)) - must be at the heart of decision-making processes that agree strategic priorities and direction".</p> <p>Links to the Acts and guidance are provided as Background Documents, below.</p> <p>Legal advice will be obtained where necessary on individual participation projects and engagements, including the completion of all relevant, statutory impact assessments where appropriate.</p>
<p>6.5 Finance:</p>	<p>There are potential financial implications associated with this report in that the action plan includes an action to consider a digital platform for all Shetland Islands Council services, to allow the public to interact with the Council more easily and digitally, and to ensure a consistent approach to engagement.</p> <p>It is intended that any procurement of a digital platform will be met through a reallocation of existing resources. Should this not be possible, and subject to available resources, this will be addressed through a future report to Policy and Resources Committee.</p> <p>The development of an online training resource will also have financial implications, and this too will be met through a reallocation of existing resources.</p>
<p>6.6 Assets and Property:</p>	<p>There are no direct implications arising from this report.</p>
<p>6.7 ICT and New Technologies:</p>	<p>The consideration of the procurement of a digital platform is in line with the Council's ICT & Digital strategy 2023-28 – Digital First for Public Service - and the key work area of effective community engagement by utilising digital platforms. (Policy and Resources Committee on 4 December 2023 – Min Ref 73/23).</p> <p>VOiCE is planning and recording software that assists individuals, organisations and partnership to design and deliver effective community engagement. The system enables the use of a common approach to plan, monitor and evaluate community engagement practice.</p>

6.8 Environmental:	There are no direct implications arising from this report.	
6.9 Risk Management:	<p>There is a risk that the desired outcomes are not achieved through a lack of awareness of the Policy, training and support available. Interact will be used to raise awareness of the Policy and for a space to provide information on available training, support, the Network and other tools or resources that can support officers in carrying out participation and engagement work.</p> <p>There is also a risk that, however well-planned and designed, engagement does not reach those affected or their voices are not heard or disregarded through a lack of understanding of the process. The use of VOiCE as an evaluation and reporting tool, can assist the Council to evaluate and report on the engagement processes and outcomes more consistently.</p>	
6.10 Policy and Delegated Authority:	This report is submitted for consideration by the Policy and Resources Committee in terms of its referred authority in advising the Council in the development of its strategic objectives, policies and priorities. Determination and approval of new policy is reserved to the Council.	
6.11 Previously Considered by:	Corporate Management Team	13 February 2024

Contact Details:

Vaila Simpson, Executive Manager – Community Planning & Development

Vaila.simpson@shetland.gov.uk

Date Cleared: 11 March 2024

Appendices:

Appendix A Participation and Engagement Policy

Background Documents:

[Local Government in Scotland Act 2003 \(legislation.gov.uk\)](https://legislation.gov.uk)

[Best Value: revised statutory guidance 2020 - gov.scot \(www.gov.scot\)](https://www.gov.scot)

[Community Empowerment \(Scotland\) Act 2015 \(legislation.gov.uk\)](https://legislation.gov.uk)

END

Participation and Engagement Policy



Introduction

As a Council, we have duties to involve communities in the development, design and delivery of plans and services. However, our principle reason for involving communities is because we see the value communities add to discussions, and the improvements in services and outcomes that come from having people, including children and young people, participate in planning and decision making processes.



90%

Shetland has a vibrant third sector, high numbers of voluntary groups and community owned assets, eighteen active Community Councils, and a better than average proportion of people who feel part of their community (90%, Scottish Household Survey 2022).

We have a strong history of engaged individuals and communities shaping improvement in public sector services in Shetland. These strong foundations have been built on in recent years, with relationships developing and representation improving following work in various localities, as well as Shetland-wide engagement and consultation.

But people in Shetland have told us that they want to be more involved in the decisions that affect them and have more of a say in how services are planned and delivered.

According to a 2022 Scottish Household Survey (SHS) data, 37% of people in Shetland said they wanted to be more involved in decision-making. It is positive that such a large proportion of people want to be more involved, but we could do more to provide opportunities for people to participate if they wish to do so.



37%

Anecdotally, we have heard through conversations with communities, that we need to make sure there is enough time allowed for communities to participate, that we should be honest and up front about the purpose of the engagement, and make it easier for more people to get involved.



30%

In the same 2022 SHS survey, 30% of people said that they felt they could influence decisions that affect them. This is above the Scottish average, but represents just a third of the population and is still relatively low.

We want to be more consistent in how we involve communities and engage on key plans and developments, including the Council's Plan and budget planning. We also want to improve how we keep people informed on what difference their involvement has made, and to share learning and experiences better to reduce the potential for duplication.

This data and feedback from previous consultations has informed the key strands of our policy and action plan.

Our Ambition

Our Ambition sets out the Council's ambition of "Working together for a positive and sustainable future".

Our vision statement:

'Our Ambition 2021-26 is based on a vision of working together to create a POSITIVE, CONFIDENT and SUSTAINABLE future for Shetland. A Shetland where the community's OPPORTUNITIES attract people of all ages to live, work, study and invest in our islands.

The Council's Values and Behaviours Statement underpins everything we do.



The work that we do is guided by the imperative: Harnessing community strengths, collaboration and assets, particularly to tackle inequalities and enable more improvements in wellbeing to be delivered by the community. Of particular relevance to this policy is that:

- We will deliver strong leadership of place, enabling, facilitating and stimulating opportunities for Shetland.
- We will use technology to support modern, accessible customer interactions, to be a catalyst for cross-council service improvement and support flexible working practices.
- We will be a learning organisation with a culture that supports psychological safety, intellectual bravery, experimentation, innovation and a willingness to learn from our mistakes, our experiences, and from employee, customer and community feedback, without fear or defensiveness.
- Our communications will enable us to clearly explain the challenges and opportunities to our workforce, community, partners and other key stakeholders and to engage them in being a part of the solutions, further strengthening these vital relationships and collaborative working.
- We will work with our partners and our community to deliver our priorities through effective leadership, governance and democratic processes.

1 What we will do

Shetland Islands Council believes that participation has the potential to make people's lives better. The principle of empowering people and bringing communities, decision-makers and service providers closer together is that this results in better decisions being taken, resources being used more effectively, and improved outcomes for communities.

This policy details the Council's commitment to working together for a positive and sustainable future, by making it easier for people and communities, to actively participate and be more involved in decisions on the Council's services and use of resources.

In order to be effective and ensure a consistent approach to all consultation and engagements, a *Participation and Engagement Action Plan* will be developed which will include:

- Building on the Council's use of digital technology in engagement, for example a digital platform for all Shetland Islands Council services, to allow the public to interact with the Council more easily and digitally, and to ensure a consistent approach to engagement.
- A Participation Hub, including a toolkit and shared learning space, hosted on the Shetland Partnership website. The toolkit of different engagement methods will promote different approaches to engagement and help to ensure we hear from as many people as possible.
- Promote the use of VOiCE by all Council services, to design and deliver effective community engagement, which takes account of barriers to engagement and which will also help to evaluate and report on the process and outcomes more consistently.
- Use of the Council's internal communication platform to share information and learning, including a resource bank to support in-person engagement, recognising that not everybody has access to digital services.
- Develop and deliver training for all staff and others e.g. young people carrying out participation and engagement work on behalf of the Council, in line with the National Standards for Community Engagement.
- Provision of support to staff through the establishment of a Participation Network and development of Engagement Leaders in each Directorate or Service area.

2 Our Aims

This policy will ensure community engagement and participation is consistent across all Council services. Delivery of the action plan will help to build organisational capacity and embed a culture of participation, setting standards on how we engage to allow as many people, including children and young people, to have a voice and shape the way we deliver services. As a Council we will:

- Promote a culture of participation and use people's views to help improve the way we do things.
- Build on our understanding of communities in Shetland, their needs now and hopes for the future.
- Use a range of different engagement methods to increase opportunities for people to get involved and support creative and innovative approaches to participation which help to reduce barriers.
- Use one platform to provide information about all consultation and engagement activities for all our services, to allow the public to find information about opportunities to participate more easily.
- Aim to hear from as many interested people as possible, especially those that are affected by the focus of the engagement and particularly those who find it difficult to be heard.
- Build relationships where views are valued and listened to.
- Continuously learn from communities and use this learning in the planning, development, and delivery of our services.
- Make sure engagement is clear, transparent, accessible and inviting.
- Provide meaningful feedback on the impact made by activities.
- Recognise and respect people's desire to get involved and their previous efforts to participate.



3 Policy Statement

We recognise that participation underpins everything that we do and links strongly with all the priorities described in Our Ambition.

To achieve this we will engage with individuals and communities to ensure we deliver services right first time, harnessing community strengths, collaboration and assets to work with the community to deliver our priorities.

Our approach will be in line with the principles described in the National Standards for Community Engagement, strengths based, agile and responsive, promoting choice and independence, and with a focus on working collaboratively where possibly. We want to listen, to understand people's needs and work with them to fulfil those needs.

This policy aims to be a pragmatic document that can guide work in this area and support us to build on our local relationships and networks to continue to improve.

4 Principles

This policy is rooted in the National Standards for Community Engagement, a set of good-practice principles designed to improve and guide the process of community engagement.



Figure 1 Scottish Community Development Centre

There are seven standards that cover the main elements of effective community engagement. We will use these principles to guide participation and engagement, and act as a benchmark for the engagement work that we do.

- Inclusion – We will identify and involve the people and organisations that are affected by the focus of the engagement.
- Support – We will identify and overcome any barriers to participation.
- Planning – There is a clear purpose for the engagement, which is based on a shared understanding of community needs and ambitions.
- Working Together – We will work effectively together to achieve the aims of the engagement.
- Methods – We will use methods of engagement that are fit for purpose.
- Communication – We will communicate clearly and regularly with the people, organisations and communities affected by the engagement.
- Impact – We will assess the impact of the engagement and use what has been learned to improve our future community engagement.

5 Equalities and Human Rights

The Council is committed to promoting an equality and human rights based approach across Shetland and fulfilling its public sector duty under the Equality Act 2010 and in due course, its obligations under the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024. We are also committed to actively consider how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions, in line with The Fairer Scotland Duty 2018, and supported with relevant reference to the Scottish Ministers' guidance for Public Bodies in this regard.

The Council has processes in place to impact assess policies and practices. Support is available for implementation of these to consider potential effects of our actions on local communities and individuals, and to inform mitigating actions. Any participation and engagement activity should be viewed through this same lens, with all appropriate impact assessments (screening or full) being carried out as required.

6 Measures

We will monitor the following indicators to help us understand if this Policy is making a difference. Further measures will be developed as part of the Action Plan as appropriate.

Indicator	2024 Baseline	2028 Target
People in Shetland who feel part of their community	90% (Scottish Household Survey)	At least 95% of people will feel part of their community
People who feel they can influence decisions affecting their local area	30% (Scottish Household Survey)	At least 50% of people feel they can influence decisions affecting their local area
People who feel they want to be more involved in decision making	37% (Scottish Household Survey)	No more than 25% of people want to be more involved in decision making (currently under review)

7 Scope

This policy applies to all Shetland Islands Council staff. It applies to internal and external consultations and engagements.

Decisions on the level of community engagement beyond that legally required, will depend on: the decision to be made (or project/service to be delivered); the community's interest to participate; the need to understand the community's view; the opportunity for the community to influence the decision and such other relevant considerations as are deemed to be relevant on a case-by-case basis.

Nothing in the policy shall fetter the Council in the proper performance of its statutory functions.

Date approved:

Review date:



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20 March 2024 27 March 2024
Report Title:	Information Security Policy	
Reference Number:	GL-02-F	
Author / Job Title:	Director of Corporate Services (Senior Information Risk Owner)	

1.0 Decisions / Action required:

That the Policy and Resources Committee RECOMMEND that the Council RESOLVES to:

- 1.1 APPROVE the Information Security Policy; and
- 1.2 Delegate authority to the Director of Corporate Services [as the Council's Senior Information Risk Owner] to agree updates to the Information Security Policy where these are required to give effect to legislative requirements, Council decisions or changes in operational and technical procedures, and to note that any such changes will be notified in the document version control and, where considered necessary, by a briefing note to Councillors and/or officers.

2.0 High Level Summary:

- 2.1 This report presents a new Council Information Security Policy for approval. The proposed Policy provides high level rules, responsibilities and roles that apply to members, staff and those working on behalf of the Council or handling Council information. The Information Security Policy is part of the Council's Information Management Policy and Procedures Framework.
- 2.2 This proposed single Policy is intended to cover all information security (paper and electronic). The new Policy incorporates, and therefore replaces, the Council's current ICT Security Policy, by ensuring information security is relevant across all forms of Council information, records, data, systems and processes.

3.0 Corporate Priorities and Joint Working:

- 3.1 Our Ambition 2021 – 2026 states "We will use technology to support modern, accessible customer interactions, to be a catalyst for cross-Council service improvement and support flexible working practices." This policy ensures that the use of technology is as safe and secure as possible.
- 3.2 The Council's approved Information Governance Policy - Information Security and Systems Management – states: "We will work to ensure that our information management and information technology requirements are aligned and that information management needs are a key factor in the making of decisions in relation to information technology. This will encompass the business specification

and design of new systems, the implementation and management of systems; the management of legacy systems and data migration; and the secure disposal of information and IT equipment. New approaches to technology will have implications for how we manage and protect our information. In working to address these, we must focus on the information and content within systems, the physical and virtual spaces these are held, and not the technology alone.

4.0 Key Issues:

4.1 The Information Security Policy (the Policy) sets out the Council's management, commitment and approach to ensuring the confidentiality, integrity and availability of its information.

4.2 Element 8 of the Council's statutory Records Management Plan requires the Council **to demonstrate that robust policy and procedures are in place to protect its records, and to ensure that processes are in place to provide for their integrity, recognising that records represent a risk, as well as an asset.** The Keeper's review of our voluntary progress update submission, in February 2024, led to the assessment for this element that "once the draft policy is approved, the Keeper could consider this element compliant and, if this were a formal resubmission, upgrade the RAG status to green. As the policy remains at draft, the grading remains amber."

4.3 Implementation of this Policy will also address key recommendations identified by an Internal Audit report on Information Security Management, initially presented to the Audit Committee on 22 June 2022. This report identified a number of recommendations for improvement, and these are addressed as follows:

Recommendation 1 - Management should develop an Information Security Policy. The policy should be appropriately approved, made available to staff, be reviewed at suitable intervals, and apply to all staff.

The attached Information Security Policy will provide the Council with policy statements, principles and practical guidance and instructions to ensure that the Council can protect its information, ICT systems, services and operations, and provides clear instructions to staff regarding their responsibilities.

Recommendation 6 - Management should ensure guidance is developed and communicated to staff on good practice for the physical security of records.
and

Recommendation 7 - Management should consider the introduction of a data classification scheme and ensure that this is applied to all documents thereafter. In doing so the Council should also consider the protections that should be applied to each data classification and ensure that these are communicated to staff

The Information Security Policy includes an Information Classification and Protective Marking Scheme (including Information Handling Rules), which can be used where a security classification is required to be applied to Council information (this is known as protective marking). The included Information Handling Rules seeks to provide appropriate direction and guidance on the storage, transfer and sharing of Council information.

4.4 A programme of internal awareness raising, guidance and training, will be implemented in support of the Policy and associated guidance and rules. Information Security and Data Protection training are already available to all staff on

<p>iLearn, and included within employee induction modules. Further communication and iLearn modules will be developed, and policy or guidance will be adapted, as and when progression of M365 implementation or other system tools impact on records management.</p>	
<p>4.5 Accordingly, and subject to approval of this Policy by the Council, the Keeper and the Records Management Plan will be updated, and discussion held with Internal Audit to ensure their recommendations can be finalised and consequently reported to the Audit Committee.</p>	
<p>5.0 Exempt and/or confidential information:</p>	
<p>5.1 None.</p>	
<p>6.0 Implications:</p>	
<p>6.1 Service Users, Patients and Communities:</p>	<p>The Council has an Information Governance Policy and a framework of information management policies and procedures that set out how we work to fulfil both the statutory obligations and our duty of care to people and organisations whose information we hold.</p>
<p>6.2 Human Resources and Organisational Development:</p>	<p>All staff have a duty of care for all Council assets, equipment and data. Failure to adhere to this Policy may result in a disciplinary investigation. There is an Information Security course available on iLearn which should be completed by all staff. A further programme of awareness raising, guidance and training, will be implemented in support of the Policy and associated guidance and rules.</p>
<p>6.3 Equality, Diversity and Human Rights:</p>	<p>There are no identified impacts on equalities associated with the terms of this report, and an Equalities Impact Assessment is not required.</p>
<p>6.4 Legal:</p>	<p>The Shetland Islands Council recognises that it works within a legal framework that places legal obligations on both the Council and its staff in relation to the management of information. Implementation of this Policy will demonstrate the Council's approach towards its Policy and legal obligations, and any breach of these obligations may lead to legal resources being required to defend or rectify any adverse impacts on the Council, service partners, clients or customers.</p>
<p>6.5 Finance:</p>	<p>There are no financial implications for the Council in terms of the recommendations in this report.</p>
<p>6.6 Assets and Property:</p>	<p>It is the responsibility of Building Managers to ensure that a building used by the Council, or shared premises, is adequately secure for the storage of the information that is held within it. Approval and implementation of this Policy will enforce these obligations.</p>

6.7 ICT and new technologies:	There are no direct implications for ICT and ICT systems. The new Policy incorporates the existing ICT Security Policy requirements. The Policy or guidance will be adapted as and when progression of M365 implementation or other system tools impact on records management.	
6.8 Environmental:	There are no direct implications for the local environment including Climate Change or Carbon Management, and a Strategic Environmental Impact Assessment is not required.	
6.9 Risk Management:	<p>Implementation of the proposed Information Security Policy will seek to mitigate information security risks identified by the Council by ensuring that:</p> <ul style="list-style-type: none"> • All information is protected against unauthorised access. Confidential, valuable or sensitive information is protected from unauthorised or inappropriate disclosure or interception, or intelligible interruption. • The integrity of information is maintained, safeguarding the accuracy and completeness of information by protecting against unauthorised modification. • Regulatory and legislative requirements will be met 	
6.10 Policy and Delegated Authority:	In accordance with Section 2.2.1(2) of the Council's Scheme of Administration and Delegations, the Policy and Resources Committee has referred authority to advise the Council in the development of its strategic objectives, policies and priorities. In accordance with Section 2.1.3 of the Scheme, and unless previously delegated, the Council reserves authority to determine any significant variation of existing, or approval of new, Policy.	
6.11 Previously considered by:	None.	

Contact Details:

James Cunningham, Executive Manager – ICT james.cunningham@shetland.gov.uk
 Anne Cogle, Team Leader – Administration anne.cogle@shetland.gov.uk

Appendices:

Appendix 1 – Information Security Policy
(incorporating Information Classification and Protective Marking Scheme and Information Handling Rules)

Background Documents:

- ICT Security Policy V02.16 (2022)
- SIC Information Governance Policy
<https://www.shetland.gov.uk/downloads/file/6728/information-governance-policy>
- SIC Records Management Plan and Progress Update Review – February 2024
<https://www.shetland.gov.uk/managing-information/records-management/2>

END



INFORMATION SECURITY POLICY

Incorporating
Information Classification and Protective Marking Scheme and
Information Handling Rules

Version Control			
Version	Date	Author / Editor	Comments and/or Brief description of changes/approval
0.01	June 2023	Team Leader – Admin (A Cogle)	First draft in progress
0.02	September 2023	Team Leader – Admin (A Cogle)	Second draft incorporating ICT Security Policy V2.16 and new Appendix C - Info Classification and Protective Marking Scheme
0.03	October 2023	Team Leader – Admin (A Cogle)	Third draft – new section 2 confirming which individuals/Groups the policy applies to - and reference to Councillors – ICT Acceptable Use Agreement.
0.04	16/11/2023	Team Leader – Admin (A Cogle)	Minor updates following consultation, and document links updated.
0.05	22/11/2023	Team Leader – Admin (A Cogle)	New section 10 added re Cyber Awareness – links updated/checked and final check against current ICT Security Policy requirements.
0.06	23/11/2023	Team Leader – Admin (A Cogle)	Pre-agenda management changes – references to policy and definitions of roles and responsibilities clarified.
01.00	06/03/2024	Team Leader – Admin (A Cogle)	First draft for agenda management – to P&R 20/03

Version Awareness

The audience of this document should be aware that a physical copy may not be the latest available version. The latest version, which supersedes all previous versions, is available only at the Published Location stated in the document control section.

Document Control	
Document Title	SIC Information Security Policy V01.00
Document Subject	Information Management
Document Description	Information security policy statements
Approved by / Date	TBC
Business Classification AND REFERENCE (retention schedule reference – TO BE UPDATED WITH LINK TO PUBLIC BUSINESS CLASSIFICATION SCHEME)	TBC
Security Classification	OFFICIAL
Source Location	Governance and Law Services – Committee Services o:\asoffice\adminiser\records management\policies\drafts\information security\sic information security policy v01.00.docx
Published Location	SIC Interact (internal)
Review Frequency	Annually
Date of next planned review start	February 2025

Contents

Quick Links for reporting incidents or seeking advice:	4
1. Introduction	5
SIC Information Management – Policy and Procedures Framework	5
2. Who is the Policy for?	6
3. Definition of Information Security	7
4. Shetland Islands Council Commitment to Information Security	7
5. Policy, Legal & Standards Framework	8
6. Information Security Policy Statements	9
7. ICT Systems Access Control	10
8. ICT User Credentials/Passwords	11
9. Internet Usage	12
10. Cyber Awareness	13
11. E-mail Usage	14
12. Encryption	14
13. Physical / Building Security	15
14. Confidentiality Agreements & Data Sharing Agreements	15
15. Management of ICT Systems	15
16. Removable Media	16
17. Software	16
18. Disposal of Information held on Equipment, Removable Media or Paper	16
19. Clear Desk & Clear Screen Rules	17
20. Intellectual Property Rights (IPR) and Copyright	17
21. Vulnerability Assessment and Penetration Testing	17
22. ICT Mobile Phone and Data Devices	18
23. Mobile, Flexible and Home working	18
24. Security Classification & Protective Marking	20
25. Information Security Management Roles & Responsibilities	20
26. Managers and Supervisors	21
27. Information Asset Owners & System Owners	22
28. Senior Information Risk Owner (SIRO)	22
29. Monitoring Officer	23
30. Data Protection Officer	23
31. Senior Information Asset Owners [Directors]	23
32. Information Asset Owners [Executive Managers/Head Teachers]	23
33. Records Manager	23
34. Information Asset Administrators [Business Support/Admin Teams]	24

35.	Buildings Manager (BM)	24
36.	Internal Audit	24
37.	Information Security Governance and Process	24
38.	Information Security Incident Reporting.....	25
39.	Incident Management	25
40.	Staff Communication & Training.....	27
41.	Review.....	27
	APPENDIX A - E-MAIL USAGE GUIDELINES	28
	APPENDIX B - SECURE OPERATING PROCEDURES.....	30
	APPENDIX C – INFORMATION CLASSIFICATION AND PROTECTIVE MARKING SCHEME (INCORPORATING INFORMATION HANDLING RULES). 32	
	Appendix 1 – SIC Information Protection Classification Scheme	37
	Appendix 2 - Impact levels	38
	Appendix 3 – SIC Information Handling Rules	40

Quick Links for reporting incidents or seeking advice:

Cyber Awareness	<p>If you've received an email that you think is suspicious or could be a potential Phishing or Malware Email/link, please email the ICT Service Desk.</p> <p>You can also report suspicious links by forwarding to the National Cyber Security Centre at report@phishing.gov.uk</p>
Reporting an ICT incident or service request including software permissions	<p>ICT Helpdesk/Service Request – 01595 74777</p> <p>ICT Help app on desktop OR http://ict:8080/assystnet/</p>
Reporting a breach of personal information	<p>Data Protection Officer (Executive Manager - Governance and Law): 01595 744551 Dataprotection@shetland.gov.uk</p> <p>Breach Reporting Form:</p> <ul style="list-style-type: none"> • Online/electronic: Employee Dash (Firmstep) • MS Word: https://interact.shetland.gov.uk/page/3066
Reporting an incident or breach of other information or premises	<p>Senior Information Risk Owner (Director of Corporate Services): 01595 743819 christine.ferguson@shetland.gov.uk</p>
Records Management advice	<p>Records Manager: 01595 744554 Records.management@shetland.gov.uk</p>
Incineration of confidential paper	<p>Energy Recovery Plant: 01595 745160 erpadmin@shetland.gov.uk</p>

1. Introduction

- 1.1 The Information Security Policy (“the Policy”) sets out the Shetland Islands Council’s (the “Council’s”) management, commitment and approach to ensuring the confidentiality, integrity and availability of its information.
- 1.2 The Policy provides high level rules, responsibilities and roles that apply to members, staff and those working on behalf of the Council or handling Council information. The Information Security Policy is part of the Council’s Information Management Policy and Procedures Framework.

SIC Information Management – Policy and Procedures Framework	
Policy	Procedures
Information Governance Policy	<ul style="list-style-type: none"> Governance and Accountability Management Structure Information Governance Board - Terms of Reference Policy and Procedures Framework
Records Management Plan	<ul style="list-style-type: none"> Information Management Improvement Plan Information Management – Annual Self Assessment Procedures
Information Security Policy <i>(this document)</i>	<ul style="list-style-type: none"> Information Classification and Protective Marking Scheme Information Handling Rules Vital Records and Business Continuity Guidelines <i>[to be developed]</i>
Records Management Policy	<ul style="list-style-type: none"> Business Classification Scheme Retention and Destruction Schedule Information Asset Register Guidelines <i>[to be developed]</i> Guidelines for Naming Conventions and Version Control Social Media Guidelines Freedom of Information - Standards and Guidance
Data Protection Policy	<ul style="list-style-type: none"> Individual Rights Procedures Privacy Impact Assessment Procedures CCTV Procedures <i>[to be developed]</i>
Shetland Data Sharing Framework	<ul style="list-style-type: none"> Information Sharing Guidelines Data Processor Agreements – Guidance Contracts and Agreements – Guidance <i>[to be developed]</i>
Information Preservation Policy <i>[to be developed]</i>	<ul style="list-style-type: none"> Archives Transfer Procedures Scanning Guidance Joint Protocol - SIC Minute Books to Shetland Archives – Closure Periods and Access Procedures Archive Records Review Procedures <i>[to be developed]</i>

2. Who is the Policy for?

- 2.1 The Policy and its framework applies to all users who have access to any recorded information, records, data resources or equipment provided by the Council, meaning all:
- Employees
 - Elected Members (subject to the terms of the agreed Councillors - ICT Acceptable Use Agreement)
 - Agency workers
 - Students and volunteers (where undertaking work experience or similar)
 - Contractors / Subcontractors (subject to any relevant provision in their contracts)
 - Employees of partners organisations, trusts, agencies and companies (subject to any relevant provision in employment contracts or Service Level Agreements)
 - Any other person(s), without exception (subject to any relevant provision in employment contracts or Service Level Agreements).
- 2.2 Employees working in partnership with other organisations should be aware that they may also have specific information security responsibilities to the partner organisation, and vice versa. Such arrangements should be clear in agreed protocols involving access to or sharing of information.
- 2.3 All users of the public access network or SIC Guest have separate guidelines covering acceptable terms and conditions of use.
- 2.4 For the purposes of the Policy, ICT resources or ICT equipment means all elements of the Council's ICT infrastructure, comprising (but not limited to):
- Data Network and main computer systems;
 - Kiosks, Tills, Virtual reality devices, imaging equipment and video conferencing facilities;
 - Telephones, Mobile phones and any hosted voice systems;
 - PC's and portable computers (e.g. laptops, notebooks, tablets, and mobile / smart devices);
 - Peripheral computer equipment (e.g. printers, scanners, Multi-Function Devices, external drives and portable media);
 - Software and any other services (including email and the Internet) accessed through any of the above; and
 - Data and information assets accessed through any of the above (regardless of where they are location, processed or communicated).
- 2.5 References in the Policy to the following role are defined as follows:

- System Owners – the person who has been identified as being accountable for a Council ICT system.
- Information Asset Owner (IAO) is a senior manager (Executive Manager or equivalent) who has been identified as being accountable for a Council information Asset.
- Further roles and detail of responsibilities for staff and management are set out in [Sections 25 to 36](#).

3. Definition of Information Security

- 3.1 Information is an asset of the Council, and the council needs to manage it as such, ensuring it is adequately protected. This is especially important in the increasingly interconnected and shared business environment.
- 3.2 Information can exist in many forms e.g. It can be printed or written on paper or stored electronically. Whatever form the information takes, or the means by which it is shared or stored, it should be appropriately protected.
- 3.3 Information security is the protection of information and information systems from unauthorised access, use, disclosure, disruption, modification, or destruction in order to protect confidentiality, integrity and availability.
- 3.4 Information security is achieved by implementing a suitable set of controls, including the use of policies, processes, procedures, organisation structures, software and hardware. These controls need to be established, implemented, monitored, and reviewed (and where necessary improved), to ensure that the security and business objectives of the Council are met.
- 3.5 Information security requirements and data protection legislation need not be a barrier to appropriate sharing of information. Through effective security controls and careful consideration of legal obligations we can be more confident in sharing information where appropriate.

4. Shetland Islands Council Commitment to Information Security

- 4.1 The Council is committed to effective information security through the management of information security risks that occur through both internal and contracted out activities.
- 4.2 The Council will implement and operate appropriate countermeasures and procedures to manage those risks down to an acceptable level, as determined by the Council, and in line with best practice.
- 4.3 The aim is to ensure business continuity, minimise business risks whilst maximising the return on investment and enabling business opportunities. Through the Information Management Policy and Procedures Framework, the Council will work to put in place any requirements and

improvements that are needed to support effective information security.

- 4.4 The Council recognises that effective information security is achieved through a combination of policy, procedures, a risk based approach, security controls such as building security and most importantly staff information security awareness and skills. This requires an on-going commitment to continual improvement and change that can only be achieved through the support of all staff and those involved in handling Council information assets.

5. Policy, Legal & Standards Framework

- 5.1 The Council recognises that it works within a legal framework that places legal obligations on both the Council and its staff in relation to the management of information.
- 5.2 The Council has an Information Governance Policy and a framework of information management policies and procedures that set out how we work to fulfil both the statutory obligations and our duty of care to people and organisations whose information we hold.
- 5.3 Information security is an essential enabler in helping the Council meet its objectives. Security risks must be managed effectively, collectively and proportionately to achieve a secure and assured working environment. The Council's processes and procedures must reflect the principles, governance and responsibilities set out in this policy. The Council's approved Information Governance Policy states the following:
- Information Security and Systems Management
We will work to ensure that our information management and information technology requirements are aligned and that information management needs are a key factor in the making of decisions in relation to information technology. This will encompass the business specification and design of new systems, the implementation and management of systems; the management of legacy systems and data migration; and the secure disposal of information and IT equipment. New approaches to technology will have implications for how we manage and protect our information. In working to address these, we must focus on the information and content within systems, the physical and virtual spaces these are held, and not the technology alone.
- 5.4 The legislation, policy and standards set out below are particularly relevant to the Information Security Policy, but there may be others that also have some relevance and the omission from this list in no way diminishes the Council's commitment to follow its obligations to comply with any statutory requirements and to work within best practice.
- 5.5 Council Policies and Procedures:

- Information Governance Policy
- Data Protection Policy
- Shetland Data Sharing Framework
- Homeworking Policy
- Acceptable Use Agreements
- Information Classification and Protective Marking Scheme
- Information Handling Rules
- Secure Operating Procedures for ICT Systems (For requirements see [Appendix B](#))
- Flexible, remote or home working procedures
- Information backup, storage and recovery procedures
- Business Continuity

5.6 Legislation / regulation:

- Data Protection Act 2018 (DPA 2018)
- Computer Misuse Act 1990 (CMA 1990)
- Environmental Information (Scotland) Regulations 2004 (EIR 2004)
- Freedom of Information (Scotland) Act 2002 (FOISA 2002)
- INSPIRE (Scotland) Regulations 2009 (INSPIRE)
- Local Government (Scotland) Act 1994 (LGSA 1994)
- Public Records (Scotland) Act 2011 (PRA 2011)
- Re-use of Public Sector Information Regulations 2015 (RPSI 2015)

6. Information Security Policy Statements

6.1 The following are statements of Council policy on issues that are important to the delivery of effective information security. Further guidance will also be provided as appropriate to those affected by these requirements.

6.2 The Council is committed to ensuring that:

- All information is protected against unauthorised access. Confidential, valuable or sensitive information is protected from unauthorised or inappropriate disclosure or interception, or intelligible interruption.
- The integrity of information is maintained, safeguarding the accuracy and completeness of information by protecting against unauthorised modification.
- Regulatory and legislative requirements will be met
- Information security training will be available to all staff. There is an information security course available on iLearn which should be completed by all relevant staff.
- Suspected breaches of information security will be investigated by ICT Services, with input from Governance & Law Service if necessary.
- In line with the Council's Disciplinary Procedure, if any investigation indicates that disciplinary action may be necessary, Human Resources must be consulted at an early stage to ensure that the correct procedures are followed.

- 6.3 It is the responsibility of each employee to follow the Policy. The Council reserves the right to access, delete, or otherwise move, with or, if necessary, without your permission, any file, e-mail or data of any description whether created or acquired by you that is stored on its systems or devices.
- 6.4 All staff have a duty of care for all Council assets, equipment and data.
- 6.5 Failure to adhere to the Policy may result in a disciplinary investigation. If you see anyone breach this Information Security Policy, or suspect that in some way the Council's ICT or other information security has been compromised, you must report this.

7. ICT Systems Access Control

- 7.1 System Owners are responsible for:
- Documenting Access Controls for their systems.
 - Documenting the auditable trail for their systems.
 - Documenting any changes to Access Controls for their systems and for informing all interested parties.
 - The safe storage and retrieval of the documented auditable trail for Access Controls for their systems.
- 7.2 The Council requires that:
- Systems are only available to authorised users.
 - Systems have a designated owner to authorise access to the systems.
 - Access to systems is granted on the basis that the System Owner(s) has identified suitable levels of access for each user.
 - Council hosted systems are on servers in physically secure environments with appropriate measures taken to prevent access to these computers by unauthorised personnel.
 - Systems should have a Secure Operating Procedure (see [Appendix B](#)).
 - In the normal course of their duties to resolve reported technical problems, to test systems and to implement new systems, ICT staff will require access to computers, data storage devices such as hard disks, flash drives, optical media etc. This may include access to sensitive or confidential files and information.
- 7.3 Network access is authorised and implemented by the ICT Service. Executive Managers and Head Teachers are responsible for ensuring that new starts, leavers and other changes (e.g. internal moves, promotions, secondments, maternity and other breaks in service, especially suspension etc.) are notified to ICT promptly and timeously. ICT will terminate all network and system access when staff leave the Council or move on to new jobs within the Council.

- 7.4 Upon termination of network access emails and H drive contents will be deleted
- 7.5 ICT will perform Systems Administration for all ICT systems, except by specific agreement between the System Owner and the ICT Executive Manager. There should be clear segregation between Administrators and Users of any systems.
- 7.6 System Owners are responsible for defining levels of access to their systems and for granting, amending, and revoking such access.
- 7.7 Where Data Processing Agreements, Information Sharing Protocols or Data Protection Impact Assessments (DPIA) are required for the processing of, or access to, personal information, the Data Protection Policy should be followed, and advice should be sought from the Governance & Law Service.

8. ICT User Credentials/Passwords

- 8.1 The Council requires authorised users to be issued with appropriate User Credentials for the Council's computer systems and software.
- 8.2 User Credentials are issued to individuals and the disclosure of these credentials to another party is strictly prohibited.
- 8.3 Passwords must not be recorded and/or stored in an insecure manner. Written records of passwords, if specifically required must be stored in a locked secure facility such as a fire safe and all access and changes recorded including date, time and by whom. Encrypted electronic password vaults are an acceptable storage solution (advice available from ICT service desk).
- 8.4 Council employees should lock computers when leaving machines unattended. Screen lock activates after 10 minutes for all staff, excepting teaching staff where the screen lock activation is 55 minutes.
- 8.5 In any investigation a reasonable presumption will be made that the owner of a password is the author of any material created on a password protected system, or the sender of any e-mail associated with the user account.
- 8.6 Passwords must follow secure password guidance by ensuring compliance with the 'three random words' method of password creation.
- 8.7 Passwords must be sufficiently complex in order to protect against hacking or others guessing the password.
- 8.8 Passwords must not be easy to guess. ICT use password cracking tools to check for easy to guess or insecure passwords. If your password is found

to be insecure, you will be forced to change it; repeatedly setting insecure passwords may result in your network access being removed, until this training need is satisfied.

- 8.9 All network access passwords must have a minimum of fourteen characters.
- 8.10 All network access passwords need to contain characters from three of the following four categories:
- English uppercase characters (A through Z)
 - English lowercase characters (a through z)
 - Base 10 digits (0 through 9)
 - Non-alphabetic characters (for example, *, #, %, &)
 - *[note that \$ and £ signs cause issues with logins for some applications, such as HR21, so try to avoid these]*
 - If there is any suspicion that a password has become known by any unauthorised third party, the authorised user must change the password immediately and notify both their line manager and the ICT Service. Any new password must not have been previously compromised.
- 8.11 Unique passwords must be used for each online system, which must also be different from your network password.
- 8.12 Multi-factor authentication must be used where available. Multi-factor authentication (something you have plus something you know) must be used where available for online system authentication. Multifactor authentication is used on all points of data usage including Teams, VPNs and external webmail. It is a basic recommendation in cyber security and provides a second layer of defence in case your account is compromised due to a weak or stolen password.
- 8.13 ICT recommends the use of KeePass, which is available within the software centre for all users except school pupils.

9. Internet Usage

- 9.1 The Council is committed to ensuring that:
- Internet access is provided to employees to support and facilitate their work.
 - Internet access is provided in a safe and secure manner. Internet usage will be logged and sites considered inappropriate will be blocked by the Council's web filtering system.
- 9.2 Employees may use Council facilities to access non-work related Internet sites within reason, during breaks, lunch-hours and before and after work.
- 9.3 ICT will block access to Internet sites deemed inappropriate. ICT can

unblock blocked sites that contain material relevant to Council. If staff discover that they can access inappropriate sites, they must inform the ICT Service Desk.

- 9.4 ICT log Internet usage, including site addresses, user identifications and data transfer. These logs can be used to carry out an audit if a manager suspects a member staff is using the internet inappropriately. Any action following an audit must be in line with the Council's Disciplinary Procedure.
- 9.5 PCs and laptops have virus checking software installed, however employees have a duty of care to ensure that opportunities for the transmission of viruses are limited by avoiding downloading non-work related material.
- 9.6 All Council Employees should refer to the "Social Media Guidelines for Staff" document available on the Council Intranet for rules and guidelines for the use of Social Media sites.

10. Cyber Awareness

- 10.1 All staff are responsible for protecting the Council's information against Cyber Attack.
- 10.2 Defend against phishing attacks by not clicking on links on emails, websites, or social media posts if you are not confident about their content. Suspicious links should be forwarded to the ICT Service Desk and then deleted. You can also report suspicious links by forwarding to the National Cyber Security Centre at report@phishing.gov.uk
- 10.3 If you accidentally open a suspicious attachment, or follow a link you should immediately switch your machine off and disconnect from the network. Immediately contact the ICT Service Desk who will be able to diagnose the problem or examine the machine to diagnose the problem.
- 10.4 There is "phishing" awareness training available on the Council's online iLearn platform that all staff should complete.
- 10.5 Ensuring that your device (smartphone, tablet, or PC) is locked when not in use is a good way of ensuring that an attacker is not able to exploit your device.
- 10.6 Use a separate password for online services from your work account. If an online account gets compromised, you don't want the attacker to have access to your work account.
- 10.7 Each online system used must each have a unique password.
- 10.8 Cyber attacks can be difficult to spot, so don't hesitate to report suspicious activity as soon as possible to the ICT Service Desk.

11. E-mail Usage

- 11.1 E-mail is provided to Council staff to support and facilitate their work. Staff are responsible for the content of their e-mail. The Council reserves the right to examine all mailboxes stored on its systems subject to appropriate authorisation.
- 11.2 E-mail services are provided in a safe and secure manner. E-mail usage will be logged; messages containing inappropriate material will endeavour to be blocked by the Council's e-mail filtering system.
- 11.3 A unique e-mail addresses will be issued to you for each post where appropriate and cannot be retained between posts in different services.
- 11.4 E-mail is not intended as a records management system, and emails will be deleted upon termination of an individual's network account.
- 11.5 The "SIC E-Mail Usage Guidelines" are attached to the Policy in [Appendix A](#). Read these along with this policy.
- 11.6 Should a manager have reasonable suspicions of an employee's inappropriate e-mail use, a full investigation of that person's e-mail files and, where appropriate, previously deleted e-mail messages can be requested.
- 11.7 Do not use unlawfully. Any such misuse will be dealt with through the Council's Disciplinary Procedure, in addition to legal enforcement, as required and may constitute gross misconduct, warranting summary dismissal from the Council.
- 11.8 Do not use email to conduct private commercial business. This is in accordance with the Council's Code of Conduct for Employees.
- 11.9 Do not use email for electioneering or other political purposes. Communications relating to Trade Union activity should be limited to Trade Union members.

12. Encryption

- 12.1 Staff and any person working with Council information assets may only use encryption products that are authorised for use by ICT Services.
- 12.2 Only encryption products that include and make use of central key management should be used by the Council. Any exceptions to this must be approved by the Executive Manager - ICT and will require additional controls to be in place to ensure the encryption technology is appropriately managed. This must include (but not be limited to) the corporate retention of keys to enable decryption in the event of the Council being required to do so.

- 12.3 Technical controls and measures required for safe, secure and legally compliant use of encryption products will be maintained by ICT Services.
- 12.4 The design and configuration of all Council ICT systems and those from third party providers used by the council to store Council information must adhere to this Encryption. All contracts with providers and contractors must set out this requirement.

13. Physical / Building Security

- 13.1 It is the responsibility of the relevant Building Manager to ensure that a building used by the council, or shared premises, is adequately secure for the storage of the information that is held within it.
- 13.2 Information Asset Owners should ensure that any building they use for the storage of information (on paper or electronic storage) is adequate for the type of information they are holding. If there are any weaknesses in the building security then this must be reported to the Building Manager. Any other physical security issues such as a lack of local lockable storage must be dealt with by the Executive Manager / Information Asset Owner responsible for that Information Asset.

14. Confidentiality Agreements & Data Sharing Agreements

- 14.1 The Data Protection Policy and Shetland Data Sharing Framework must be followed when there is a proposal to share personal data.
- 14.2 Council employment contracts will include confidentiality clauses.
- 14.3 Any third party that is provided with access to Council information assets must sign a confidentiality agreement that sets out their obligations and requires compliance with the Policy and all other relevant Council Policies (including those in the Information Governance Policy Framework).

15. Management of ICT Systems

- 15.1 All ICT systems must follow the requirements and controls set out in the Policy, and supporting Policy and procedure documents. This should include but not be limited to the appropriate set up, management of systems, implementation and documentation of access controls.
- 15.2 All System Owners must ensure compliance with the Policy and should create and maintain appropriate documentation to support management in accordance with the Policy.
- 15.3 System Owners must be able to provide documentation as and when requested by ICT Services and Internal Audit that demonstrates their compliance with the Policy.

- 15.4 Do not connect personal computer equipment to the Council's corporate network, without permission from ICT Service – this does not include connecting to SIC Guest, which anyone can use.
- 15.5 Do not install software from any source without first gaining authorisation from ICT Service.

16. Removable Media

- 16.1 Removable media is a data storage device that is not attached to a computer and can be used to hold and transfer information from one computer to another. This includes CDs, DVDs, Memory Sticks, Portable hard drives, memory cards (e.g. SD cards), and any electronic device that has internal storage (e.g. digital cameras and recording devices).
- 16.2 All removable media devices must be encrypted. The Executive Manager, ICT will authorise operational exceptions to this. Any personal data or sensitive personal data stored on removable media devices, including smart phones, tablets, memory sticks or cards, and laptops, must be encrypted with biometric data or a password that complies with the password properties detailed in the Policy.
- 16.3 Unauthorised computer devices such as personal laptops, tablets, pc or mobile phones must not be connected to the Council's network (either physically connected through network port, or through credential based wireless such as SICDATASSID). For clarity, SICGUEST is a public access network, and is exempt from this paragraph.

17. Software

- 17.1 The Council requires that:
- ICT authorisation must be sought before downloading any new external software, i.e. not available on the Software Centre.
 - Software used on systems within the organisation is legal and properly licensed.
 - All software including Apps must meet current security and information governance standards.
 - All software including Apps will be maintained and upgraded to the latest versions.
 - Business critical unsupported software may continue to be used for a temporary period, but will be subject to additional security measures, for example sandboxing.

18. Disposal of Information held on Equipment, Removable Media or Paper

- 18.1 All Computer media or paper that may contain personal or confidential data must be securely destroyed. Personal and Sensitive data must be removed from ICT equipment prior to destruction or recycling.

- 18.2 All ICT equipment and media must be disposed via an appropriate Council approved disposal service. This can be accessed by contacting the ICT Service Desk.
- 18.3 Paper containing personal or other confidential information must be disposed of using shredding equipment or facilities, or by direct incineration by contacting the Energy Recovery Plant Energy Recovery Plant: 01595 745160 erpadmin@shetland.gov.uk

19. Clear Desk & Clear Screen Rules

- 19.1 All staff, those working on behalf of the Council, in a Council Building or handling Council information must ensure that they lock their screen when away from their desk and ensure that their screen cannot be read by others.
- 19.2 All staff, those working on behalf of the Council or handling Council information must ensure that they leave their desk or working area clear of all personal or confidential information / documents when they are away from their desk (unless adequately managed on their behalf or the room is locked).

20. Intellectual Property Rights (IPR) and Copyright

- 20.1 The Council will respect Intellectual Property Rights when handling information, working to ensure it complies with its legal obligations.
- 20.2 The copyright or other intellectual property rights in all items created on the Council's devices or systems (other than in the limited personal use permitted under this policy) is, subject to any prior agreement between you and the Council, the property of the Council.
- 20.3 The Council's own IPR will be protected, whilst supporting re-use where appropriate. The Information Management Policy sets out the information management principle that information will be reused and shared where appropriate. This includes allowing re-use both internally and externally of information that is non-personal and non- commercially sensitive. In particular, the council shall work towards making its data open and available for re-use, in compliance with its obligations under the Re-use of Public Sector Information Regulations 2015 and INSPIRE (Scotland) Regulations 2009.

21. Vulnerability Assessment and Penetration Testing

- 21.1 The Council will carry out Vulnerability Assessment and Penetration Testing on its network infrastructure.
- 21.2 The Council will risk assess the need to carry out penetration testing and vulnerability assessment on its ICT Systems.

22. ICT Mobile Phone and Data Devices

- 22.1 Mobile Data Devices and Mobile Phones are issued to users primarily on the basis of a recognised business need. Mobile Data Devices must be secured by a password. Do not leave mobile devices unattended.
- 22.2 Users must notify the ICT Service Desk immediately on noticing a loss or theft of a mobile data device or mobile phone. When employees leave, or change jobs within the organisation, they must surrender their mobile phone or mobile data device to ICT or Line Manager, who must then notify ICT of the change.
- 22.3 Access to Corporate email is dependent on devices being kept up to date on the latest supported version of the operating system, and that all antivirus and security patches are up to date and that a Firewall is enabled if possible.
- 22.4 Enable Passcode for mobile voicemail access and delete voicemails once listened to.
- 22.5 Do not attach any untrusted storage devices to your mobile device.
- 22.6 Before taking a corporate device such as laptops, tablets and smartphones abroad, you need to discuss the security implications with your line manager in the first instance, who may need to seek further assistance from ICT or Governance & Law.
- 22.7 Check mobile voice and data tariff with ICT before travelling to minimise the risk of costly bills.

23. Mobile, Flexible and Home working

- 23.1 All handling and storage of council electronic information must be done using ICT that has been authorised for this purpose. This requirement is further expanded in the Policy and the Homeworking Policy.
- 23.2 All handling and storage of council information must be in accordance with the Policy, the Information Governance Framework policies and local procedures. Paper based council information must only be removed from council premises where this has been authorised and appropriate arrangements are in place to protect the confidentiality, integrity and availability of this information.
- 23.3 Homeworkers must comply with Data Protection legislation. This includes ensuring that information is secure, kept locked away or password protected. This includes being under a duty to:
 - maintain service user confidentiality;
 - carry out sensitive conversations in confidence;
 - Store confidential file (paper or electronic) securely and use agreed

- methods of encryption; and
 - Comply with password policies and work computer/system/homeworking portals and any other digital devices.
- 23.4 Business processes that require information and ICT (that provides access to council information) to be removed from council premises shall be risk assessed to ensure security arrangements are adequate for the type of information. It is the responsibility of the relevant Information Asset Owner to ensure that local procedures are produced and are communicated to those handling the information.
- 23.5 Local information handling procedures must be appropriate to the type of information being processed as part of the local business activity. The Council has developed Information Handling Rules ([Appendix C – A3](#)) . These include the following controls to protect information:
- Paper based council information and council ICT must be kept in sight at all times and be under the control of the council representative when off site (subject to the exception where the council is supporting a customer in completing information where the customer is the owner of the information).
 - Use of Council ICT must be positioned in a way that complies with the clear screen rules ([Section 19](#)) to prevent unauthorised access to information. This should not prevent appropriate viewing of information by third parties where this is required as part of the business process.
 - Council ICT and paper information must not be left in a car unattended during offsite working activity unless this is securely stored (not visible such as in a covered area in the boot of the car).
 - Council ICT and paper information must not be left unattended in a car overnight. Exceptions may be made where this is the best possible security available, but in any case the information / ICT must not be visible and a risk assessment must be carried out.
- 23.6 For council staff and those working on behalf of the council, approval must be obtained in advance for any mobile, flexible or home working involving the use of council information (both paper and electronic information stored or accessed from a council ICT device). An appropriate information risk assessment must be carried out to understand the risks associated with this arrangement and this must be taken into consideration as part of the decision on whether to allow the mobile, flexible or home working.
- 23.7 Members are considered to be automatically able to work in a mobile and flexible manner due to the nature of their role. The requirements in this policy relating to the handling of council information apply to all within scope of the policy.

- 23.8 For third parties, such as contractors, any mobile, flexible or home working must be in accordance with contractual arrangements. It is the responsibility of council staff to ensure that these contracts require full compliance with the Policy and all other council policies.
- 23.9 Council information (e.g. paper file) or council ICT devices that are not specifically designed for mobile use (e.g. Desktop PC) may not be removed from council premises by any person without prior permission from the relevant Information Asset Owner.
- 23.10 Any potential information risks associated with the location being used must be declared to the relevant Information Asset Owner at the earliest opportunity. One such risk would be sharing a working location with non-council staff.
- 23.11 Particular attention must be paid to:
- the policy requirements for Clear Desk and Clear Screen (as set out in [section 19](#)) to ensure that information is not inadvertently disclosed through others being able to see information on paper and ICT equipment when out of the office.
 - the requirements for secure disposal of council information (as set out in [section 18](#)), which required that any paper held off site that requires secure disposal must be brought back for disposal using council provided facilities.
 - the requirements around the use of removable media (as set out in [section 16](#)), ensuring that only council ICT is used to process council information, information is not transferred to personal devices and removable media is only used for the temporary storage and transportation of data.

24. Security Classification & Protective Marking

- 24.1 An Information Classification and Protective Marking Scheme (including Information Handling Rules) has been developed, and which can be used where a security classification is required to be applied to council information (this is known as protective marking). See [Appendix C](#).
- 24.2 Protective marking can be used where appropriate to highlight information that is confidential or sensitive to support appropriate handling of that information by recipients of the information both within the council and by partners.

25. Information Security Management Roles & Responsibilities

- 25.1 This section sets out the general and specific responsibilities for information security management, including reporting of information

security incidents.

- 25.2 All staff have a duty of care for all Council information, equipment and assets. Information security is everybody's responsibility and is something that should be considered as part of normal everyday working practice. The Policy and other policies in the Information Governance Policy Framework set out the information security requirements to be followed by staff at all levels, and further support is provided to staff through guidance and training where necessary.
- 25.3 All Executive Managers, Team Leaders and Head Teachers are responsible for implementing the Policy within their service areas, and for adherence by their staff (including awareness and training).
- 25.4 All those working within a Council Building or handling Council information must ensure that they observe the Clear Desk & Clear Screen Policy as set out in the Policy ([section 19](#)).
- 25.5 If a potential ICT system security issue or incident is identified then this must be reported by the individual or delegated nominee to the ICT Service Desk. This requirement is set out in the Policy ([section 39](#)).
- 25.6 Any security issue or incident that involves paper based information or physical security where this could impact on the security of Council information assets should be reported to the Senior Information Risk Owner.
- 25.7 Where either an ICT incident or a paper incident involves personal information, the personal information breach procedure must be followed, by reporting timeously to the Data Protection Officer – [Breach Reporting Form \(Firmstep\)](#).

26. Managers and Supervisors

- 26.1 Security of information within a business unit or building zone is the responsibility of individual managers and staff who work within those areas.
- 26.2 Managers are responsible for information held within their area. This includes ensuring that the information is held securely, access controls are appropriate and maintaining an accurate and up-to-date a list of information assets in the Corporate Information Asset Register.
- 26.3 Managers must promptly report any building physical security issues to the Building Manager. The Building Manager will work with appropriate staff to remove or reduce any information security risk. Managers must report any remaining risks, after risk reduction, through their management chain to their service management team to be considered as part of the councils approach to risk management.

- 26.4 Managers and supervisors must ensure that all their staff have understood their obligations under the Policy and other Information Management policies and procedures. Managers should support their staff in this regard by highlighting relevant parts of policies that apply to the roles being performed by a member of staff.
- 26.5 Managers and supervisors must ensure that their work area and that of their staff is adequately secured including the implementation of the Clear Screen and Clear Desk Policy as set out within the Policy ([Section 19](#)).

27. Information Asset Owners & System Owners

- 27.1 An Information Asset Owner (IAO) is a senior manager (Executive Manager or equivalent) who has been identified as being accountable for a Council information Asset. A System Owner is a person who has been identified as being accountable for a Council ICT system.
- 27.2 An information asset is a collection of information, defined and managed as a single unit so it can be understood, shared, protected and exploited effectively. Information assets have recognisable and manageable value, risk, content and lifecycles. All information assets should be recorded in the Corporate Information Asset Register.
- 27.3 Each ICT system and the information held within it is also considered to be an information asset and is recorded as such in the Corporate Information Asset Register.
- 27.4 IAO and System Owners are responsible for ensuring that the security controls applied to their information are appropriate and that it is held securely with access to the information being provided as appropriate.
- 27.5 IAO and System Owners must ensure that the information recorded in relation to their information asset in the Corporate Information Asset Register is correct and up-to-date.
- 27.6 Role descriptions are contained within the Information Governance Policy, but are replicated here for ease of reference.

28. Senior Information Risk Owner (SIRO)

- 28.1 The Council has designated this role to the Director of Corporate Services, who is responsible for the corporate monitoring and implementation of an Information Management Improvement Programme; managing the risks and assurance measures, maturity level targets and reporting regularly to CMT on the effectiveness of this programme of work and alerting to issues of non-compliance. The SIRO also acts for the Council as Data Controller, and determines the purposes for which, and the manner in which, any personal data are, or are to be, processed, and has overall responsibility for ensuring the Council's compliance with the Data Protection legislation. The SIRO is also the Council's named

officer for the statutory functions and obligations of the Council under all current legislation relating to Freedom of Information, Regulation of Investigatory Powers, and any other relevant legislation or statutory guidance relating to records management, including the Public Records (Scotland) Act 2011.

29. Monitoring Officer

- 29.1 The Council's Scheme of Administration and Delegations has designated this role to the Chief Legal Officer [Executive Manager – Governance and Law], who is responsible for monitoring any proposal, decision, or omission by the Council, Committee, Sub Committee or Officer that contravenes any legislation or Code of Practice. The Monitoring Officer will inform and advise the SIRO of any issues regarding compliance with the Freedom of Information (Scotland) Act 2002, or the Public Records (Scotland) Act 2011.

30. Data Protection Officer

- 30.1 The Chief Legal Officer [Executive Manager – Governance and Law], is also the current designated Data Protection Officer. The Data Protection Officer must inform and advise the Data Controller [the Council] of its obligations under Data Protection legislation, and monitor the implementation and application of the Council's policies and training on personal information management.

31. Senior Information Asset Owners [Directors]

- 31.1 The authorising person within a Directorate responsible for ensuring information management and improvement targets are implemented and adopted by staff and for the assets within their Departments and Services. They are also the owners of Information Management Risks and for ensuring that the risks are managed in accordance with Council policy and practice.

32. Information Asset Owners [Executive Managers/Head Teachers]

- 32.1 Information Asset Owners are responsible for ensuring information management policies and procedures are followed, recognising actual or potential security incidents, consulting their Senior Information Risk Owner on incident management, and ensuring that information asset registers are accurate and up to date and that appropriate monitoring and reporting is in place.

33. Records Manager

- 33.1 In support of senior management responsibilities, operational day-to-day information management functions are delegated to the Records Manager [Team Leader – Administration], who is required to promote, monitor and manage the effective control of the Council's records in

relation to service and departmental procedures and practice, and ensure corporate wide compliance with the Records Management Plan and associated requirements under the Public Records (Scotland) Act 2011. The Records Manager is the Council's initial point of contact for any Records Management issues.

34. Information Asset Administrators [Business Support/Admin Teams]

- 34.1 Responsible as part of each Directorate's Business Support for ensuring information management practice and policies are followed by all staff, providing frontline support to Directorate staff to adhere to all information management requirements [Records Management, FOISA and Data Protection] and identifying any issues to their Information Asset Owners.

35. Buildings Manager (BM)

- 35.1 The BM is responsible for the physical security of buildings through the effective management of security of buildings. Physical security of information within a business unit or building is the responsibility of the Information Asset Owners, individual managers and staff who work within those areas.
- 35.2 The BM must respond promptly to any building physical security issues that are brought to their attention by any member of staff (or visitors) to remove or reduce any information security risk. Any remaining risk must be reported by the BM to the relevant Information Asset Owners / managers and Records Manager. These managers must then report this through their management chain to their service management team to be considered as part of the Council's approach to risk management.

36. Internal Audit

- 36.1 The Council's Internal Audit function includes responsibility for auditing the adequacy of the Council's Information Security Policy, procedures, internal information security controls, their implementation and Corporate and Service compliance with these.

37. Information Security Governance and Process

- 37.1 The **Information Governance Board (IGB)** is chaired by the Senior Information Risk Owner (SIRO) [Director of Corporate Services] and seeks to (i) promote the effective management of all Council information in all formats throughout its lifecycle, to meet operational, legal and evidential requirements, (ii) support the Council in identifying and managing its information needs, risks and responsibilities, and (iii) ensure an information risk management policy and framework is in place and overseen. The IGB will review high level information security risks in support of the SIRO.
- 37.2 **The ICT Management Board** is chaired by the Executive Manager –

ICT, and has the following responsibilities - (i) in conjunction with the IGB, the promotion of information security throughout the Council, (ii) the review and recommendation for the approval of all IT-security related policies and procedures, (iii) compliance and certification through external assurance schemes such as PSN and Cyber Essentials, (iv) review and monitoring of IT security incidents, their cause, resolution and future prevention, and (v) providing technical input to the DPIA assurance process.

38. Information Security Incident Reporting

38.1 Information Security Incidents

38.2 An information security incident is an event that has, or could have, resulted in loss or damage to information, or an event which is breach of this policy. This includes but is not limited to:

- The loss of an unencrypted memory stick
- Theft or loss of data held in electronic format
- A break-in to Council premises
- Paper files going missing
- Disclosure of confidential information
- Unauthorised access to a system
- Unauthorised use of information
- Cyber attack

38.3 If a potential ICT system security issue or incident is identified then this must be reported by the individual or delegated nominee to the ICT Service Desk.

38.4 Any security issue or incident that involves paper based information or physical security where this could impact on the security of Council information assets should be reported to the Senior Information Risk Owner.

38.5 Where either an ICT incident or a paper incident involves personal information, the personal information breach procedure must be followed, by reporting timeously to the Data Protection Officer – [Breach Reporting Form \(Firmstep\)](#).

39. Incident Management

39.1 Good incident management is also important when things don't go as expected. All incidents need to be reported as soon as possible so they can be dealt with swiftly and effectively.

39.2 It is the responsibility of every employee to report an incident as set out in the Policy and any other agreed procedures.

39.3 Responsibility for investigation will depend on the incident. It may be

carried out by ICT, the Data Protection Officer (or nominee) and/or the Information Asset Owner. Any incident will need to go through containment and recovery, assessment of ongoing risk, notification of incident to relevant bodies/people necessary (if a severe security incident or a data breach), evaluation and response.

- 39.4 Usage data which is collected as a matter of routine can be used and analysed during investigations into breaches of the Information Security Policy. Investigations will only be authorised where there are reasonable suspicions of misuse. In line with the Council's Disciplinary Procedure, should any investigation indicate that disciplinary action may be necessary, Human Resources and, where appropriate, Governance & Law Services must be consulted at an early stage to ensure that the correct procedure is followed.
- 39.5 Incidents can be caused by malicious behaviour, human error, equipment failure or unforeseen circumstances (such as fire or flood). They include, but are not restricted to:
- Loss or theft of data/information or equipment on which it is stored
 - Corruption or destruction of information or equipment on which it is stored (if it is the original copy and is out with disposal policy)
 - Provision of data to someone who is not entitled to see it
 - Attempts to gain unauthorised access to data (hacking, blagging, breaking in, accessing files without permission)
 - Inappropriate access controls allowing unauthorised use
 - Changes to information or data or system hardware, firmware, or software characteristics without the Council's knowledge, instruction, or consent.
- 39.6 Incidents can include 'data breaches'. A data breach is the loss, theft, corruption, inappropriate access or sharing of data. Each incident will be investigated and judged on its individual circumstances and addressed accordingly. A data breach may lead to a disciplinary investigation and subsequent disciplinary action.
- 39.7 If a criminal offence is considered to have been committed the matter will be reported and further action may be taken to assist in the prosecution of the offender(s).
- 39.8 If the breach involves personal information (sensitive or otherwise) then this is a 'data protection breach.' The Data Protection Breach Procedure must be followed in these cases. It will be the Data Protection Officer's responsibility, in consultation with the SIRO, to decide whether or not to notify the Information Commissioners Office (ICO) of any breaches (where personal data has been unlawfully obtained or disclosed, knowingly or recklessly, by an individual) and to decide whether to report security breaches or not.
- 39.9 Any user may have their access to the Council's network suspended at

the discretion of the ICT Executive Manager. Access may be restored following appropriate review of the circumstances.

40. Staff Communication & Training

- 40.1 The Policy and other information management policies are made available to staff through the Intranet and/or Interact, and to others within scope of the policies through the Council website.
- 40.2 All employees including homeworkers are required to undertake the Information Security training available on the Council's Learning Management System - iLearn.
- 40.3 Further information security online learning modules may be provided to staff and these must be completed where they are relevant to their role. Staff will be informed when they must complete these training modules.

41. Review

- 41.1 The Policy will be reviewed on a regular basis and adapted appropriately to ensure that it continues to meet the business and service delivery requirements of the Council.

END

APPENDIX A - E-MAIL USAGE GUIDELINES

1. Usage of the E-Mail System

- a. Think about whether an e-mail is really necessary in the first place. Would telephone or a meeting be more appropriate? E-mail is sometimes too easy to use.
- b. Consider using the Intranet to post bulletins and large documents. If you really need to bring this to the attention of all staff – send a short e-mail and embed the Intranet link.
- c. Take time to make an e-mail and its attachments as straightforward as possible for the recipients to read and understand the point and what actions, if necessary, are required.
- d. Don't expect an immediate answer. Technically, e-mails can get queued, in some cases for hours, or people may be out of the office and will not get back to you for a few days. If you want an immediate answer, use the telephone – or follow up an e-mail with a telephone call.
- e. If you are away from the office for a few days or more, set your out-of-office message on, explaining when you will be back and who to contact in the meantime.
- f. Don't use fancy backgrounds. They take up unnecessary space and can make reading the actual e-mail difficult.
- g. When setting up internal meetings, use the Invite-attendees function of the E-mail system calendar. Avoid using normal e-mail unless some of the attendees are not on the main council email system.
- h. You should not circulate non Council-related multiple messages or enter into chain mail. The e-mail system operates on equipment with a limited capacity and this may slow down the system or cause other disruption. This also relates to the sending of large attachments to an e-mail message.

2. Recipient List

- a. Don't Spam people or flood their inboxes with e-mails they don't really need.
- b. Use CC: for people you are copying the e-mail for information.
- c. Think about whether every recipient really needs or wants to get a copy. The e-mail system makes it easy to copy large numbers of recipients, many of whom may not have the time to read it.
- d. Use address groups appropriately. For example, think very carefully before using an All Staff distribution list. Do you really need/want everyone to read this?
- e. Don't use BCC (blind copy) unless you are using a distribution list that includes private email addresses, and using BCC will prevent a breach of information.
- f. Put a meaningful subject in. This lets people judge what the message is about and how much importance they should place on it. It also makes the e-mail easier to find if you need to retrieve it.
- g. You should be aware that e-mail communications are equivalent to sending a memo or letter on Council-headed paper. To avoid the

unintentional formation or varying of contracts, the issue of news releases, statements or information on behalf of the Council should be restricted to authorised personnel.

- h. Be careful when using Reply-to-all, especially when it's a general bulletin to a number of people. Do you really want everyone to read your reply, or did you just mean to Reply to the sender.

3. Attachments

- a. Think about whether all attachments are really necessary. It takes time to open and read all attachments.
- b. Use e-mail as it is supposed to be used. Do not put the content of an e-mail into a Word document and attach it to a blank e-mail. It is cumbersome and time-consuming to open the attachments to find out what the e-mail is about.
- c. Keep the size of any attachments to a minimum. Remember that often people will not have a fast broadband e-mail system and some attachments are better zipped.
- d. Consult the [Information Handling Rules](#) for any emails containing sensitive or personal data

APPENDIX B - SECURE OPERATING PROCEDURES

Each Systems Owner is responsible for ensuring that secure operating procedures are produced and followed for each system and addresses the following issues:

1. SOP Introduction
 - 1.1. Documented operational procedures are required to ensure correct and secure operation of computer applications and network facilities.
 - 1.2. The system owner must ensure the creation and maintenance of secure operating procedures (SOPs) for all networked computer systems, to ensure a correct, secure operation. Documented procedures must also be prepared for system development, maintenance or testing work where this is carried out on a networked system.
 - 1.3. The purpose of the SOP is to specify the rules necessary to comply with the System Security Policy. For example the policy might specify that a computer needs to be kept in a room that is locked during silent hours. In this case, the SOP will state who will be responsible for locking and opening the room, where the key is held, and the times the room is to be open. SOPs serve to define who is to do what, when, and in what manner.
 - 1.4. All operating procedures must be treated as formal documents, changes to which may only be approved by authorised management. They must be reviewed at least annually.
2. SOP Contents
 - 2.1. The SOP must contain the following:
 - description of the system functions;
 - responsibilities;
 - system security and accountability;
 - staff conduct and discipline;
 - systems management and administration;
 - security administration;
 - change control;
 - third party maintenance of hardware and/or software (if appropriate);
 - external visitors - including rules for disclosure of data (if appropriate);
 - timings;
 - procedures to:
 - protect confidentiality, integrity & availability
 - report security incidents
 - monitor compliance with the SOP
 - maintain the SOP
 - 2.2. The procedures must specify the correct instructions for the detailed execution of each job, including, as appropriate:
 - the correct handling of data files;
 - scheduling requirements (including any inter-dependencies with other systems);

- instructions for handling errors or other exceptional conditions, including restrictions on the use of system utilities;
- support contacts in the event of unexpected operational or technical difficulties;
- output handling instructions;
- system restart and recovery procedures for use in the event of system failure;
- System housekeeping activities (eg close down, data backup and equipment maintenance).

2.3 If batch processing is to be used, the following rules must be observed:

- Batches of sensitive data must be logged in and out of the installation.
- All batches of sensitive data must have control totals which must be logged and checked.
- Processes must be protected such that they cannot be run without appropriate authorisation.
- Media containing sensitive data must be kept secure when not in use.
- Only authorised and logged production jobs may be run against sensitive data.
- Test jobs must not access live sensitive data.
- System utilities may only be used under strictly controlled conditions.
- Audit trails must be maintained.

END

APPENDIX C – INFORMATION CLASSIFICATION AND PROTECTIVE MARKING SCHEME (INCORPORATING INFORMATION HANDLING RULES)

1.0 Introduction

1.1 Not all information has the same value to an organisation or the same level of impact on the organisation and individuals should it be accidentally disclosed. Equally, not all information requires the same level of protection for storage, handling, and access. An information classification scheme allows us to organise and group information into clearly defined classes based on sensitivity with each requiring a different level of management and protection.

1.2 At its simplest, information protective marking is a method of security labelling content so that its audience can be quickly understood along with its handling requirements, with each category reflecting the potential harm that could result from its accidental disclosure.

1.3 If you need further advice or guidance about this Scheme, please contact the Records Manager in the first instance records.management@shetland.gov.uk.

2.0 Policy Statement

2.1 All information held by or on behalf of Council may be categorised according to the SIC Information Protective Marking Scheme. The categorisation shall be determined by the originator of the information taking account of an impact level assessment, and all information falling into the classified categories shall be marked as such. Where information falls within more than one category, the higher level of protection shall apply in each case

2.2 Information classified by the SIC Information Protective Marking Scheme, shall be handled in accordance with the SIC Information Handling Rules.

2.3 Where a third party will be responsible for handling information on behalf of Council, the third party shall be required by contract to adhere to this scheme and handling rules, prior to the sharing of that information.

2.4 Where the Council holds information on behalf of another organisation with its own information classification, written agreement shall be reached as to which set of handling rules shall apply prior to the sharing of that information.

2.5 All members of Council and third parties who handle information on behalf of Council have a personal responsibility for ensuring that appropriate security controls are applied in respect of the information they are handling for the Council. Appropriate security controls may vary according to the classification of the information and the handling rules for the relevant category shall be followed.

2.6 Automatic technical controls may be implemented to assist users in complying with these controls, but where technical measures are not implemented users are responsible for complying with this scheme where appropriate.

3.0 Information Protective Marking Scheme

3.1 The SIC Information Protective Marking Scheme (IPMS) has three levels of classification, as follows:

PUBLIC = unclassified information

OFFICIAL = routine business

OFFICIAL – PROTECT = enhanced level for personal, commercial or legal information

3.2 Each classification will attract a level of security controls appropriate for managing the information risks involved. The protective marking categories shown in [Appendix 1](#) should be used, and information handling rules are shown in [Appendix 3](#).

4.0 What does it apply to?

4.1 The Information Protective Marking Scheme applies to all information created, owned or processed by Council regardless of the format that information takes i.e. electronically held on a computer or server, email, standard postal communication, paper records, photographs, video/DVD/CCTV, tape recordings, etc.

5.0 Freedom of Information (Scotland) Act (FoISA)

5.1 Classification of information does not exempt it from the scope of the Act although a classification of OFFICIAL and above may indicate that an exemption may apply and this fact should be considered. Decisions on the release of information under FoISA should be based on the requirements of the Act and not the classification of the document.

6.0 Data Protection Act 2018 (DPA)

6.1 A key principle of the DPA is that we process personal data securely by means of 'appropriate technical and organisational measures' – this is the 'security principle'. Doing this requires the Council to consider things like risk analysis, organisational policies, and physical and technical measures. We must also take into account additional requirements about the security of our processing.

6.2 Use of an information classification and protective marking scheme linked to good handling practice is recognised as a good way of upholding this principle under the DPA.

7.0 Who determines and applies a classification to information?

7.1 In each case the originator of the information determines its classification and protective marking. The originator means the person responsible for the information, not the person physically producing the document unless they are the same person. Unless ownership is formally transferred, that person is responsible for the classification and any changes to the classification throughout the life of the document. Information about Information Asset Owner levels within the Council can

be found in the Information Governance Policy.

8.0 Impact Levels

8.1 A good starting point for deciding how a piece of information is classified is to consider the potential impact of accidental disclosure. This includes:

- The impact on an individual's welfare and reputation
- The impact on the Council's reputation
- The economic impact on the Council
- The economic impact on a business or organisation
- The impact on statutory duties
- The impact on service delivery

8.2 The simplest method is to use three impact levels that map to the protective marking itself which gives us:

Impact level 0 (IL0): PUBLIC
Impact level 1 (IL1): OFFICIAL
Impact level 2 (IL2): OFFICIAL-PROTECT

8.3 A table giving typical information content for each level and potential impacts to assist with categorisation is attached to this document as [Appendix 2](#).

9.0 Assessing Impact Levels

9.1 To assess the impact level (IL) for a piece of information it is necessary to consider the following three questions:

- Confidentiality: If this information were to be accidentally disclosed, what damage or distress could be caused?
- Integrity: If staff could no longer rely on the accuracy of this information, what would the impact be to the Council, the staff delivering the service, and the citizen receiving the service?
- Availability: If the Council could no longer access the information, what would the impact be?

9.2 An impact level is determined for each of these based on worst case scenario. It is necessary to recognise that aggregated information may lead to a higher score for some types of records, and in such cases it may be desirable or necessary to treat them as separate information entities. If this approach is taken it should be clearly recorded against the asset register along with the justification for choosing this approach.

For example: If a single file is IL1 but the entire database of records contains more sensitive information and is classified as IL2 then it may be advisable to list these as two separate assets to show that you believe aggregated data requires a different classification and handling precautions to the single file.

9.3 It should be clear that an IL may have to be allocated to a record or document

simply because it contains a small piece of information.

9.4 Once the impact levels are determined, the record is allocated the highest and the asset register updated. This determines the protective marking that will be placed on the document or electronic message itself.

10.0 Marking documents and records

10.1 Automatic technical controls may be implemented to assist users in complying with these controls, but where technical measures are not implemented users are responsible for complying with this scheme.

10.2 Documents should be clearly marked with the appropriate protective marking at the top and bottom of each page using the header and footer where available. The marking should be in upper case so that it is easily seen and read. If it cannot be added electronically, then it should be either clearly written in upper case or stamped.

10.3 Email messages should be clearly marked in the subject line, again using upper case enclosed in square brackets.

For example:

Subject: An email about something sensitive [OFFICIAL - PROTECT]

10.4 The protective marking should also be added to the body of the message in upper case at the top of the email before any greeting, and at the bottom of the email before any disclaimer.

11.0 Information Handling Rules

11.1 Once classified, all information shall be stored, accessed, disseminated or disposed of in accordance with the SIC Information Handling Rules ([Appendix 3](#)).

12.0 Reassessment of classification

12.1 Each time a document or record is altered, it should be reassessed by the asset owner and, if necessary, reclassified.

13.0 Ownership and Review

13.1 This document is owned by the Information Governance Board and forms part of the Council's Information Governance Policy framework.

13.2 This scheme will be reviewed as and when any impacts of changes in legislation or other Council policies are identified. Otherwise, the scheme will be regularly reviewed every 5 years in line with other planned reviews under the Council's Records Management Plan.

END OF SCHEME DOCUMENT

Appendix 1 – SIC Information Protection Classification Scheme

Appendix 2 – Impact Levels

Appendix 3 - SIC Information Handling Rules

DRAFT

Appendix 1 – SIC Information Protection Classification Scheme

PROTECTIVE MARKING CATEGORY	DESCRIPTION
PUBLIC	Most likely be listed in the FoISA Publication Scheme . Includes information published on the Council's public web site and that which has been specifically approved for general publication, including; committee reports, brochures, policy documents (excluding security policies) annual reports, etc.
OFFICIAL	Routine business information - this may include information which will be disclosed in response to a FoISA request, but which the Council does not wish to publish pro-actively, and would not want to release in an uncontrolled and out of context manner. Information is restricted to staff or other contracted persons working on behalf of the Council. This may include information published on the Council's intranet/Interact site and Council policies: responses to FoISA requests; internal directories and handbooks; presentations; agendas, discussion papers and meeting notes; training materials; routine budgetary details; business cases.
OFFICIAL - PROTECT [Business]	Sensitive Legal information; Third Party Contractual Information; Highly sensitive information that should only be distributed to explicitly identified individuals such as senior management; Information where unauthorised disclosure, (even within the Council), would cause harm to the interests or security of the Council or other parties by virtue of financial loss, loss of opportunity or reputation or cause embarrassment.
OFFICIAL - PROTECT [Personal]	Name, address, personal contact details (not work), age, gender, birth details, physical description of person, NI number, marriage status, partnership details, marital history, details of family and household members, habits, housing, travel details, leisure activities, organisation membership, employment and career history, recruitment and termination details, attendance records, performance appraisals, training records, payroll ID, login ID's, income, salary, benefits, loans, grants, insurance details, goods or services supplied, licenses issued, agreements and contracts.

END OF APPENDIX 1

Appendix 2 - Impact levels

Impact Level 0 (IL0) (PUBLIC)	Impact Level 1 (IL1) (OFFICIAL)	Impact Level 2 (IL2) (OFFICIAL-PROTECT)
<i>Risk Management Severity Impact Outcomes</i>	<i>Insignificant Minor</i>	<i>Significant Major Extreme</i>
<i>Examples of Records (see also Appendix 1): Documents in the FoISA publication scheme Official public communications or publications Policy documents that do not give details of security measures Professional personal details (job title, extension number, email address) Website content</i>	<i>Examples of Records (see also Appendix 1) Business proposals, tenders, contracts, etc. Business continuity information Media releases (pre-release)</i>	<i>Examples of Records (see also Appendix 1) Personal information as defined by the Data Protection Act Job applications and offers of employment Disciplinary procedure records Child protection orders Criminal history ICT infrastructure information Disaster recovery information (IT systems) Union Negotiations Government Documents with Confidential Classification</i>
Will not cause harm or distress to an individual	Note – personal information should always have an OFFICIAL – PROTECT classification.	May cause distress, damage or embarrassment to an individual or group of individuals. May cause a significant or major risk to personal safety to an individual or group of individuals.
Will not cause reputational damage to the Council	May cause insignificant or minor reputational damage to the Council	May cause significant political harm or disadvantage to the Council or cause significant or major reputational damage.
Will not affect the delivery of statutory services	Will not affect the delivery of statutory services	May cause a significant or major breach of statutory duties and obligations.

Impact levels (contd.)

Impact Level 0 (IL0) (PUBLIC)	Impact Level 1 (IL1) (OFFICIAL)	Impact Level 2 (IL2) (OFFICIAL-PROTECT)
Risk Management Severity Impact Outcomes	Insignificant Minor	Significant Major Extreme
Will not affect the delivery of other public services.	May have insignificant or minor effects on the delivery of some services.	Noticeable disruption to the delivery of services.
Will not cause financial loss to the Council.	May cause insignificant or minor financial loss to the Council.	May cause significant or major financial loss to the Council.
Will not cause financial loss to a business or organisation.	May cause insignificant or minor financial loss to a business or organisation.	May cause significant or major financial loss to a business or organisation.
<p>If you need further advice or guidance about this Scheme in relation to any particular set of information or records, please contact the Records Manager in the first instance (records.management@shetland.gov.uk).</p>		

END OF APPENDIX 2

Appendix 3 – SIC Information Handling Rules

Information Security Policy – Mobile, Flexible and Home Working general rules	<ul style="list-style-type: none"> Paper based council information and council ICT must be kept in sight at all times and be under the control of the council representative when off site (subject to the exception where the council is supporting a customer in completing information where the customer is the owner of the information). Use of Council ICT must be positioned in a way that complies with the clear screen policy to prevent unauthorised access to information. This should not prevent appropriate viewing of information by third parties where this is required as part of the business process. Council ICT and paper information must not be left in a car unattended during offsite working activity unless this is securely stored (not visible such as in a covered area in the boot of the car). Council ICT and paper information must not be left unattended in a car overnight. Exceptions may be made where this is the best possible security available, but in any case the information / ICT must not be visible and a risk assessment must be carried out. 			
Handling Procedures	Storage	Dissemination and Access [for use by Council Services]	Exchange and Collaboration [for use by third parties or for same or different purposes outwith the Council Service]	Disposal / Destruction
Impact Level 0 (ILO) (PUBLIC)	<p>No special precautions required.</p> <p>Electronic information should be stored using Shetland Islands Council provided IT facilities to ensure appropriate management, backup and access.</p>	<p>Information can be shared via the website.</p> <p>Electronic and hard copy information can be circulated freely subject to applicable laws e.g. copyright, contract, competition</p> <p>May be accessed remotely and via portable and mobile devices without encryption.</p>	<p>Information can be exchanged via email or file sharing without needing encryption.</p>	<p>Electronic information should be deleted using normal file deletion processes in accordance with any retention schedule.</p> <p>Printed copy should be disposed of via normal paper recycling scheme or with general office waste, and in accordance with any retention schedule.</p>
Handling	Storage	Dissemination and Access	Exchange and Collaboration	Disposal / Destruction

Procedures		[for use by Council Services]	[for use by third parties or for same or different purposes outwith the Council Service]	
Impact Level 1 (IL1) (OFFICIAL)	Electronic and paper-based information must be stored using Shetland Islands Council provided facilities to ensure appropriate management, backup and access.	Electronic and hard copy information can be circulated on a need-to-know basis to Council members subject to applicable laws (e.g. copyright) or Council Regulations May be accessed remotely and via disk-encrypted portable and mobile devices without further encryption.	The method to be used for exchanging information must take account of the nature and volume of the data to be exchanged so that the impact of inappropriate disclosure can be assessed, and an appropriate method selected. Email must be protectively marked.	Electronic equipment holding this information must be disposed of using the Council secure IT waste disposal service and in accordance with any retention schedule. Printed copy should be disposed of in accordance with any retention schedule via departmental shredding facilities. Large accumulations of data should not be downloaded or copied. Appendix 3 contd.
Handling Procedures	Storage	Dissemination and Access [for use by Council Services]	Exchange and Collaboration [for use by third parties or for same or different purposes outwith the Council Service]	Disposal / Destruction
Impact Level 2 (IL2) (OFFICIAL-PROTECT) <i>Continued on next page</i>	Paper - Controlled access to room mandatory. Paper - If uncontrolled access to room - Locked drawer or filing cabinet mandatory, with controlled access. Electronic [digitised or born digital] information must be stored using Shetland Islands Council IT facilities. Portable devices must	Access to confidential data must be strictly controlled by the Data Owner who should conduct regular access reviews. Some types of confidential information may be shared with authorised users via Shetland Islands Council IT facilities, including remote access, subject to Shetland Islands Council authentication.	For personal information, the Data Sharing Framework MUST be followed. Unless instructed otherwise by Legal Services, a Data Sharing Agreement or Data Processing Agreement must be in place before personal information is shared. The method to be used for exchanging protected information must take account of the nature	Electronic equipment holding this information must be disposed of using the Council secure IT waste disposal service and in accordance with any retention schedule. Printed copy should be disposed of in accordance with any retention schedule via departmental shredding facilities.

	<p>have full disk encryption. Unencrypted removable media (e.g. USB sticks) must NOT be used.</p> <p>Storage on Personally owned (e.g. home) computer is NOT permitted.</p> <p><u>Only in exceptional circumstances should paper files be authorised for removal from the office. Individual services must have a logging system for ensuring an audit trail of file movements, and regularly checked to ensure whereabouts are known at all times.</u></p>	<p>Ensure that file / folder permissions are set so that only those who 'need to know' have access</p> <p>Confidential data must not be extracted from Council IT systems and stored on local IT systems.</p> <p>If a portable device (e.g. a laptop, tablet or phone) is used to access Council confidential information, the device must be encrypted and require a password or PIN to access.</p>	<p>and volume of the data to be exchanged so that the impact of inappropriate disclosure can be assessed, and an appropriate method selected.</p> <p>For exchange of information via telephone, appropriate precautions must be taken, such as ensuring the identity of the called party and guarding against eavesdropping. A note should be placed on file which details what, when and to whom protected information was shared by telephone.</p>	<p>Large accumulations of data should not be downloaded or copied.</p>
Handling Procedures	Storage	Dissemination and Access [for use by Council Services]	Exchange and Collaboration [for use by third parties or for same or different purposes outwith the Council Service]	<p>Appendix 3 contd.</p> <p>Disposal / Destruction</p>
Impact Level 2 (IL2) (OFFICIAL-PROTECT) continued			<p>Personal data MUST be encrypted prior to exchange.</p> <p>Exchange must be conducted using Shetland Islands Council provided facilities.</p> <p>Duplicate copies of protected information must be avoided.</p> <p>Where copies are necessary the protective marking must be carried with the data.</p>	

			<p>Where paper copies are required for circulation or sharing, secure delivery methods must be used.</p> <p>Paper and electronic copies must be protectively marked and added markings such as private or confidential can be added.</p> <p>The intended recipients must be clearly indicated.</p>	
--	--	--	--	--

END OF APPENDIX 3



Meeting(s):	Audit Committee Policy & Resources Committee	28 February 2024 20 March 2024
Report Title:	Scottish Household Survey	
Reference Number:	CRP-02-24-F	
Author / Job Title:	Susan Msalila - Executive Manager – Change Programme	

1.0 Decisions / Action required:

- 1.1 That the Audit Committee, and Policy and Resources Committee discuss the content of this report and highlight any Indicators where further attention or explanation is required through Council Committees or by Council management.

2.0 High Level Summary:

- 2.1 The Scottish Household Survey is an annual survey based on a sample of the general population in residences in Scotland.
- 2.2 During lockdown, the survey was conducted by telephone and did not include enough households to provide a reliable breakdown at a Local Authority level.
- 2.3 Full Local Authority Tables for 2022 were published in December 2023 providing comparable information at Local Authority level. The full set of 2022 data is available here:
[Supporting documents - Scottish Household Survey 2022](#)
- 2.4 The Shetland sample size for most indicators is 350. This is one of the highest proportionate sampling size in Scotland and produces statistically significant results

3.0 Corporate Priorities and Joint Working:

- 3.1 The indicators in this report cover areas directly influenced by the Authority, areas of joint working and areas where the Authority has little or no influence.
- 3.2 Our Ambition Corporate Plan: *“We will monitor and report progress on this plan through our Change Programme and Performance Management Framework”*
- 3.3 As part of our obligations to comply with the Accounts Commission for Scotland's Publication of Information (Standards of Performance) Direction 2021 we must report information to compare our performance against time, and against other similar bodies, using nationally published indicators.

4.0 Key Issues:

- 4.1 This report provides an opportunity for the Committee to discuss the Scottish Household Survey results, the trends in local indicators, and how local indicators compare with national indicators.
- 4.2 The survey is comprehensive and analyses data in almost 500 tables. Members may wish to consider the following results in particular:

4.2.1 Housing

Table 1_1 – Property Ownership/Tenure

Almost half (49%) own their property outright compared to 36% in Scotland. This is the third highest outright ownership in Scotland. Private renting is at 3%, which is the lowest in Scotland.

4.2.2 Neighbourhoods

Table 2_1 – Rating of neighbourhood as a place to live

98% rate their neighbourhood as “Very/fairly good place to live”, the third highest in Scotland.

More significantly, 80% rate their neighbourhood as a “Very good place to live”, the second highest in Scotland which ranges from 38% to 88%, with an average of only 61%.

Table 2_6 – Statements about neighbourhood strengths

Statement	Result	Ranking
There are places where people can meet up and socialise	Strongly Agree 36% Strongly/tend to Agree 76%	2nd 2nd
There are welcoming places and opportunities to meet new people	Strongly Agree 36% Strongly/tend to Agree 71%	2nd 2nd
This is a neighbourhood where local people take action to help improve the neighbourhood	Strongly Agree 44% Strongly/tend to Agree 82%	3rd 2nd
This is a neighbourhood where most people can be trusted	Strongly Agree 74% Strongly/tend to Agree 97%	1st 1st
This is a neighbourhood where people are kind to each other	Strongly Agree 77% Strongly/tend to Agree 98%	2nd 1st
This is a neighbourhood where people from different backgrounds get on well together	Strongly Agree 50% Strongly/tend to Agree 88%	1st 1st

Table 2_11 – Strength of feeling of belonging to community

59% describe their feeling of belonging to their community as “Very Strong”, 2nd highest in Scotland. When this is analysed by age (Table 2_12), it shows an even spread from 35 and over. There is not enough data to report under 35s reliably.

Table 2_16 – Involvement with other adults in the neighbourhood

Statement	Result	Ranking
I feel I could turn to someone in this neighbourhood for advice or support	94%	1st
If I was alone and needed help, I could rely on someone in this neighbourhood to help me	97%	1st
If my home was empty, I could count on someone in this neighbourhood to keep an eye on my home	96%	1st
In an emergency, such as a flood, I would offer to help people in my neighbourhood who might not be able to cope well	95%	13th

Table 2_18 – Percentage of adults saying a problem is very/fairly common in their neighbourhood

Statement	Result	Scotland
Noisy neighbours or regular loud parties	3%	10%
Vandalism, graffiti or other deliberate damage to property	2%	12%
Rubbish or litter lying around	13%	28%
Neighbour disputes	3%	7%
Groups or individuals intimidating or harassing others	1%	7%
Drug misuse or dealing	8%	15%
Rowdy behaviour e.g. drunkenness, hooliganism or loutish behaviour	5%	11%
Abandoned or burnt out vehicles	2%	2%
Animal nuisance such as noise or dog fouling *	14%	31%
Any of the above	29%	52%
None of the above	71%	48%

* This local Animal/fouling/noise problem is showing a steady decline since the peak of 24% in 2013. This is contrast to the national figure of 31%, which has remained at around the same level since 2012.

Table 2_29 - Percentage of adults who have experienced discrimination and/or harassment in the last 12 months

17% of disabled respondents have experienced discrimination in the last 12 months, this is the 7th worst result in Scotland and significantly above the national average of 12%.

Table 2_32 - Perceptions of safety when walking alone in their neighbourhood after dark

95% report feeling “Very/fairly safe” walking alone compared to the Scottish result of 81%. Analysing this by gender shows a local 94%/96% female/male split compared with a national split of 72%/92%.

4.2.3 Finance

Table 3_1 – How the household is managing financially

10% say they “Do not manage well financially”, 23rd in Scotland. Further detailed analysis of this figure (by tenure/income/age/gender etc.) is available in the Table 3 financial spreadsheet [here](#).

4.2.4 Internet

Table 4_1 – Households with home internet access

98% of local households have internet access compared with 91% in Scotland.

Table 4_23 – Smart Appliances

Only 2% of local households report using “Smart heating”, this compares with 13% in Scotland.

4.2.5 Physical Activity and Sport

Table 5_14 Use of local authority sport and leisure facilities

48% have used local authority sport and leisure facilities in the last year compared with only 29% in Scotland.

Table 5_21 – Satisfaction with local authority sport and leisure facilities

85% are Very/fairly satisfied with local facilities, this contrasts sharply with the Scottish figure of 42%. This measure is as little as 20% in other areas.

4.2.6 Local Services

Table 6_1 Satisfaction with services

Very or fairly satisfied with:	2013	2014	2015	2016	2017	2018	2019	2022
Shetland								
Local Health Services	77	73	74	81	78	80	80	80*
Local Schools	92	86	87	89	89	79	91	81
Public transport	60	56	55	71	72	63	65	63
% satisfied with all 3	48	42	42	59	55	47	56	52
Scotland								
Local Health Services	85	86	83	83	82	81	80	64*
Local Schools	81	79	74	73	70	71	73	69
Public transport	71	75	74	72	69	65	68	58
% satisfied with all 3	60	62	58	56	52	52	53	40

*Local satisfaction with Health Services has remained steady whereas this has dropped significantly in other Authorities, post-pandemic.

Agree with these statements:	2016	2017	2018	2019	2022	Ranking 2022	Scotland 2022
Good at communicating services	59	51	57	67	67	1st	35
High quality services	66	67	64	74	72	1st	42
Good at communicating performance	46	43	41	54	43	5th	27
Services designed for needs	48	43	43	48	52	1st	31
Does its best with the money	34	34	44	53	56	3rd	43
Addressing key issues	43	41	43	50	51	3rd	33
Good at listening	26	22	25	29	31	5th	24
I can influence decisions	37	32	25	27	30	1st	18
I want more involvement in decisions	41	42	35	20	37	11th	33

Table 6_16 – Percentage agreeing with various statements about local authority services by year (above)

Shetland continues to improve in each of these measures, year-on-year. Further detailed analysis of these figures (by tenure/income/age/gender etc.) is available in the Table 6 services spreadsheet [here](#).

4.2.7 Environment

Table 7_11 – Percentage of adults agreeing with the statement 'It's not worth me doing things to help the environment if others don't do the same'

In Shetland 22% agreed with the above statement compared to 15% in 2018. The Scottish figure is 8%.

4.2.8 Volunteering

Table 8_1 – Whether or not adults have done formal volunteering in the last 12 months

Shetland continues to report “formal” volunteering at double the national rate (44% vs 22%). Even when comparing Shetland to geographically similar areas elsewhere, Shetland still significantly outperforms in volunteering.

4.2.9 Culture

Satisfaction with Local Authority cultural services: “Very/fairly satisfied”	2017	2018	2019	2022	Ranking 2022	Scotland 2022
Libraries	67	62	77	76	2nd	37
Museums and Galleries	82	78	80	80	1st	38
Theatres and concert halls	74	74	68	72	1st	38

Table 9_36 – Satisfaction with local authority cultural services

The figures above are for **all** respondents, not just those respondents who used the services.

4.2.10 Trust in Institutions

	Trust it a great deal / tend to trust it	Ranking	Scotland
Local Government	73	1st	60
The Civil Service	59	26th	62
The Education System	77	3rd	68
The Health System	91	1st	80
The Justice System which includes courts, lawyers and prisons	72	8th	64
The Police	86	5th	79
The Scottish Government	58	7th	54

5.0 Exempt and/or confidential information:

5.1 None

6.0 Implications :

6.1 Service Users, Patients and Communities:	The Scottish Household Survey Annual Report is compiled from responses from our community.
6.2 Human Resources and Organisational Development:	The high employment rate indicated in this survey will impact on the council’s ability to recruit.
6.3 Equality, Diversity and Human Rights:	Tables 2_28 and 2_29 shows discrimination against some protected characteristics.
6.4 Legal:	The Council has a statutory obligation to report information to compare our performance against time, and against other similar bodies, using nationally published indicators in accordance with the Accounts Commission for Scotland’s Publication of Information (Standards of Performance) Direction 2021 issued under section 1(1)(a) of the Local Government Act 1992.
6.5 Finance:	There are no financial implications arising directly from this report

6.6 Assets and Property:	None
6.7 ICT and new technologies:	None
6.8 Environmental:	None
6.9 Risk Management:	There is a risk that, due to the small sample size, the results are not a true representation of local issues. However, despite the sample size results are consistent year-on-year.
6.10 Policy and Delegated Authority:	<p>In accordance with Section 2.3.1 of the Council's Scheme of Administration and Delegations, the Audit Committee's remit includes <i>"To assess the effectiveness of the Council's Performance Management System by reviewing outputs from the system and overview key performance indicators"</i></p> <p>In accordance with Section 2.2.1 of the Council's Scheme of Administration and Delegations, The Policy & Resources Committee's remit includes <i>"Ensure the outcomes are achieved through service plans.....and manage performance"</i> and <i>"Review the overall effectiveness of the Council's work and the standards of service..."</i></p>
6.11 Previously considered by:	N/A

Contact Details:

Jim MacLeod
Performance & Improvement Adviser
james.macleod@shetland.gov.uk
12 January 2024

Appendices: None

Background Documents:

[Scottish Household Survey 2022: Key Findings](#)



Meeting(s):	Policy and Resources Committee Shetland Islands Council	20th March 2024 27th March 2024
Report Title:	Shetland Islands Council Risk Register	
Reference Number:	CRP-09-24-F	
Author / Job Title:	Christine Ferguson Director Corporate Services	

1.0 Decisions / Action required:

- 1.1 That Policy and Resources Committee and Shetland Islands Council
- 1.1.1 CONSIDER the content of this report and the Shetland Islands Council's Risk Register attached at Appendix 1;
- 1.1.2 ADVISE the Chief Executive and Corporate Management Team of their views.

2.0 High Level Summary:

- 2.1 This report presents the Council's updated Risk Register, which is attached at Appendix 1 and describes recent updates and the current situation with regard to those risks.
- 2.2 The risks identified reflect the challenges to achieving 'Our Ambition' at a time of unprecedented change with increasing pressures caused by continuing reductions in funding for local government.

3.0 Corporate Priorities and Joint Working:

- 3.1 Our Ambition 21-26 highlights that 'Our communications will enable us to clearly explain the challenges and opportunities to our workforce, community, partners and other key stakeholders and to engage them in being a part of the solutions, further strengthening these vital relationships and collaborative working'. The quarterly reporting of risks is one of the ways in which the Council explains its challenges and opportunities.
- 3.2 The effective management and monitoring of risks is a key component of planning and performance management, as required by the Council's Performance Management Framework.
- 3.3 The Council's Risk Management Policy sets out the framework, roles and responsibilities for risk management across the Council. The Council's Corporate Management maintains an oversight of the Policy and processes meeting quarterly as the Council's Risk Board chaired by the Chief Executive.

4.0 Key Issues:

4.1 The Council's current Risk Register is attached to this report at Appendix 1. The Risk Register was reviewed and updated following the meeting of the Risk Board on 20 February 2024

Very high risks

4.2 The four very high risks on the Council's Risk Register are:

- The National Care Service (Almost certain X Extreme - 25)
- Climate change (Almost certain X Extreme - 25)
- The need for investment in Shetland's infrastructure (Likely X Extreme - 20)
- Staff numbers/ skills shortage (Almost Certain X Major 20)

4.3 The Risk Board considered these risks and agreed that the current estimations of likelihood and impact were appropriate.

High risks

4.4 There are fifteen risks rated as high as follows:

- Change management failure (Likely X Major 16) – reviewed in February 2024
- Concurrent disruptive events (Likely X Major 16) – updated January 2024
- Partnership working failure – Transport Scotland, North boat (Possible X Extreme 15) reviewed in November 2023
- Partnership working failure – strategic partnerships (Possible X Extreme 15) reviewed February 2023
- Loss of revenue income from Sullom Voe (Possible X Extreme 15) reviewed November 2023
- Unsustainable Council spending over the medium term (Possible X Extreme 15) Reviewed and updated in November 2023
- Industrial action (Possible X Major - 12) Reviewed in November 2023, no change
- Deadlines – failure to meet those set by Audit Scotland (Likely X Significant 12) reviewed on February 2023
- Change management failure, Openreach switchover (Possible X Major 12) Updated to reflect in more detail the challenges that will be presented post-switch-over from power cuts
- Accident – harm to a child (Possible X Major 12) Details and triggers updated in July 2023 to reflect the current and changing situation
- Unanticipated additional demand from a fragile community (Possible X Major 12) Consequences updated in May 2023 to reflect changing possible impacts
- Economic – the equal pay gap (Possible X Major 12) Details, triggers and consequences updated in September and November 2023 to reflect the changing current situation

- Communications failure leads to harm to an adult at risk (Possible X Major 12) Details and consequences updated in October 2023 and the risk likelihood raised to reflect the current estimation
- Missed opportunities relating to the AHS site at the Knab (Unlikely X Extreme 10) Updated in September 2023 to reflect progress on site

4.5 The Risk Board considered the above risks and agreed that it was comfortable with the estimated likelihood and impact scores.

4.6 Of the remaining risks, eight have estimated impacts to communities or service users and are rated as Major. The one High risk with an estimated impact of Significant relates to the Council's failure to meet deadlines set by Audit Scotland. Audit Scotland are now the appointed external auditors for the Council with audit plans including thematic reporting on Best Value.

Risks Removed from the Council's Risk Register

4.7 The risk of breach of legislation relating to a failure to ensure that all staff have undertaken essential training has been a key focus for staff across the Council working closely with the Workforce Development Team.

4.8 Significant progress has been made on the backlog of staff who require training and the waiting times for training have been reduced. Access to, and participation in, essential training will continue to be monitored by Workforce Development.

4.9 In light of the progress made, the Risk Board approved the deletion of this risk from the Council's Risk Register. The risks with regard to essential training will continue to be recorded and monitored across all services and escalated to the Risk Board as required.

5.0 Exempt and/or confidential information:

None

6.0 Implications :

6.1 Service Users, Patients and Communities:	Regular reporting of risks is one of the ways in which the Council recognises challenges to achieving service delivery plans. This report highlights risks that may impact on communities in various ways.
6.2 Human Resources and Organisational Development:	Many of the risks identified in the Council Risk Register have implications for the workforce and hence for Human Resources.
6.3 Equality, Diversity and Human Rights:	An Islands Impact Assessment will be required to inform proposals for a National Care Service. It is essential that island voices heard. This may be challenging to achieve.

6.4 Legal:	Managers consider the legal aspects of risks as they arise and, where appropriate, legal risks are described within the risk narrative.
6.5 Finance:	Medium and long term financial planning takes account of a wide range of risks and uncertainties. Current financial planning risks describe estimated potential exposures and arrangements to manage and mitigate them.
6.6 Assets and Property:	Risks to assets are managed through established corporate landlord and facilities management arrangements.
6.7 ICT and new technologies:	<p>Technology-related risks include malicious cyber-attack and the uncontrolled release of data. The risk from the switch-off of the analogue signal has been considered for Council services and is well understood.</p> <p>Responsibility for the impacts across wider communities and businesses lies with Scottish Government and discussions are ongoing to maintain the focus on this issue at a national level.</p>
6.8 Environmental:	<p>Climate change is the Council's most significant risk in terms of scale, likelihood and cost of mitigation. The recently agreed Climate Change Strategic Outline Programme demonstrates the Council's commitment to carbon management and to the Scottish Government's emissions reductions targets.</p> <p>The scale and cost of the carbon reduction measures that need to be achieved through technological, cultural and environmental change are huge. Significant funding and resources are required in order to drive and achieve that step-change.</p>
6.9 Risk Management:	The periodic consideration of risk by CMT meeting as the Council's Risk Board, Policy and Resources Committee and Shetland Islands Council ensures that due consideration is given to the range of significant challenges facing the Council and that the organisation's approach to the management of risk is effective and appropriate.
6.10 Policy and Delegated Authority:	<p>Policy & Resources Committee requires the Corporate Risk Register to be reported periodically [<i>Min. ref. 43/17</i>]. The Risk Management Strategy forms part of the Policy Framework contained in Section A of the Constitution – Governance, which states that the management body for the Risk Management Strategy lies within the remit of the Policy and Resources Committee. Ensuring proper management of the Corporate Risk Register is therefore a delegated matter for the Policy and Resources Committee.</p> <p>Policy & Resources Committee agreed the Risk Management Policy, Strategy and associated documents including the Risk Board terms of reference, [<i>Min. ref. 43/17</i>]. However, the Council instructed that the Corporate Risk Register be reported to the Council quarterly as part of the Planning and Performance Management Framework (PPMF) cycle [<i>Min.Ref. SIC 20/16</i>] so</p>

	that all Members are informed and involved in discussing the high level and strategic risks facing the Council alongside other performance information.	
6.11 Previously considered by:	None	

Contact Details: Christine Ferguson, christine.ferguson@shetland.gov.uk

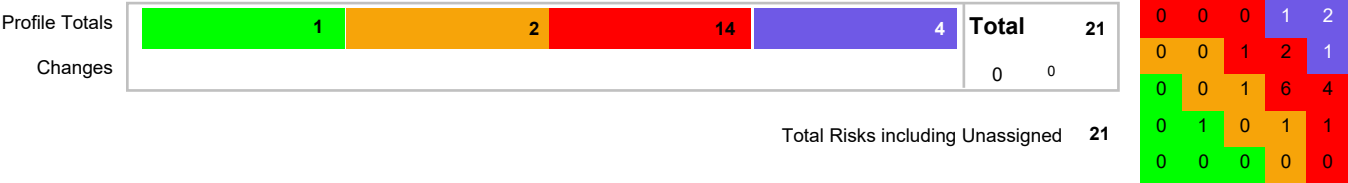
Appendices:

Appendix 1 – Corporate Risk Register

END

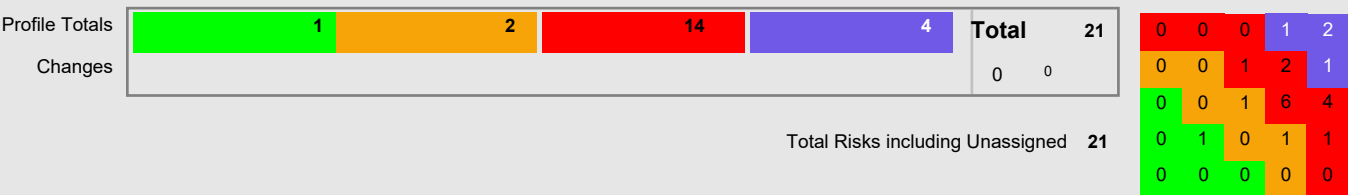
Directorate Details

Directorate



Risk Register - Shetland Islands Council

ManagerMaggie Sandison



Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date	
Climate change / carbon - Climate is a fundamental determinant of all aspects of well-being all across the world. In Shetland we are keenly aware of our environment and the day to day effects climate has on our activities, social and economic opportunities, safety and lifestyles. There is a growing evidence base available on what climate impacts will be. The organisation has made significant steps forward in terms of understanding the scope of the challenge for Shetland and in establishing proposed approaches to manage that challenge. 15 "Key Consequences" were highlighted in the Scottish Climate Change Adaptation programme (2014), these will be highly significant across a wide spectrum of the Shetland environment, economy and society. It is internationally accepted that we are now experiencing "climate emergency" and that significant steps need to be taken to prepare and deliver adaption and mitigation plans and actions. All public bodies have duties and obligations under legislation to produce adaption plans to help cope with these changes and to produce mitigation plans to reduce climate emissions against very challenging targets. These adaption and mitigation actions will require very significant resources and focus to deliver and will require review and potential restructure of many aspects of social and economic organisation and service delivery.	Environmental - Other	John Smith	ORG0051	17/10/2023	17/10/2024	
Triggers	Consequences	Control Measures		Control Status	Current Risk Rating	Previous Current Rating
Physical: Climate event Community/ organisational: Organisations/ public bodies/ influencers and individuals fail to understand the magnitude of the challenge, fail to engage in debate, fail to co-ordinate and align plans, fail to work together to deliver the changes required to build resilience and mitigate against further climate change. Council and other public bodies fail to adequately co-ordinate and plan, fail to be effective catalysts for change. Silo working/ tensions and organisations working in different directions. Failure to understand and plan for the magnitude and scope of change required; failure to establish resilient	Organisation and Community: Some are not prepared/ not resilient in face of change and hence impacts are disproportionately severe. Some communities and some groups of individuals cannot access or benefit from new infrastructure/ service delivery mechanisms/ networks, and hence are disadvantaged. Community wellbeing is negatively impacted for an extended period of time. Work to build resilience and mitigate against impacts is delayed and is not				Very High	
					25	
					Extreme	
					Almost Certain	

Risk Register - Shetland Islands Council

energy networks (generation, storage, distribution, access), social and community networks (delivery and access to services, transport). Financial: cost of change exceeds limited financial resources available.	as effective as planned. Financial: Impact on all services and across Shetland for an extended time. Depletion of reserves. Incurrence of borrowing and debt. Physical: Damage from storm, flood, increased impact from and frequency of damaging climate events, impact on industry/ agriculture/ community/ infrastructure/ housing.	<p>• This planning and activity has to take place in Shetland as critically as anywhere else.</p> <p>Shetland Islands Council is obliged to act as part of it's duties as a public body, as are all other Government agencies. Shetland Islands Council also understands its leadership role in the Shetland community and has no doubt that there is a clear understanding and strong commitment across our community to play our part in addressing this global issue.</p> <p>Shetland Islands Council also recognises that the range of actions which will be required to achieve such a fundamental change will require widespread partnership. That will be needed right across Shetland and with the wider national and international community.</p> <p>We also recognise that it will be very important to understand the Shetland dimensions around particular issues and possible changes to avoid being left behind as general and national solutions are implemented outwards from the centre.</p> <p>We also understand that we will have to work actively to find solutions that meet Shetland needs and issues rather than just rely on centrally generated and sometimes inappropriate "one size" answers which may work elsewhere but not in Shetland.</p> <p>The scope of this challenge is so wide that all key service strategies and plans across the Council, and those of our partners, will need to be revised to ensure that appropriate consideration of "Climate Change" implications is fully reflected in each as an early activity in our overall response.</p> <p>Next update reports on the Climate Change Strategy and Shetland Energy Strategy will be provided in the Q3 2023 committee cycle <i>John Smith</i></p>	Proposed		
--	---	--	----------	--	--

Review Comments Reviewed, control updated to reference the two strategies to be presented in Q3 17/10/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
National Care Service (NCS)- The Scottish government is currently consulting on options for a NCs for Scotland. The scope of the proposals within the recent consultation encompass Adult Social Care and all statutory social work interventions undertaken by Adult, Children and Justice Social Work; transforming the IJB to be a directly funded delivery mechanism for community health and social care; commissioning of services; Regulation; and the need to value people who work in social care. This has the potential for significant changes in the way social work and social care services are delivered in Shetland with a risk of reduced investment, level and quality of services.. The current proposals would affect approximately a third of the Council's workforce and annual budget. The work required to engage on a change of this magnitude will be extensive affecting all areas of the Council due to displaced activities in addition to the more immediate/direct impact on social care and social work.	Policies - effect of	Christine Ferguson	ORG0058	04/03/2024	04/03/2025

Risk Register - Shetland Islands Council

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Consultation / engagement process demands Implementation of significant change across a range of Council services Loss of local income streams e.g. from SIC and SCT New H&SC governance arrangements or organisation is established in Shetland	Lack of resources for planned work for example on initiatives to implement Our Ambition Changed terms and conditions for staff following the establishment of new arrangements Reduced investment in care services locally; reduced levels and standards of care and poorer outcomes for people who need support	• A range of controls will be developed. Controls - Current: A robust and comprehensive initial response was provided to Scot Gov's 2021 consultation. Controls - Planned: Council and IJB will liaise closely as the proposals for a NCS are taken forward by Scottish Government taking an aligned approach to risk management and working together in developing appropriate controls and responses <i>Christine Ferguson</i>	Approved	Very High 25 Extreme Almost Certain	

Review Comments Reviewed by Risk Board 20 Feb 2024

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
<p>Shortage of key staff/ skills The Council recognises that it needs to change to respond to challenges in its workforce profile, within recruitment, and to meet increased need in some services. This particularly affects Community Health & Social Care, social work, teaching, marine and other technical and professional posts. These difficulties are not limited to Shetland.</p> <p>Services are encouraged to carry out workforce planning activity, with the support of HR including analysis of workforce data. This includes age profiles, turnover, recruitment and training/qualifications data. Working patterns, and terms and conditions of service should also be reviewed by services to remove any unnecessary barriers to employment. Services also need to review the demands on services, both now and in the future and consider strategies to attract and retain employees that includes the need to develop a talent pipeline. HR and Council services work together to deliver the Council's Workforce Plan, designed to deliver the outcomes from the Workforce Strategy and ensure there is an effective workforce and succession planning.</p> <p>There are particular pressures in Social Care, with 90 FTE vacancies resulting in a significant increase in the use of Agency Workers and associated travel and accommodation costs - these significant additional financial costs cannot be sustained.</p> <p>Accommodation challenges are thought to be impacting upon recruitment when successful applicants struggle to relocate to Shetland.</p> <p>The expansion of Skilled Worker visas in 2023 has resulted in successful recruitment outcomes, but has workload pressures within the HR team who manage relocation and settlement.</p>	Staff number/skills shortage	Ingrid N Smith	ORG0018	08/09/2023	08/03/2024

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Increase in staff turnover and inability to recruit staff to vacant posts A lack of available accommodation for successful job applicants who wish to move to Shetland Fewer applicants for posts, failed recruitment exercises, repeat recruitments, Workforce depletion - increase in employee exits and sickness absence and difficulties in sustaining service provision with fewer staff and an ageing workforce	There is an increased spend on agency staff in some key areas such as ferries, direct care and mental health officers as well as increased overtime costs. Posts remaining unfilled due to failure to recruit which places strain on services to deliver, and increases pressure on existing workforce. Increase in employee exits	• Relocation is offered for hard to fill posts including in schools. Review of job profiles for Social Care Workers to ensure relevant up to date job content and remuneration. <i>Ingrid N Smith</i>	In Progress	Very High 20 Major Almost Certain	

Risk Register - Shetland Islands Council

	as employees lose motivation to remain and increase in employee absence, including due to mental health. With the increasing need to recruit from outwith Shetland, the relocation and interview expenses budget will increase. We are also having to advertise more frequently with teaching posts in particular being difficult to fill. Increases in service interruptions, potential service failure should adequate numbers of staff not be available.	<p>• Workforce Planning - HR have developed a Workforce Planning Guide to support Services to identify issues and approaches to mitigate these, for example development of "grow our own" programmes, increased modern apprentices and graduate apprentices.</p> <p>The Council published "Our Workforce Challenges" on its website. This is a simple document setting out the challenges faced and the imperative need to change how things are done. By communicating to the whole workforce and the public it supports the change process and making the case for change. <i>Ingrid N Smith</i></p> <p>• HR continually reviews the council's HR policies and processes to ensure policies and procedures support the organisation to become more responsive and flexible in the deployment of existing staff. The Council's Workforce Strategy provides a framework to focus attention and prioritise work streams that identify and develop talent as well as increase the number of ways young people can join the organisation. The Workforce Plan sets out the actions that will deliver progress against the Workforce Strategy. Attracting and retaining staff is a priority in the Workforce Plan as well as exploring new ways to develop career pathways, and create a talent pipeline that encourages staff development and progression.</p> <p>The Council's Market Forces Policy can be applied in appropriate circumstances. A business transformation project to streamline HR and payroll activities and increase self service and improve workflow, is in progress <i>Ingrid N Smith</i></p>	Implemented		
			Implemented		

Review Comments Removed header "Decision to offer relocation for international recruitment". This is because we are not proactively looking to recruit internationally, and the decision on whether a relocation allowance is attached to a post is much earlier in the process than where successful candidates come from)

08/09/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Need for investment in Shetland's infrastructure - The Council invested heavily in infrastructure at the time when the oil industry was taking off. This infrastructure was funded from income generated from the oil industry. That infrastructure is now ageing and will need to be replaced, however, the financial situation is now tighter which will mean that it will be challenging to finance this.	Physical - People / Property - Other	Robert Sinclair	ORG0021	11/07/2023	11/04/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Need for Investment in Shetland's infrastructure. Failure of buildings and assets to meet health and safety requirements Functional failure of assets that have not been maintained	Challenge to finance the maintenance and/or replacement of existing infrastructure			Very High 20 Extreme Likely	

Risk Register - Shetland Islands Council

		<p>• The current Asset Investment Plan focuses on the maintenance of existing assets in order to prolong their useful economic lives. This should mitigate against the risk of immediate failure. In order to address the longer term replacement of assets, a Borrowing Policy was approved by Council on 11 December 2013.</p> <p>Other measures in place include: MTFO, budget monitoring and scrutiny, clear and robust roles and responsibilities for managers and financial procedures & regs. A report on Long Term Asset Investment planning was presented to the Council. It identifies the extent of future programmes, which will inform funding options. LTAI planning highlights the significant challenges - for example fair funding for ferries is a challenge that is larger than is manageable by the SIC and requires national input and support.</p> <p>On 16 June 2021 the Council agreed that work should commence on determining what level of borrowing can be sustained moving forward and to prioritise the proposed programmes of capital spend.</p> <p>The Council uses the 5 case methodology for developing and presenting business cases for approval; the Asset Investment Plan is presented regularly to P&R and SIC so that Members can discuss and agree priorities and investment in property/capital assets, and a points- based system for prioritising the Asset Investment Plan has now been approved. The Executive Manager- ACP undertakes the role of Corporate Landlord for the Council with a mandate to manage the Council's properties and specifically as part of the Change Programme to rationalise the Council's office accommodation. <i>Robert Sinclair</i></p>	Implemented		
--	--	---	-------------	--	--

Review Comments

Reviewed by RS

11/07/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
<p>Concurrent Disruptive Events - this risk considers how the Council will respond to and manage incidents that may occur simultaneously or while an active response is already ongoing.</p> <p>The increase in wholesale electricity prices caused financial impacts, but further increases are unlikely. The ability to purchase electricity and gas from elsewhere is constrained, so this may put further pressure on domestic prices. Shetland is reliant on diesel for its power station, as we are not currently connected to the national grid.</p> <p>Severe weather impacted Shetland over w/b 14-1-24 with snow blocking roads and disrupting services. The risk of reoccurrence will reduce as we move into spring.</p> <p>Conflicts in the Ukraine and Gaza increase uncertainty. The price of petrol has risen but this is considered opportunistic.</p> <p>Conflict in Gaza has been a catalyst for current and escalating conflict in the middle east around Iran, Pakistan and the Red Sea - with the latter disrupting shipping and supply chains.</p>	Business continuity plan inadequate	Joanne Jamieson	ORG0054	19/01/2024	19/04/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating

Risk Register - Shetland Islands Council

Severe Weather, Emerging infectious diseases (Animal or Human). Pandemic Flu. Continuing or escalating conflict in the Middle East Coordinated industrial action, Economic instability, Commercial failure is currently a significant threat; cost pressures. The current terrorism threat level is at Substantial. These specific issues, among others, will see increased pressures on budgets throughout services and Directorates, and are exacerbated by shortages in staff. Cyber Attack/ ransomware, scams	Ability to coordinate concurrent incidents becomes compromised, particularly if prolonged and a concurrent disruption is novel. Supply chain disruption, further extensions of lead times for products and materials, increased costs. Effect on staff availability resulting in reduced capacity/capability - Staff shortages and burn out resulting in services becoming overwhelmed. Many Services at increased risk. Economic instability resulting in adverse impact on disposable income - Suppressed business activity leading to companies becoming fragile, commercial failure resulting in detrimental effect on regeneration and recovery - Increased unemployment, fuel and food poverty and rising prices could lead to civil disturbance. All of these issues have the potential to impact on Council Services and budgets.	<p>• A range of controls are in place</p> <p>Response to major incidents demonstrates that arrangements are considered and implemented as necessary. The formation of a Tactical Team has been successfully used for response when needed.</p> <p>Maintain the Council's response agility. The multi-agency Shetland Emergency Planning Forum meets to consider Shetland wide issues, e.g. Severe Weather, and ensures Cat 1 & 2 Responders are prepared. <i>Jan R Riise</i></p>	In Progress	High	16 Major Likely
--	---	---	-------------	------	-----------------------

Review Comments Reviewed, updated to reflect the current severe winter weather disruptions and the escalating conflict in the Middle East and its impact on shipping and the supply chain
19/01/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Our Ambition - Change Programme challenges. Our Ambition 2021-26 is the Council's corporate plan. The work that is being undertaken and planned by the Council to deliver Our Ambition is set out in Directorate and Service Plans with the change projects and programmes also brought together in a Change Programme. The Change Programme is directed by the Council's Corporate Management Team which meets quarterly as the Programme Board. The intended outcomes of the Change Programme are to support the development of more sustainable services and support the delivery of the Council's commitments in Our Ambition. The Council is undergoing a period of significant change against a background of external pressures. The Council's response and recovery to COVID-19 continues to shape and challenge how the Council delivers services and manages change.	Change management failure	Christine Ferguson	ORG0050	04/03/2024	04/03/2025
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
<ul style="list-style-type: none"> Competing priorities and demands on the organisation Workload pressures on staff Scarce resources in terms of staff, expertise, money and support services - unique posts and small teams mean those services are more vulnerable 	The organisation cannot demonstrate "right shape, right skills, right culture" and hence struggles to deliver the services that communities require, within available resources; Impact on planned work particularly			High	16 Major Likely

Risk Register - Shetland Islands Council

<p>should a member of staff leave</p> <ul style="list-style-type: none"> Revised budget post Scottish Govt settlement – budget-setting challenges, requirement to make savings now and in the future - the MTFP places ambitious financial targets on the organisation Implementing various pay and conditions requirements The planned governance reviews, organisation-wide project work, service redesign, the National Care Service review Competing demands on the organisation Vacancies particularly in some areas (Teaching, Care, Planning) and for unique posts, recruitment exercise Additional pressures across the workforce arising from Covid-19 	<p>corporate/ strategic review and strategy development. Organisation cannot achieve, or is delayed in achieving, the MTFP savings.</p> <p>Lack of capacity to focus upon opportunities for change, or at points of transition such as when vacancies arise – opportunities missed, organisation is mainly reactive; Difficulty in recruiting, which is already experienced across the organisation and is acute in some services; Impacts on services and outcomes for the community including levels of employment if the SIC fails to maintain an effective workforce - the SIC as an employer is a significant factor in the sustainability of communities both in terms of service provision and employment opportunities; Causes or exacerbates additional cost from unanticipated service demand, with impacts from managing sudden vulnerabilities of fragile communities being of particular concern – with resulting further impact on service delivery, impact on service users, impact on communities.</p>	<ul style="list-style-type: none"> HR continually reviews the council's HR policies and processes to ensure they support the Workforce Strategy and the wider organisation plans and priorities. Responding and recovering from the pandemic is also reflected in the Workforce Strategy that provides a framework to focus attention and prioritise work. Supporting and promoting flexible working and transforming HR transactions and workflow will help streamline processes, widen employee self-service which will minimise the demands it places on our staff. Consultation has taken place with departmental management teams to develop a workforce plan for the Council that reflects the workforce needs and challenges for services in the short, medium and long term. We will also continue to prioritise employee well-being, fairness and equality to support through this change. <i>Ingrid N Smith</i> Various plans are in place: Our financial planning process is more robust and in line with other planning processes. The risks to Directorate and Service plans are articulated and considered in reports. The Risks for new initiatives including the allocation of resources are considered at Project start up and kept under review. Our Ambition 2021-26 was approved by SIC in December 2020 providing a framework for the Council's work programme and priorities. <i>Christine Ferguson</i> 	In Progress		
			In Progress		

Review Comments Reviewed by Risk Board 20 Feb 2024

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date	
Sullom Voe business challenges - There is a challenge to sustain current business and developing new business activity at Sullom Voe Terminal. Sullom Voe Terminal employs some 400 staff directly and many more indirectly. Exports from SVT through the Port of Sullom Voe (PoSV) earn c£6m - £8m contribution to Council reserves annually, an income level which is a key component of the Councils MTFP.	Loss of revenue/income	John Smith	ORG0047	08/11/2023	08/11/2024	
Triggers	Consequences	Control Measures		Control Status	Current Risk Rating	Previous Current Rating
SVT processes Oil received through pipeline from East of Shetland (Brent & Ninian Pipeline Systems) and West of Shetland (Clair Pipeline System). East of Shetland volumes are in long term decline but West of Shetland is forecast to increase significantly over the coming years and be sustained for a considerable period of time, c2050-60. There are however	If SVT cannot secure long term business on a satisfactory commercial basis then there is a risk that the terminal would close in the medium term perhaps around 2025. A significant decline or cessation of Oil & Gas activity at SVT would have very				High	
					15	
					Extreme	
					Possible	

Risk Register - Shetland Islands Council

evaluations and negotiations ongoing between Clair system owners and SVT operator and owners about whether a long term contract for Clair/SVT can be agreed, or whether some by-pass option might be preferred. Without Clair volumes the medium / long term future of SVT would be in some jeopardy.	considerable economic, financial and social consequences.	<p>• The Council has recognised that there is a significant review process being carried out at the moment between Clair and SVT. Discussions have been held with both parties and further discussions sought with the UK Oil & Gas Authority (OGA). An internal/ external project team has been established to focus on this issue and specific items of technical advice are being considered with legal, financial and technical advisors. Engagement has been initiated through the Sullom Voe Association and Council SVA directors are being kept informed of developments as a sounding board. Further reports on progress and plans will be brought to Council through appropriate channels to ensure commercial confidentiality."</p> <p><i>John Smith</i></p>	In Progress		
---	---	--	-------------	--	--

Review Comments Reviewed, no change - this is still current.

08/11/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
The Council is not in a financially sustainable position over the medium term and faces an anticipated cumulative budget deficit of over £100m by 2026/27. Meanwhile the level of core revenue funding from the Scottish Government is expected to continue to reduce in real terms while the demand for services, particularly for health and social care, continue to increase. Likewise, the Council has substantial property, plant and equipment assets that require significant investment each year to maintain while core capital funding reduces year-on-year.	Unsustainable council spending	Paul Fraser	ORG0039	19/10/2023	31/03/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Failure to plan ahead, and set budgets within the parameters outlined in the Medium-Term Financial Outlook. Further, significant and sustained economic shock(s) or unexpected significant reductions in central government funding	If the Council is unable reduce core net revenue expenditure, it will continue to call upon the Council's reserves in excess of the approved Investment Strategy in order to achieve financial balance. This will ultimately result in the erosion of reserves to an extent that means the Council would not be able to supplement annual service delivery budgets by ~£14m each year. This may lead to a situation where the Council is forced into making short-term decisions to balance budgets that are ultimately counterproductive and do not deliver value for money in the longer-term.	<p>• The Council is developing a range of change projects that vary in scale and scope. The aim of these projects will be to transform the way services are delivered and to ensure services are delivered as cost effectively as possible.</p> <p>Strong financial management arrangements in place, with MTFP refreshed and reported to Council. A clear and robust financial cycle of annual budget process, regular monitoring and annual accounts in place, with positive feedback from external auditors. Regular / annual review of MTFP based on adoption of current year's budget and any likely changes in wider local government funding environment.</p> <p>The LTFP is reviewed annually. The next iteration will reflect current assumptions, and will be reported to Council in late 2023.</p> <p><i>Paul Fraser</i></p>	Implemented	High	

Review Comments Reviewed, monitored on an ongoing basis by risk owner and by Risk Board on a quarterly basis

19/10/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Social and economic impact from limitations of the Aberdeen/ Shetland Service - Transport Scotland awarded the new contract for Northern Isles Ferry Services in March 2020 and the contract commenced on 30 June 2020. The specification for the service does not meet even the short term	Partnership working failure	Michael Craigie	ORG0046	04/03/2024	04/09/2024

Risk Register - Shetland Islands Council

economic and social needs of Shetland.

There is continuing evidence of constraints on both freight and passenger capacity that lead to impacts a range of Shetland's economic sectors and social wellbeing. If this position of service constraints is sustained on a prolonged bases then the constraints will ultimately have serious and growing impacts on important economic sectors such as aquaculture, fishing, engineering and fabrication, construction and tourism as well as social impacts such as increased isolation making Shetland a less attractive place to live, work, study and invest.

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
<p>There is already evidence of consequences of service constraints such as disruptions to freight and limitations on passenger and vehicle capacity. So certain triggers have already occurred.</p> <p>Further triggers are: -</p> <ul style="list-style-type: none"> Failure to engage with Shetland Stakeholders on checking 'fitness for purpose' of any new vessels before completion of business case. Excessively delayed decisions on the choice between freighter and 'freighter plus' options Failure of Scottish Government to identify and prioritise investment in new tonnage for the Northern Isles over other investment demands leading to lack of certainty on when these will be commissioned and brought into service. Lack of sufficient certainty around long term investment planning and when service change will be implemented. 	<p>Industries in Shetland find it challenging to plan for the medium and long term. There are negative impacts on plans to sustain existing economic sectors. Establishing new sectors such as future energy, is significantly hindered. Shetland is seen as a less attractive place to live and work.</p>	<p>• Officers are engaging on a routine basis with Scottish Government's 'Island Connectivity Plan'</p> <p>where this and wider transport matters will be addressed in policy terms. This is at an advanced stage with a consultative draft expected early in 2024. This will set the scene for Scottish Government's ferry investment plans and service development plans covering a 20 year horizon.</p> <p>The Transport Planning Service, working with Robert Gordon University and supported by data from Serco Northlink, has completed a project to develop a software package to model current and future service models which enables accurate scenario planning. Engagement with Transport Scotland on the use for the model to inform the Islands Connectivity Plan and the Freighters Business Case is ongoing.</p> <p><i>Michael Craigie</i></p>	Approved	<div>High</div> <div>15</div> <div>Extreme</div> <div>Possible</div>	

Review Comments Reviewed by Risk Board 20 Feb 2024

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Partnership working failure - Shetland Islands Council and specific Directorates, Services and sections are in a number of partnerships. Some have a legislative element and have a strategic directing role (the Community Planning Partnership, SADP, etc), some are entered into for the purpose of delivering services (Community Health and Social Care/ IJB, SIC Housing Service and Hjaltland Housing Association). Many are contractual but for some, the partnership may exist only through an informal agreement. There is no formal list of the council's partnership arrangements or agreements.	Partnership working failure	Christine Ferguson	ORG0040	04/03/2024	04/03/2025

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
<p>Partner fails (legally, financially, is wound up, becomes insolvent or goes into administration) or is no longer able to provide their part of the partnership. Grant or funding is cut to partner. Board resignation, difficulty in recruiting board members, failure to achieve buy-in from essential partners, volunteer fatigue.</p>	<p>If a partner fails, the responsibility to deliver service or function for which the partnership was formed, may fall to Shetland Islands Council.</p> <p>Contractual obligations such as leases may become the responsibility of Shetland Islands Council. Financial</p>			<div>High</div> <div>15</div> <div>Extreme</div> <div>Possible</div>	

Risk Register - Shetland Islands Council

	responsibilities such as for pensions, may fall to Shetland Islands Council. Civil liabilities such as through claims, may fall to Shetland Islands Council in the event that joint liability exists.	• Various controls in place. All new admitted bodies comply with current requirements, all contracts are scrutinised by Legal Services / Governance and Law/ Finance staff. Assurance required that managers engage with Corporate Services BEFORE commencing service redesign programmes. Managers must adhere to Commissioning and Procurement framework. <i>Jan R Riise</i>	Approved		
--	---	--	----------	--	--

Review Comments Reviewed by Risk Board - 20 Feb 2024

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Unanticipated additional demand from a (fragile) community - The Council, along with a range of partners, is tasked with delivering services to the breadth of the population and to all communities. Development Service has a role in providing locality-specific services to support fragile / remote/ rural communities. The Council is pursuing an ambitious Change Programme in order to deliver the aims of Our Ambition.	Economic - Other	Neil Grant	ORG0045	04/03/2024	04/09/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Any unanticipated increase in service need from a community, changing demographic or socio-economic situation relevant to a specific community.	Unanticipated additional demand on services may not be able to be met because of difficulty in recruiting or the unavailability of people to deliver that service, unbudgeted-for costs, impact upon services and resources, failure to act to the extent that is required or within the timescales required may exacerbate or fail to resolve or mitigate the challenges to that community.	• Planned control measures include: Impact of connectivity from broadband and transport links; working with communities to develop sustainable plans; meeting regularly with the communities; the 'Islands with small populations' project delivery group is now in place; co-ordination and prioritisation of external funding sources. <i>Neil Grant</i>	Proposed	High	

Review Comments Reviewed by Risk Board 20-2-24

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Risk of harm to a child - Children's Services provides a wide range of services for children, young people and their families across the breadth of Shetland, and in a range of contexts. The Shetland Public Protection Committee (SPPC) is responsible for the Inter-agency Child Protection Procedures and training. This activity is led by Shetland Islands Council and overseen by SPPC. There are robust systems and procedures in place to support the early identification of risk. Preventative measures, effective communication, and information sharing to ensure that any changes or increased risk are identified quickly. Children's Social Work manage high risk, complex child protection situations in their work with families. This often requires significant resource provision to mitigate risks, and ensure the safety of children and young people. There are circumstances when Children's Social Work must accommodate children and young people away from home, and the Department's most significant risk is failure to respond	Accidents /Injuries - Staff/Pupils/ Clients/Others	Helen Budge	ORG0025	04/03/2024	04/07/2024

Risk Register - Shetland Islands Council

appropriately, resulting in harm to a child.

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Triggers may include a crisis or unanticipated escalation of a complex situation, which puts child at increased risk of harm. In some situations a specialist service may be required that cannot be provided in Shetland (for example secure accommodation). Adverse outcomes may result from the failure to act quickly or to the extent that is required, often due to resourcing difficulties (e.g. staffing etc.).	<p>The worst case scenario would be:</p> <ul style="list-style-type: none"> * Death or serious harm to a child or young person * Reputational risk to the organisation * Fatal Accident Enquiry, Learning Review, litigation, prosecution or other legal intervention * Financial risk where 'out of authority' resources, or agency staffing may be required to meet need, which come at a high cost * The negative impact of vicarious trauma on staff, and reduced resilience of small teams 	<p>• Interagency Child Protection Procedures, training/awareness raising and governance</p> <p>Child Protection training and raising awareness of the interagency procedures is critical in ensuring that staff know how to respond to a child in need of protection, and information is shared appropriately</p> <p>In addition, staff receive appropriate training to enable them to undertake complex assessments and Child's Plans that clearly identify , and address, need and risk.</p> <p>Multi agency discussions ensures a holistic approach to enquiries. Single point of referral through the duty system ensures consistent approach to Child Protection Inquiries.</p> <p>Quality assurance measures in place which include case audits - these measures should highlight areas of good practice and areas for improvement (an interagency record reading exercise was undertaken in June 2023).</p> <p>The Improvement & Reviewing Officer role provides independent oversight on child protection and looked after children processes.</p> <p>Any issues are escalated to Children's Social Work managers, CSWO (where necessary), Quality Improvement Group, and SPPC.</p> <p>The Care and Risk Management (CARM) protocol is in place to to support partners managing high risk situations regarding children and young people</p> <p>The Senior Officer Group maintains oversight of performance and learning reviews</p> <p>The Chief Officer Group (COG) are appraised of service performance in relation to public protection across the partnership the independent chair of SPPC</p> <p>The Shetland Children's Partnership's quality assurance subgroup are leading on a self-evaluation exercise to evaluate the partnership's response to the National Guidance for Child Protection in Scotland (2021). This work will be complete in October 2023 and will inform priorities in relation to Child Protection policy and practice.</p> <p><i>Helen Budge</i></p>	In Progress	High	

Review Comments Reviewed by Risk Board 2th Feb 2024
04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Risk of harm to an 'adult at risk' - Shetland has an increasing older population and an increase in people with complex learning disabilities/autism/ complex needs, including those reaching older age. Statutory services will need to have oversight of an increasing number of adults at risk, to prevent harm	Communications failure	Jo Robinson	ORG0024	13/10/2023	13/04/2024

Risk Register - Shetland Islands Council

occurring.

Adult Support and Protection received a positive inspection which highlighted they are performing well across the partnership to protect adults at risk. There are processes in place that react quickly to concerns from within the community and the services.

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Statutory services fail to identify and take account of all adults at risk within their remit, systems failure means that information is not fully collated and/or shared	An adult at risk is not given access to full range of services that they need, delay in access to services leads to harm to an adult at risk, reputational risk to organisation, potential for HSE action, Care Inspectorate/ external advisors' negative report, civil action.	<ul style="list-style-type: none"> The ASP procedures are currently being updated in order to improve outcomes for "adults at risk" in Shetland, the Lead Officer for Child and Adult Protection is leading on this alongside Adult Social Work <p>There is an Improvement Plan in place following the recommendations in the ASP inspection report in order to improve outcomes for "adults at risk" in Shetland, this is being monitored by the Public Protection Committee Adult Support and Protection Quality Assurance sub group <i>Ruth Macmillan</i></p> <ul style="list-style-type: none"> There are a range of controls in place: New Adult Protection Format in place - this combines Child and Adult Protection into one Public Protection Committee with the Chief Officers Group retaining oversight. This is an improved arrangement where the Directorate provides care for both Adults and Children. <p>Regular Multi Professional Locality Meetings - Regular Meetings to identify at an early stage vulnerable adults or adults at risk of crisis.</p> <p>There are well established mechanisms in place to support the detection of risk, with an active Public Protection Committee overseeing the work. There is good multi-agency working within formal arenas to discuss individual cases causing concern. Transitions group in place for Learning Disability Services to manage childhood support to adult support. Ongoing work to review services to make effective use of limited and reducing budgets. Chief Officers Group provides assurance on the effectiveness of the Public Protection Committee. <i>Jo Robinson</i></p>	In Progress	High	
			Implemented	12 Major Possible	

Risk Register - Shetland Islands Council

		<ul style="list-style-type: none">• Interagency adult support and protection procedures are in place - these ensure staff know how to respond to an adult in need of support and protection. One central point of referral ensures robust following of procedures. Multi agency discussions ensures a holistic approach to enquiries. Social workers are trained council officers. Staff have received appropriate training to enable them to complete assessments and support plans that address need and risk. Quality assurance measures in place which include case audits - these measures should highlight areas of good practice and learning. Issues raised with the ASP quality assurance group and SPPS. Issues raised with the Chief Officer Group by the independent chair of SPPC. Changes have been made to internal adult support and protection processes for ASP referrals involving staff. All investigations will now be completed regardless of the removal of staff- this will ensure we consider any wider issues within a service area i.e. culture and poor practice. <p>Denise Morgan</p>	Implemented				
Review Comments		Reviewed, expanded description of people at risk to include those with complex LS, Autism and Complex needs. Increased likelihood to 'possible' as we aren't able to prevent all harm, despite all appropriate actions being taken and good ASP procedures and interventions following identification of harm. Control changed to partially controlled.					
13/10/2023							
Details		Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date	
As set out in the Equality Act 2010, men and women in the same employment performing equal work must receive equal pay, unless any difference in pay can be justified. Employers are at risk of employment tribunal claims and reputational damage if they do not provide equal pay.		Economic - Other	Ingrid N Smith	ORG0044	08/11/2023	08/05/2024	
Shetland Islands Council must publish an Equal Pay Statement, including information on occupational segregation, every four years. The current Equal Pay Statement covers the period 2021-2025. We also publish each two years an Employment Equalities Monitoring Report and Equal Pay Gap Information, the most recent relates to employees and applicants at April 2022. These reports are available at Equality and Diversity – Shetland Islands Council. The Equal Pay gap is published as a Statutory Performance Indicator annually; the most recent figure for 2022/23 is 6.25% . This means that on average men are paid 6.25% more than women.							
Triggers	Consequences	Control Measures			Control Status	Current Risk Rating	Previous Current Rating
Failure to address identified issues, public/media scrutiny, equal pay claim(s) submitted, scrutiny by EHRC.	It is important to provide equal pay in order to comply with the law by identifying, explaining and eliminating unjustifiable pay gaps, and to contribute to a fairer society where everyone has equal opportunities.					High	
						12	
						Major	
	There is a risk that recruitment and retention is detrimentally impacted by a failure to identify and address barriers from sex, disability and race inequalities and this will impact on					Possible	

Risk Register - Shetland Islands Council

	<p>service delivery. A failure to realize the benefits of greater diversity in employment represents a waste of talent and an opportunity to address workforce and skills shortages.</p> <p>Occupational segregation is the clustering of employees with a particular protected characteristic into particular occupations or different levels of work. The published Equal Pay Statement 2021-25 shows the presence of occupational segregation in the organisation. Specific actions to address this are set out in the most recent Council's Mainstreaming Report. Over time these actions should result in a reduction in the equal pay gap.</p> <p>Any equal pay claim will place a demand on resources and require specialist legal input, with a financial pressure from legal costs, any damages with reputational damage and a detrimental impact on staff confidence and morale. This may make recruitment and retention more difficult.</p>	<p>• Measures in place include actions set out in the current or most recent SIC Workforce Strategy, the Equal pay Statement, the Mainstreaming Report and the associated action plan, the Equally Safe at Work action plan.</p> <p>The actions in the Equal Pay Statement 2021-2025 are: Monitor pay gaps relating to sex, disability and ethnicity, occupational segregation and the availability of part-time and flexible working arrangements;</p> <p>Identify and eliminate any unfair, unjust or unlawful practices that impact on pay equality; Take appropriate remedial action; Have a workforce that is representative of the Shetland community; Ensure recruitment and employment practices promote equality of opportunity and eliminate discrimination. <i>Ingrid N Smith</i></p>	Implemented		
Review Comments	Reviewed, risk remains 08/11/2023				
Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Industrial relations - The current cost of living crisis and level of inflation has impacted on the pay of staff. In 2023 unions across the public sector achieved thresholds in ballots for industrial action. This resulted in strike action, impacting on delivery of essential services. Pay claims have been made for 2024/2025, national negotiations may result in ballots for strike action, and similar issues relating to pressures in delivery of services.	Industrial action	Ingrid N Smith	ORG0062	08/11/2023	08/05/2024
Triggers	Consequences	Control Measures		Control Status	Current Risk Rating Previous Current Rating
Pay negotiations and decision-points; Ballots in favour of industrial action.	<p>Strikes and other industrial action in different sectors across the Shetland islands Council workforce.</p> <p>Disagreements among employees and with service users and others, a breakdown in relationships within the organisation and between services and service users.</p>				<div>High</div> <div>12</div> <div>Major</div> <div>Possible</div>

Risk Register - Shetland Islands Council

		<p>• Regular formal and informal consultation with Trade Unions via the Human Resources Partnership Group</p> <p>and Consultative Committees maintains a usually excellent relationship with all of the unions.</p> <p>Recent agreement on commitment to Fair Work First principles set out in Council Fair Work First statement.</p> <p>Should the outcome of ballots result in strike action early communication with Trades Unions about their plans will take place so that internal communication to staff and external communication to services users is clear and timely.</p> <p><i>Ingrid N Smith</i></p>	Implemented		
--	--	---	-------------	--	--

Review Comments Reviewed. This risk remains although the likelihood is expected to reduce
08/11/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
<p>OpenReach are working on a programme of switching off all analogue telephony services. This will affect phones, but also things like the community alarms which older folk wear, monitoring systems such as fire and intruder, fax machines, some chip and pin machines.</p> <p>It is an issue for the Council, the wider business community, and the public. Work has already started with some areas already completely switched over to digital. Shetland, being at the end of the road, so to speak, it is likely that we will be nearer the end of 2025 cut over date, but we need to start planning. Significantly, although at the moment if there is a power cut, the analogue standard home phone (and anything else such as personal alarms which use this technology) does not require power to continue to operate, this will cease be the case. Ofcom have produced a report recommending that Telecoms providers provide some sort of battery backup/UPS for 'vulnerable customers', but with no guidance as to how vulnerable is defined. Also, the recommendation is for a one hour capability, but as we know if the power goes out in Shetland the duration can be considerably longer than this.</p> <p>Mitigation will be replacing/modifying the systems we have so that they work over the internet; perhaps liaising with the community to ensure that any social care applications are catered for.</p> <p>The risk is that either we miss something critical and don't realise it has stopped working until something bad happens, or that we identify something that cannot work in an alternative fashion and therefore need to spend resources 'fixing' the problem.</p>	Change management failure	James Cunningham	ORG0056	15/01/2024	15/07/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
<p>Services identify a critical system which is cannot be switched over to digital.</p> <p>From the point of switch-off: Any system which was previously reliant on analogue telephony, or technology fails, and battery back-up is insufficient for the demand placed upon it.</p>	<p>Staff identify something that cannot work in the alternative fashion - time and resources are required to find alternative solutions which will work and are resilient.</p> <p>System is not made resilient, is not modified or revised and hence fails at the point of switch-over.</p> <p>Systems are not resilient, are more prone to failure particularly in the face of certain events such as an extended power cut.</p>	<p>• Stakeholder engagement with Openreach and Telecom Providers</p> <p>Regular monthly meetings of the Scottish Stakeholders group to discuss challenges and to share solutions. Following closely with the implementation of the UK charter to protect vulnerable customers throughout the switch off process.</p> <p><i>James Cunningham</i></p> <p>• ICT Project in place to review BT lines and address any identified issues</p> <p>Project underway, with close interactions with Health and Social care to ensure that disruption caused by the removal of the PSTN is minimised.</p> <p><i>James Cunningham</i></p>	<p>In Progress</p> <p>Approved</p>	<p>High</p> <p>12</p> <p>Major</p> <p>Possible</p>	

Risk Register - Shetland Islands Council

	No recognition that a system has stopped working until something bad happens, situation deteriorates/ harm is exacerbated or continues for a longer period of time because it is not detected. Cost and time implications, impact on services, impact on service users. Vulnerable and remote/ rural service users may be at increased risk should a system fail.				
--	---	--	--	--	--

Review Comments Ongoing work from services to minimise the impact to the Council from the digital switchover.

ICT engaging actively with OpenReach with the Digital Switchover Scottish Forum, to discuss challenges for residents and potential solutions.

15/01/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Audit recommendations - The Council is subject to scrutiny across all areas of activity through the audit processes both internal and external. The Organisation's control environment is affected by external factors: currently these include COVID-19, BREXIT, challenges arising from National Care Service proposals and impacts from the conflict in Ukraine . There is a risk that the increase in pressure arising from these and other pressures on the Council means that recommendations made in audit reports are not addressed timeously.	Deadlines - failure to meet	Christine Ferguson	ORG0055	04/03/2024	04/01/2025
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Staff are stretched, competing demands, pressure and quantity of work, changing, uncertain, unpredictable circumstances and wider environment within which the Council strives to deliver services across Shetland while also seeking to build and maintain resilience in the face of COVID-19 controls, EU exit, National Care Service proposals, the conflict in Ukraine, and pressures to meet the Medium Term Financial Plan.	Delay in implementing audit action recommendations, delay in rectifying identified gaps in the controls, audit censure, negative reputational impact, potential exposure to increased risk to compliance & good practice. Pressure on staff.	<p>• Various controls are planned and in place:</p> <p>BVAR – A Best Value Audit Review was completed for SIC in August 2022. An Action Plan to address the recommendations in the BVAR report has been approved by the Council together with a governance structure to ensure the recommendations are achieved in a timely manner.</p> <p>There is a Sounding Board comprising elected members of the Council and the Chief Executive is leading the work through Corporate Management Team and a BVAR leads group. Monitoring and scrutiny of progress is provided by the Council's Audit Committee.</p> <p>External Audit - The external audit function was provided by Deloitte up to and including 2021/22 financial year.</p> <p>The external audit function has now passed to Audit Scotland. Action plans to address external audit recommendations are monitored by Corporate Management Team.</p> <p>Internal Audit</p> <p>Audit Glasgow provide the Internal Audit service for the Council. Their action plans and follow-up reports are reported regularly to the Audit Committee.</p> <p>Services are required to address any recommendations and put in place identified actions or equivalent controls in consultation with colleagues in Corporate Services as appropriate.</p> <p><i>Christine Ferguson</i></p>	Approved	High 12 Significant Likely	

Review Comments Reviewed by Risk Board 20th Feb 2024

Risk Register - Shetland Islands Council

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
AHS Knab site redevelopment failure/ delay - The old Anderson High School campus at the Knab is a large open site with a number of buildings on it. There are various access points to the campus and it is surrounded by residential properties. The school was vacated in Sept/ Oct 2017 when the service/ staff/ pupils, etc moved to the new build at the Clickimin. The Knab Masterplan was adopted as Supplementary Guidance to the Local Development Plan in June 2019, and the Project is now in the implementation phase. While COVID-19 delayed plans, progress is being achieved. A project team was formed: <ul style="list-style-type: none"> Phase 2 demolition is underway Design of infrastructure is substantially complete Overnight security patrols are in place every night, to discourage antisocial behaviour and vandalism. This has been very effective. 	Missed opportunities	Neil Grant	ORG0035	03/07/2023	03/07/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Failure to properly plan for the future of the site	A failure to plan for the future of the site could lead to missed opportunities to capitalise on this asset. Phase 2 demolition works will reduce the on-going costs associated with the site, rates, maintenance etc. and a risk of vandalism or other damage. There is a risk of reputational damage if the site is not developed.	<ul style="list-style-type: none"> Various controls are in place Demolition works are now underway which will reduce the on-going costs associated with the site, rates, maintenance etc. and a risk of vandalism or other damage The Programme board and programme team meet on a regular basis. A project risk register is in place and reviewed, and risk is a key consideration in discussions with significant project partners. <i>Neil Grant</i>	In Progress	High 10 Extreme Unlikely	

Review Comments Updated to reflect progress to date and current situation

03/07/2023

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Risk of harm to employees - Shetland Islands Council has circa 3,000 staff working across a range of services and a large geographic area. In 22/23, 953 Personal Incident Notifications were submitted (an increase of 131 on the previous year) for incidents and near misses involving employees, and of those, 9 (a reduction of one compared to the previous year) incidents were required to be reported to the HSE under RIDDOR (Reporting of Incidents, Diseases, Dangerous Occurrences Regulations). Harm to members of the public is articulated in a separate risk.	Accidents /Injuries - Staff/Pupils/ Clients/Others	Christine Ferguson	ORG0052	08/11/2023	08/05/2024
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Unanticipated incident that involves an employee. Any event, act or omission which results in harm to an employee, or which is considered a 'near miss'. Any event, act or omission which causes, or has the potential to cause, harm or injury to a member of the public.	Near miss or incident resulting in injury or harm, negative impact on injured person, investigation, bad publicity, HSE criminal and civil action, penalty/ prosecution/ claim, financial loss, lost time, impact on service.			Medium 9 Significant Possible	

Risk Register - Shetland Islands Council

		<p>• Health, safety and welfare policies in place, underpinned by procedures and monitoring</p> <p>to ensure robust management of health and safety risk.</p> <p>Reporting of incidents, analysis of incident reports, monitoring at safety forums and Central Safety Consultative Committee.</p> <p>Programme of inspections, monitoring of systems and stats.</p> <p>Training programmes in place.</p> <p>Health and safety training for all managers.</p> <p>Premises compliance regime in place and monitored.</p> <p>Covid-19 measures in place.</p> <p>Implementation of a new health and safety management system - all staff are now expected to use Assure for health and safety risk assessments</p> <p><i>Christine Ferguson</i></p>	In Progress		
Review Comments Reviewed, updated to reflect that all health and safety risk assessments should now be recorded and managed within the Assure health and safety system. 08/11/2023					
Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
Information governance failure - The Council handles significant quantities of data including confidential and personal data, physically and electronically, on a daily basis. It is expected to be an exemplar of good practice and to maintain high standards of security and confidentiality at all times. Information governance is managed within the legislative framework as set out by the Information Commissioner.	Breach of Legislation - Data Protection, Human Rights, Employment Practice, Health and Safety etc	Christine Ferguson	ORG0030	04/03/2024	04/03/2025
Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Any single or combination of: a lack of training, understanding or supervision; inadequate or absent security arrangements for systems or premises; the loss of paperwork or data-storing technology; the inappropriate disposal of documents; a breach of ICT systems, policies or procedures; cyber-attack and a breach of ICT firewalls - a malicious cyber-attack can lead to data being released in an uncontrolled manner, accidentally or deliberately, and potentially without the knowledge of the organisation.	Hacking, successful phishing attack, loss of data, damage to data or systems, ransomware, system downtime, impact on service/ department/ organisation. Confidential data falls into the public realm, is exploited and/or published. Negative media coverage and reputational damage. Confidentiality is compromised. Action against the organisation by the Information Commissioner - fine (unlimited). Possible disciplinary action, stress for staff. Loss of confidence in Service/ department/ organisation.			Medium 8 Major Unlikely	

Risk Register - Shetland Islands Council

		<p>• Current and planned controls (October 2023)- The Information Governance Board regularly receives and</p> <p>addresses reports relating to data breaches, and also provides strategic overview in terms of the appropriate handling of the Council's records.</p> <p>ICT Service Management Board monitor and maintain a register of risks to digital information, systems and equipment, and routinely reviews ICT security and information governance risks and mitigation measures.</p> <p>There are systems and procedures in place to prevent the loss of data and information, and all Directors, and as the owners of Information Management Risks, are responsible for ensuring that risks are managed in accordance with Council policy and practice.</p> <p>The DPO and Team Leader – Legal continue to closely monitor compliance and adherence to relevant information management policies, including: Information Governance Policy, Data Protection Policy, Data Sharing Policy, Data Protection Impact Assessment Procedures, Privacy Statements, and continue to promote and provide staff awareness and training, supported by Corporate Management Team and the Information Governance Board.</p> <p>Planned: (October 2023) Information governance, policy and practice, continues to be reviewed and developed. Focus for the Information Governance Board is now is on making improvements in potentially higher risk areas such as personal information and information security, but also to ensure steady progress in re-assessing our records management improvement plan for 2024/25 within the scope of the Council's approved Policy and Procedures Framework.</p> <p>Information management and security is a priority area for the Council. The Council was subject to an Internal Audit of Information Security in 2021/2022 which highlighted a number of areas for improvement, and these are being worked through with completion dates due in November/December 2023 – regular updates are provided to the Audit Committee and the Information Governance Board.</p> <p>A new Information Security Policy, currently in draft for consultation with colleagues, will cover all forms of recorded information, as well as policy statements and procedure rules for information classification and protective marking and file handling rules.</p> <p>An information management and security awareness and training programme will follow in 2024/25.</p> <p><i>Anne Cogle</i></p>	Approved		
--	--	---	----------	--	--

Review Comments Reviewed by Risk Board 20 Feb 2024

04/03/2024

Details	Risk type	Responsible Officer	Risk Ref	Last Review date	Next Review Date
<p>Harm to a member of the public - SIC staff, services and facilities come into contact with members of the public, neighbours and passers-by, any of whom could be affected by Council's acts or omissions.</p> <p>Covid-19 is a particular risk at this time.</p> <p>Existing and extensive controls are in place to protect the safety and welfare of staff, service-users, members of the public and anyone who could be affected by the Council's activities.</p> <p>In the last five years to March 2021 there were an average of two public liability injury claims per year. 80% were repudiated or not pursued. For a claim to be successful, it must be demonstrated that the</p>	<p>Accidents /Injuries -</p> <p>Staff/Pupils/ Clients/Others</p>	Christine Ferguson	ORG0057	04/03/2024	04/12/2024

Risk Register - Shetland Islands Council

Council was at fault and is held responsible - and even a single successful claim can be costly. In the last five years, one claim was paid with a quantum of circa £29k

Triggers	Consequences	Control Measures	Control Status	Current Risk Rating	Previous Current Rating
Any lapse in controls or failure in systems, procedures or equipment which coincides with a service user, passer-by or other member of the public being in the vicinity and hence at heightened exposure to a hazard. An unforeseen event.	Injury or harm to a member of the public, claim, lost time, financial cost, bad publicity, impact on the insurance fund Health and Safety Executive investigation, fine/ prosecution	• A range of controls are in place to manage potential health and safety hazards to anyone who may be exposed to risk from the council and its assets or operations. <i>Christine Ferguson</i>	Implemented	Low 4 Minor Unlikely	

Review Comments Reviewed by Risk Board 20-2-24
04/03/2024

1.00 1.00 1.00 1.00

1.00	1.00	1.00		
1.00	1.00	1.00	1.00	0.00 0.00

Totals 21
(Status Flag = "ACTIVE" AND Record Type = 1) and Status Flag=ACTIVE - Business Unit Code=ORG - ISNULL(Project Code)

1.00	1.00	1.00	1.00	0.00 0.00
------	------	------	------	-----------