Shetland
Islands Council

MINUTE

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Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Wednesday 30 June 2004

Present:

A J Cluness	**L Angus**
C B Eunson	**R G Feather**
F B Grains	**B P Gregson**
L G Groat	**I J Hawkins**
J Henry	**E J Knight**
J A Inkster	**W H Manson**
G G Mitchell	**J P Nicolson**
W A Ratter	**F A Robertson**
J G Simpson	**T W Stove**
W N Stove	**W Tait**

Apologies:

B J Cheyne	**J C Irvine**

In attendance (Officers):
M Goodlad, Chief Executive
G Spall, Executive Director Infrastructure Services
J Watt, Executive Director Community Services
D Bell, Personnel Manager
H Budge, Senior Education Officer
C Ferguson, Community Care Manager
A Hamilton, Head of Service – Planning
M Holmes, Coastal Zone Manager
G Johnston, Head of Finance
A Jamieson, Housing Business Support
D Lamb, Senior Special Projects Manager
I McDiarmid, Planning Control Manager
I Millar, Projects Manager
C Nisbet, Personnel Assistant
J R Riise, Head of Legal and Administration
G Smith, Head of Community Development
A Cogle, Service Manager Administration

Also:
H Sutherland, General Manager Shetland Development Trust
J Grant, General Manager Shetland Welfare Trust
A Watt, General Manager Shetland Arts Trust

Chairperson
Mr A J Cluness, Convener of the Council, presided.

Circular
The circular calling the meeting was held as read.

95/04   **Special Services Committee – 24 June 2004**

The Council confirmed the minute of the Services Committee held on 24 June 2004, on the motion of Mrs F B Grains.

Mr B P Gregson seconded the motion, subject to confirmation that the data and feedback used by the Working Group being made available to Members, as appropriate for their particular areas. Mrs Grains advised that a meeting of the Working Group was planned for tomorrow, and confirmed that this matter would be addressed.

Mr J G Simpson referred to the members of the public present today, and said that the Council needed to realise the strength of feeling in the affected communities. He said that the Council had to ensure that the ensuing consultations were open, and held in the areas concerned. He said that he hoped that the points made at the Special Services Committee would be taken on board during the consultation.

Mr L Angus said that part of the motion agreed by the Services Committee was to set up a Member/Officer Working Group to consider Primary School provision in Lerwick. Mr Angus said he was anxious to see the group formed as soon as possible, given the very short timescale within which reports were required.

Mr W H Manson said that Education officials had already started work on gathering information regarding Primary education in Lerwick. He added that the existing Working Group would be meeting quite regularly, and given that the Group consisted of 3 Lerwick Members, that this matter be added to the work of that group.

Mr Angus said he was happy with that proposal, adding that new regulations that apply to school buildings was due to come into force, and he hoped that this would be taking into consideration, particularly with regard to the current provision at Bells Brae.

Mrs F B Grains and Mr B P Gregson accepted the amendment to the motion.

Mr A J Cluness thanked everyone for their participation, and thanked members of the public for their attendance, adding that the consultations to be held would ensure all views would be put forward to allow the Council to make informed decisions.

96/04 **Obituaries**
All those present in the Chamber stood whilst the Convener paid the following tributes:

I would like to pay tribute today to two valuable former colleagues – James William Leask, of Ireland, Bigton who

represented Dunrossness North on the ZCC from 1971 to 1975, and North and South from 1974 – 1977, and Robert Stewart Gray, who represented Yell South on ZCC from 1964 to 1975 and on the SIC from 1974 to 1992.

It is impossible to do justice to these two men in a short space of time, and there are others here with a much greater knowledge of the huge contribution they made to this community – certainly impossible to find two more popular members.

Willie was a larger than life character, with huge reserves of humour and enthusiasm, and a tireless advocate for the south of Shetland. Willie was a great story teller – "tales of middle aged sheepdog" and other writings were immensely popular.

After he had left Shetland I met him once or twice, usually at airports, and was amazed at his knowledge of current problems in the islands - Willie wasn't slow to provide solutions - he will be a real miss.

Stewart, of course, had a much longer and I guess a more distinguished, local authority career, serving on a variety of committees. He was Vice-Chairman of what is now Infrastructure and represented SIC on COSLA, Highlands & Islands Fire Board, SOTEAG and Chairman of the Amenity Trust.

My own recollection of Stewart was firstly in early days of Shetland Council of Social Services when we promoted a more modern system of sheepskin curing – my daughter had, for years, a favourite lambskin rug given to her by Stewart.

We were Councillors for North and South Yell when the first ferry arrived and as Brian Gregson says, how sad it was that Stewart passed away the day the new Daggri arrived. Stewart would have been the most honoured guest at the new ship's naming ceremony next Saturday.

Willie and Stewart were both special people – we express our sincere condolences to the families and will send them an extract of the minute."

97/04   **Shetland Islands Council – 19 May 2004**
The Minute of the Shetland Islands Council held on 19 May 2004 was confirmed, on the motion of Mr A J Cluness.

98/04   **Shetland Islands Council – 25 May**
The Minute of Shetland Islands Council held on 25 May was confirmed, on the motion of Mr A J Cluness.

99/04   **Members Attendance at External Meetings**
The following Members advised of their attendance at external meetings since the last meeting of the Council:

J H Henry	-	Representing SIC at 100 Years Anniversary of Scheveningen Harbour, Holland
G G Mitchell	-	Scottish Executive Livestock Shipping Group, Orkney
I J Hawkins	-	KIMO
A J Cluness	-	Meeting with Faeroese Government, Faeroe

100/04   **Petitions**
The Convener advised that three Petitions had been received formally by the Council in relation to the Best Value Service Review of Education. He said that those Petitions had been signed by residents in Burra, Cullivoe and Burravoe, and other signatories from throughout Shetland, relating to the proposals for the Schools in those areas. The Convener advised that the Petitions were noted, and would be passed to the Executive Director - Community Services for consideration during the future consultation processes.

101/04   **Infrastructure Committee - 15 June and 19 June 2004**
Subject to the following, the Council confirmed the minutes of the Infrastructure Committee held on 15 June and 18 June, on the motion of Mr A Inkster.

15 June 2004 – Min. Ref. 32/04   Sullom Voe Oil Terminal Advisory Group
Mrs I J Hawkins advised that reference to Ms Linda King was incorrect, and should read "Ms Linda Kyngham".

18 June 2004 – Min. Ref. 45/04   Alcohol Bye-Law
Mr L Angus advised that the third paragraph, line 10 should be amended to read: "... there was no evidence to suggest that ABS was caused by people drinking in the **streets**."

Mr A Inkster accepted both amendments to the minutes.

102/04   **Services Committee – 17 June 2004**
Subject to the following, the Council confirmed the minute of the Services Committee held on 17 June 2004, on the motion of Mrs F B Grains.

Min. Ref. 37/04 – Review of Laundry Service

Mr L Angus referred to the seventh paragraph, first sentence, and suggested that this be amended to read: "A Member stated that the laundry service had never been a uniform service."

Mrs F B Grains accepted the amendment.

103/04   **Executive Committee – 22 June and 28 June 2004**
Subject to the following, the Council confirmed the minutes of the Executive Committee held on 22 June and 28 June 2004, on the motion of Mr A J Cluness.

28 June 2004
The Council noted that the following items and recommendations from the Committee would be considered separately on the agenda today:

72/04 Capital Programme Review – June 2004
73/04 2003/2004 Outturn
74/04 Abstract of Accounts 2003/04: Progress Report
75/04 General Fund Revenue Estimates
76/04 Shetland College Budget Estimates 2004/2005
77/04 Financial Restructure Proposals

22 June 2004 – Min. Ref. 52/04 - Council Created Organisations Working Group – Key Findings and Outline Proposals
Mr L G Groat said that the Working Group had been set up for a specific purpose, and one of the requirements he had asked for was that no members of existing Trusts should serve on the group. However, he said that subsequently it transpired that two Members were members of Trusts. Mr Groat went on to say that despite this, those members did take good objective views, and all the Trusts were examined in great depth.   Mr Groat said that if anyone was unhappy with the findings of the Group so far, then they should come forward with proposals that (a) protects the level of service and (b) that looks after the interests of the staff. He went on to say that he was upset at the way in which the information was made public before the Group had been able to advise Trust staff about the discussions, and this had resulted in worries and concerns. However, Mr Groat said he was confident that the information had not been leaked by any member of the Working Group.

Mr Groat went on to say that the report was before Members today, and if accepted by the Council, there would be a period of consultation in which this Group would still be involved. He said that when the results of the consultation exercises came back, that would give an opportunity for the Council to look at responses and make informed decisions.   Mr Groat seconded the motion from Mr A J Cluness to adopt the recommendation of the Executive Committee, adding his concern relating to the

workload of the General Manager Shetland Charitable Trust in leading the consultation.

Mr B P Gregson said he was of the view that this should have been a separate item on today's agenda. Mr Gregson went on to say that he had already publicly made his views known regarding the way in which this report had been introduced, and in particular the way in which the report had been leaked, and the media embargo had been broken. He said that this whole consultation exercise could not have gone off to a worse start and found it beyond belief that the key recommendation in this report regarding the future of the Shetland Welfare Trust and the care services it delivered were not discussed fully by the Executive Committee. Mr Gregson concluded by saying that he hoped that people would be properly consulted, and that he would make his representations to the Council at the appropriate time.

Mr J P Nicolson said that he was a member of the Working Group, and the information considered by the Group had been provided by members of staff from both the Council and the Shetland Charitable Trust, and the proposals were therefore based on the best professional advice. He said that so far no formal discussion on the proposals had taken place with the organisations concerned. Mr Nicolson added that he would be extremely disappointed if the consultation was other than that being proposed in the report, as a fait accompli would greatly undermine that process.

Mr Nicolson said that having heard various concerns he suggested that, in the interests of transparency, consideration could be given to the Group involving some independent representation, with the Care Commission being an example. Mr L G Groat said that he did not believe the Group would have any worries with that proposal, and it could be considered at the next meeting.

Mr W Tait said he agreed with the views put forward by Mr Gregson, and with that of Mr Nicolson regarding an independent person. Mr Tait said he was totally opposed to the proposal regarding the Shetland Welfare Trust, adding that he was sure that the proposal to return the management of care centres to the Council would be emphatically rejected by managers, residents and staff.

Mrs I J Hawkins said that the important issues to come out of any decisions would be to ensure that the staff are protected, and that the level of services are not affected.

Mr W A Ratter agreed that the consultations had to be very full and open, bearing in mind that the Shetland Charitable Trust was funding more than it could afford.

Mrs F B Grains also expressed her disappointment about the leaking of the report, and was confident that the consultation would provide the answers to the concerns being expressed.

Mr W H Manson said that, as all Members were aware, if there were any savings to be achieved, as Chairman of the Shetland Charitable Trust, the proposals had to be made and consulted on first. Regarding the position of the General Manager, Mr Manson said that much of her time would be freed up to deal with the consultation, but that if it became too big a burden, then that matter would be considered. Mr Manson said it was important to have the views of everyone concerned.

Mr A Inkster said that although having heard the concerns expressed today, he was clear that this was only phase 1 of a larger process, and that further consultation would take on those concerns and may result in better informed or alternative proposals.

Mr W Tait moved that the recommendations in the report be agreed at this stage, but that an independent person be brought in to lead the consultation process, such as the Care Commission. Mr C B Eunson seconded.

It was noted that the Chairman of the Working Group had already accepted that the inclusion of an independent person on the Group would be considered at the next meeting of the Group on Friday, bearing in mind that other Trusts and proposals were being considered, not just care homes.

After further discussion and a brief summing up, voting took place by a show of hands, the result was as follows:

Amendment (W Tait)   5
Motion (A J Cluness)   14

22 June 2004 – Min. Ref. 62/04 - Quality of Life Funding – Outturn 2003/04 and Carry Forward to 2004/05
Mr L Angus sought reassurance that the allocation of funding under this initiative would be looked at again before the next tranche of money. The Council agreed.

22 June 2004 – Min. Ref. 65/04 – Forum Minutes

The Chief Executive pointed out that the Committee had asked that Forum minutes go the parent Committees. However, he pointed out that the parent Committee for the Forums was in fact the Executive Committee. The Council agreed that this matter should be considered further by the Committee Structure Review Member/Officer Working Group, in addition to clarifying the delegated authority given to the Executive Committee, particularly in relation to financial reports.

28 June 2004 – Min. Ref. 76/04 - Shetland College Budget Estimates 2004/2005
Mr W A Ratter referred to the second paragraph, and advised that the fifth line be amended to read "Shetland International Study Centre in Unst".

104/04   **Civic Government Licensing Sub-Committee – 15 June 2004**
The Council confirmed the minute of the Civic Government Licensing Sub-Committee held on 15 June 2004, on the motion of Mr J P Nicolson.

105/04   **Harbour Board – 3 June 2004**
The Council confirmed the minute of the Harbour Board held on 3 June 2004, on the motion of Mr J G Simpson.

106/04   **Inter Islands Ferries Board – 18 June 2004**
The Council confirmed the minute of the Inter Islands Ferries Board held on 18 June 2004, on the motion of Mr B P Gregson.

107/04   **Planning Sub-Committee – 2 June 2004**
Subject to the following, the Council confirmed the minute of the Planning Sub-Committee held on 2 June 2004, on the motion of Mr F A Robertson.

Min. Ref. 07/04 - Planning Applications for Decision - 3. 2004/68/PCD - To erect dwellinghouse adjacent to North Virkie/A970 Junction, Virkie, Dunrossness by Mr and Mrs S Malcolmson
The Head of Planning advised that if the Council were minded today to endorse the view of the Planning Sub-Committee, the reasons for departing from policy needed to be minuted. He said that Planning decisions must be taken in accordance with policy, unless there were material planning reasons for not doing so. The Head of Planning said that the systems were designed to allow some flexibility, but in this particular instance there were several objections. However, he was unaware of any material considerations that would allow the Council to justify a departure from policy. He went on to say that some of the objections related to the views and outlook, although these were not

material planning considerations, nor were the Council able to take into consideration any alternative site being less suitable as a reason for approval, as again that was not a material consideration.

Regarding the options available today, the Head of Planning said that the Council could decide to uphold the recommendation of the Planning Sub-Committee, in which case it was likely that the objectors would wish to put their views to a hearing at the Planning Sub-Committee. However, he added that the absence of a hearing would not absolve the Council from stating its reasons. If the Council were minded to support the Planning Sub-Committee, the Head of Planning said that, in light of the recent adoption of the Local Plan, it would be advisable to remit the application back to the Sub-Committee with delegated authority to make a decision and finalise the reasons. Alternatively, the Head of Planning said that the Council could follow the recommendations, and refuse the application.

Capt G Mitchell, as Member for the Area, said that he had taken detailed legal advice regarding this matter. He said that he had been told that the objectors would mount a legal challenge if the Council allowed this application. Capt Mitchell said that for a number of reasons the Council would be embarrassed in the course of any legal challenge if permission was approved, including: (1) if an application within Zone 4 for planning permission was given this would be outwith policy, and therefore a good legal reason for refusing; (2) granting permission would create a legal precedent for Zone 4 areas; (3) Members can be personally held legally responsible for any planning decision they make; (4) the Council could not mount an adequate defence; and (5) planning permission is only valid if there is a valid planning reason, and the only reason seemed to be that it would not spoil the view very much.

Capt Mitchell said that he could not speak for the community as it was split, but in face of the advice given and in terms of the policy, he moved as an amendment that planning permission be refused. Mr W H Manson seconded.

Mrs F B Grains said that she had moved for approval of this application at the Sub-Committee as she had attended the site visit, and the zoning in this area seemed to be ridiculous. She said that if the application was refused, it was possible that the applicants would appeal. Mrs Grains said that given the information that was previously given to the applicants and the community, the zoning policy and general approval by the Community Council, the departure from policy should be

permitted, subject to a hearing and decision by the Sub-Committee..

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

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> Amendment (G G Mitchell)   7
> Motion (F A Robertson)   9

The recommendation of the Planning Sub-Committee to determine the application, as a departure, was adopted by the Council.

Min. Ref. 07/04 – Planning Applications for Decision - 8. 2004/134/PCD - To change use from shop (Class 1) to hot food takeaway (Sui Generis) and paint shop front, 84 Commercial Street, Lerwick by Mr G Marshall
Mr A J Cluness declared an in interest in this item. Mr W N Stove declared a non-pecuniary interest in this item.

As per the motion contained in the minute, the recommendation of the Planning Sub-Committee was moved by Mr E Knight, seconded by Mr L G Groat.

Mr F A Robertson said that the reasons given in the minute for departing from Council policy were not material planning considerations, and moved that the Council grant permission, subject to conditions as set out in the report. Mr W A Ratter seconded.

Voting took place by a show of hands, and the result was as follows:

Amendment (F A Robertson)   10
Motion (E Knight)   6

Min. Ref. 07/04 – Planning Applications for Decision - 7. 2004/131/PCD - Erect Extension, Strandheim, Gulberwick by Mr and Mrs Wood
The Council heard from Mr R G Feather, who had moved deferral at the earlier Sub-Committee meeting, and the Council noted that due to discussions with the Planning Department, the applicants and the objectors, he felt that the problems and objections had been substantially resolved. Accordingly, rather than defer further, Mr R G Feather moved that the application be granted conditionally. Mr F A Robertson accepted, and the Council concurred.

08/04 Notice of Intention to Develop - 13. 2004/015/NID - To construct respite and permanent accommodation units for social

care (9 bedroomed respite unit and 4 bedroomed permanent unit), Kantersted, Lerwick by Shetland Islands Council

The Council noted that the Scottish Executive had advised that it would not be intervening on this application.

108/04   **Capital Programme – Review – June 2004**
The Council considered a report by the Head of Finance (Appendix 1).

Mr L Angus referred to paragraph 4.1.2 of the report, and to the Best Value Service Review of Education and the possible impact on primary education in Lerwick. He said that whilst this had already been discussed at some length, he remained concerned that there was no provision within the capital programme for such a project.

Mr W A Ratter said that until the Council was contractually committed, there was nothing to stop such projects being put in the programme, but without funding at this stage. He said that a financial restructuring report to be considered later in the meeting may provide alternative means of funding.

Mr B P Gregson suggested that the Cinema and Music Venue be renamed the Centre for Performing Arts in order to provide more scope and flexibility in its use.   Mr Gregson also expressed his continued support and aspirations regarding fixed links in Shetland.

Other Members added their support for the Cinema and Music Venue, and accordingly Mr W A Ratter moved that the recommendations in the report, and as recommended by the Executive Committee, be adopted. Mr A J Cluness seconded and the Council concurred.

109/04   **2003/04 Outturn**
The Council considered a report by the Head of Finance (Appendix 2) and adopted the recommendations contained therein, on the motion of Mr W A Ratter, seconded by Mr L Angus.

110/04   **General Fund Revenue Estimates 2004/05**
The Council considered a report by the Head of Finance (Appendix 3) and adopted the recommendations contained therein, on the motion of Mr W A Ratter, seconded by Mr B P Gregson. Members recorded their thanks to the vast amount of work that had gone into this exercise.

111/04   **Financial Restructure Proposals**
The Council considered a joint report by the Head of Finance and the Chief Executive (Appendix 4).

Mr J P Nicolson said that he believed this report should provide the Council with a great deal of satisfaction, but also some embarrassment about all that the Council can no longer afford. Referring to paragraphs 3.1.1 and 3.1.6, he said that whilst revenue funding was not out of control, it was not in control, and the onus was on officers as never before to control spending. Mr Nicolson asked if some thought could be given to also boosting Charitable Trust funding, and once the situation is nearer to being in balance, capital projects such as the Cinema and Music Venue could be moved forward. Mr Nicolson also referred to paragraph 3.2.3, and suggested that the Council should seek some acknowledgement from Sullom Voe that they should adjust the rental to take account of the changed circumstances.

The Head of Finance said that the proposals within the report would indirectly boost the Charitable Trust, by balancing SLAP's books. He said that the possibility was there for the future to go further, but the proposals in this report would require further debate as they came forward.

Regarding paragraph 3.1.15, the Chief Executive said that the Council were engaged with the oil industry in considering the current and long term strategies of both Sullom Voe and Shetland Towage. He said that reports on these issues would be presented to the Council in due course.

Members discussed the need for the Council to have more power over its own affairs, particularly with regard to investment and funding. Whilst there was some concern regarding the proposed level at which the reserves could be reduced, Members expressed the need to carefully consider the revenue costs impact on the Council for any capital projects, recognising also that failure to control revenue spending could also result in a significant reduction in capital spending.

Mr L Angus said that the SDT and SLAP had been making profits, and in this regard, he moved that the Council approve the recommendation of the Executive Committee, but that in relation to recommendation 7.1.3.1, this be amended to read: "Subject to evaluation, up to £29 million be immediately advanced to the Shetland Development Trust to acquire SLAP's non-property investments." Mr W Tait seconded. The Council concurred, with Members highlighting in particular paragraph 3.1.6 of the report, and the need for managerial control and reduction of revenue spending in order to achieve further infrastructure investment.

Concern was raised by Members regarding the capacity of the local building industry, but also with regard to the lack of SIC Building Control Officers.   The Head of Planning said that the staffing shortage in this area had been a cause for concern for some time, and workload at the moment was being assisted by a contract worker. It was hoped that this would help to improve the situation over the next few months.

112/04   **Shetland College Budget Estimates 2004/05**
The Council considered a report by the Principal, Shetland College (Appendix 5) and adopted the recommendation of the Executive Committee 28 June 2004 (Min. Ref. 76/04) on the motion of Mr W A Ratter, seconded by Mr A J Cluness.

113/04   **Abstract of Accounts 2003/04: Progress Report**
The Council considered a report by the Head of Finance (Appendix 6) and adopted the recommendations on the motion of Mr L Angus, seconded by Mr A Inkster.

114/04   **Scottish Executive Public Sector Energy Fund**
The Council considered a report by the Conservation Manager (Appendix 7) and adopted the recommendations contained therein, on the motion of Mr W A Ratter, seconded by Mrs I J Hawkins.

115/04   **Consultation on Developing a Strategic Framework for Scotland's Marine Environment**
The Council considered a report by the Coastal Zone Manager (Appendix 8).

Mrs I J Hawkins referred to page 15 of the consultation documents, and said it was important that the response from the Council gave an indication of its support for the fishing community. In addition, Mrs Hawkins referred to pages 22 and 23 of the consultation document, and said that references to restoring sustainable fishing stocks by 2015 and reducing discharges and emissions, etc by 2020 was too far ahead, and should be brought forward. She moved the recommendations in the report, subject to her comments being added.   Mr B P Gregson seconded and the Council adopted the recommendations in the report.

The Coastal Zone Manager confirmed that Mrs Hawkins' comments would be taken on board and included within the response.   He went on to advise that the response would also be tidied up in terms of the typographical errors, as well as comments received regarding the response to Q6 and the Harbours Act 1964, including the possibility of other related legislation also requiring review. The Council concurred.

116/04   **Revised Policy on Harassment and Bullying at Work**
The Council considered a report by the Personnel Manager
(Appendix 9) and adopted the recommendation contained
therein, on the motion of Mr W H Manson, seconded by Mr L G
Groat.

117/04   **Substance Misuse Policy**
The Council considered a report by the Personnel Manager
(Appendix 10) and adopted the recommendations contained
therein, on the motion of Mr L G Groat, seconded by Mrs I J
Hawkins.

118/04   **Winding Down Policy**
The Council considered a report by the Personnel Manager
(Appendix 11) and adopted the recommendation contained
therein, on the motion of Mrs F B Grains, seconded by Mr A J
Cluness.

**In order to avoid the disclosure of exempt information, Mr A
J Cluness moved, Mr B P Gregson seconded, and the
Council resolved, in terms of the relevant legislation, to
exclude the public during consideration of the following
items of business.**

(Representatives of the media left the meeting.)

119/04   **Transfer of Employment of Staff: Shetland Fisheries
Training Association (SFTA)**
The Council considered a report by the Economic Development
Manager and adopted the recommendation contained therein,
on the motion of Mr W A Ratter, seconded by Mr J Henry.

120/04   **Employees Joint Consultative Committee – 1 June 2004**
The Council noted the minute of the Employees Joint
Consultative Committee held on 1 June 2004.

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A J Cluness
Convener

Shetland
Islands Council

MINUTE

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Special Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Tuesday 3 August 2004

Present:

A J Cluness	**L Angus**
B J Cheyne	**C B Eunson**
R G Feather	**F B Grains**
L G Groat	**I J Hawkins**
J H Henry	**J C Irvine**
E J Knight	**W H Manson**
G G Mitchell	**J P Nicolson**
W A Ratter	**J G Simpson**
T W Stove	**W N Stove**
W Tait	

Apologies:

B P Gregson	**J A Inkster**
F A Robertson	

In attendance (Officers):
M Goodlad, Chief Executive
G Spall, Executive Director - Infrastructure Services
G Johnston, Head of Finance
A Cooper, Head of Development Resources
M Holmes, Coastal Zone Manager
L Geddes, Committee Officer

Chairperson
Mr A J Cluness, Convener of the Council, presided.

Circular
The circular calling the meeting was held as read.

In order to avoid the disclosure of exempt information, Mr A J Cluness moved, Mr W N Stove seconded, and the Council resolved, in terms of the relevant legislation, to exclude the public during consideration of the following items of business.

(Representatives of the media left the meeting.)

The Convener agreed to a request from Mr L G Groat that a press release should be issued following the meeting.

121/04   **Aqua Farm Limited**
            The Council considered a report by the Head of Development
            Resources (Appendix 1).

(Mrs I J Hawkins declared an interest as a member of Shetland Fisheries Centre Training Trust).

The Head of Development Resources summarised the main terms of the report, outlining a number of potential solutions that had been identified and finance that had recently been made available.

Mr W H Manson, said that he felt there was a general need to look at the aquaculture industry in Shetland, particularly the salmon component. The Norwegian aquaculture industry received a high level of support from the Norwegian government and banks, and three-quarters of the salmon industry in Shetland was in the hands of Norwegian owners. Although the Norwegians were sustaining the volumes of fish on the market, prices were low and it was likely that they would pull out of Shetland first. Ultimately, it would probably be necessary for the Council to come to a conclusion as to whether there should be an aquaculture industry in Shetland. The Economic Development Unit was carrying out some work at the moment. Once this had been completed, the best estimates for the future of the industry would be apparent.

He went on to say that, in this case, funding would be required in the next few weeks, so there was not time to wait for this work to be completed. He also referred to the social implications for the area should this operation be lost. He felt that the future of salmon farming lay with quality rather than volume, and building on the "Natural Choice" brand would enable a better marketing price for the farmer.

He therefore moved recommendation 8.1(iii), but said that he was also willing to include 8.1(ii), leaving it to the Chief Executive's discretion as to which route to take.

Mr W A Ratter seconded.

Mr C B Eunson referred to paragraph 3.6 of the report, and the dependency on achieving premium prices for the "Natural Choice" brand. He also referred to the funding pledged, and questioned the potential involvement of other organisations. He accordingly moved that the Council approve recommendation 8.1(i).

Mr T W Stove seconded.

Some Members said that they had received representations from members of the public regarding financial assistance to salmon farms, and expressed concern that the impression that money was dished out to failing salmon farms was leading to a

loss of credibility for the Council. There were concerns that the Council could not stand further potential losses. Members also commented that it would be difficult to draw the line if the Council were to offer financial assistance to firms for 'social' reasons.

Discussion took place regarding the "Natural Choice" brand which, some Members felt, could help assure the future of salmon farming in general, and this farm in particular. A Member expressed concern that the existence of the "Natural Choice" brand could potentially become seen as a key to accessing Council resources.

(Mr J C Irvine attended the meeting)

In response to a query regarding whether there were any other salmon farms in a similar position, it was noted that there were understood to be a number of firms in similar positions.

Mr L Angus said that SDT were continuing to operate in a policy vacuum, due to the absence of a Council aquaculture strategy. SDT had taken advice from experts and accountants who would be able to prepare such a strategy for £250,000. He also pointed out that there was some uncertainty regarding the "Natural Choice" brand, and that the US Food and Drugs Administration was currently investigating complaints against it. SDT had recommended a need to carry out serious marketing research to see if there was a future for the brand, and were to fund this.

(Mr L G Groat left the meeting)

Some discussion took place regarding 'social investments'. A Member said that he felt the Council did have a fundamental social role to play regarding investments in industry, and cited examples of where the Council had intervened to help local businesses that would otherwise have folded. This had helped maintain low unemployment in Shetland.

The Convener pointed out that the Council was prepared to make 'social investments', but that they had made it clear that they did not wish SDT to do so. The Economic Development Unit had now been set up, and it would have a role in the future development of quality products, along with SDT and the NAFC. The Economic Development Unit would also be working on an aquaculture strategy with SDT, and this would help inform the Council in the future.

Mr L Angus gave notice of further amendment.

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

Amendment (Mr C B Eunson)   7
Motion (Mr W H Manson)   10

Mr L Angus moved, as an amendment, that the Council request SDT and SLAP to potentially fund the investigations, quoted by consultants as up to a cost of £250,000, as part of preparation of the aquaculture strategy.

Mr J P Nicolson seconded.

The Chief Executive suggested that the reference to SLAP should be removed, given to their recent decision to transfer non-property investments.

The Convener asked if Mr W H Manson would be willing to incorporate this into his motion.   Mr W H Manson said that he was not willing to accept this, and suggested that a report be presented to the next Council meeting on this matter.

After some discussion, the Convener said that he was not willing to accept this amendment to the motion, but would consider Mr Angus' motion as a new item of business.

Mr A J Cluness then moved, as an amendment to Mr Angus' motion, that a report on the preparation of an aquaculture strategy should be presented to the next Council meeting.

Mr W A Ratter seconded.

Voting took place by show of hands, and the result was as follows:

Amendment (Mr A J Cluness)   11
Motion (Mr L Angus)   3

....
A J Cluness
Convener

Shetland
Islands

Council

MINUTE   'A' & 'B'

Special Infrastructure Committee
Council Chamber, Town Hall, Lerwick
Tuesday 3 August 2004 at 10.30 a.m.

Present:

J C Irvine	**L Angus**
B J Cheyne	**A J Cluness**
C B Eunson	**R G Feather**
F B Grains	**L G Groat**
I J Hawkins	**J H Henry**
E J Knight	**W H Manson**
Capt G G Mitchell	**J P Nicolson**
W A Ratter	**J G Simpson**
W N Stove	**T W Stove**
W Tait	

Apologies:

B P Gregson	**J A Inkster**
F A Robertson	

In Attendance (Officers):
M H Goodlad, Chief Executive
G Spall, Executive Director, Infrastructure Services
A J Cooper, Head of Development Resources
G Johnston, Head of Finance
D Haswell, Committee Officer

Chairperson:
Mr J C Irvine, Chairperson of the Committee, presided.

Circular:
The circular calling the meeting was held as read.

46/04   **Transport White Paper**

The Committee considered a report by the Executive Director, Infrastructure Services (Appendix 1).

(Mrs I J Hawkins left the meeting).

In introducing the report, the Chairperson advised that the Council had not received any information regarding the CoSLA Transport Bill Task Group that was being established to consider the Transport Bill. However, both Shetland Islands Council and Orkney Islands Council had requested representation on the Task Group. The Chairperson said that he had received acknowledgements from Mr Tavish Scott, MSP and Mr Nicol Stephen, Minister for Transport in relation to the issues raised in his correspondence to them.

The Executive Director said that Council Members and Officers had had a meeting with Members and Officers from Orkney Islands Council last week. Orkney Islands Council largely shared the Council's concerns regarding the voting arrangements and requisitioning powers proposed for Regional Transport Partnerships. Shetland Islands Council were taking a more robust stance to the proposals than Orkney Islands

Council. However, both Shetland and Orkney Islands Councils had agreed to submit a joint paper (prepared by Orkney Islands Council) to the next meeting of HITRANS on 13 August outlining their concerns.

In response to a question from a Member, Capt G G Mitchell, Transport Spokesperson, provided clarification as to the Council's main concerns regarding the proposals by the Scottish Executive. He said that, at the moment, decisions are made by consensus on HITRANS but if Regional Transport Partnerships were established, the Council could be forced into voting arrangements whereby it was possible that the Council could be outvoted resulting in others being able to impose actions on Shetland. Another area of concern was the financial arrangements. Currently, the Council contributed approximately £10k per annum towards the costs of the administration of HITRANS. If Regional Transport Partnerships were established, it was possible that the Council would have to contribute substantially more. Further, with the possibility for requisitioning, this could result in partnerships being able to draw on Council funds.

(Mrs I J Hawkins returned to the meeting).

A majority of Members felt that the proposals did nothing to mitigate in favour of local island communities and comparison was made to similar previous proposals that had resulted in local authorities losing local control of police, fire and water and sewage services.

In response to questions from a Member, the Executive Director said that obviously, there were costs involved in the establishment of Regional Transport Partnerships but local authorities had not been provided with detailed costs of what they may be expected to contribute. However, a paper setting out indicative costs prepared by the HITRANS Co-ordinator had suggested that the operating costs of a Regional Transport Partnership could be in the region of £2M. The Executive Director continued to say that, as indicated in the report, participation in HITRANS at present was voluntary but the White Paper proposed that participation in formal groups should be mandatory.

With regard to the financial arrangements, the Head of Finance said that there was no doubt that in the past, the Council's experience of being forced into such groups was that this had worked against the Council with the Council losing local distinction and control. In his view, the proposals caused a very real concern to the Council.

A Member said that the Council should make it clear to the Scottish Executive that there were other more pressing issues that the Executive could be doing to solve the problems on Scotland's transport systems rather than establishing Regional Transport Partnerships.

Capt G G Mitchell moved that the Committee approve recommendations 8.1 (a) – (e) in the report. Mr W Tait seconded.

In response to a comment from a Member that the Council should reinforce its case against the proposals, the Executive Director advised that matters were beyond the consultation stage. However, he confirmed that the Council's position would be reinforced. The Chairperson agreed and advised that the Council would not give up its position.

Mr A J Cluness reminded Members of the Council's policy prior to the establishment of the Scottish Parliament that more powers should be devolved to local authorities. In his view, this policy should be reiterated.

Accordingly, Mr Cluness moved as an amendment that the Committee approve recommendations 8.1 (a) – (c) in the report but that recommendations (d) and (e) be deleted. Mr W A Ratter seconded.

In receiving the consent of his seconder, Capt G G Mitchell agreed to amend his motion in terms of the amendment by Mr Cluness.

CHAIRPERSON

Shetland
Islands Council

MINUTE   'B'

Infrastructure Committee
Council Chamber, Town Hall, Lerwick
Tuesday 31 August 2004 at 10.30 a.m.

Present:

J C Irvine	**L Angus**
B J Cheyne	**C B Eunson**
R G Feather	**F B Grains**
B P Gregson	**L G Groat**
I J Hawkins	**J H Henry**
J A Inkster	**W H Manson**
Capt G G Mitchell	**F A Robertson**
J G Simpson	**W N Stove**
T W Stove	

Apologies:

A J Cluness	**E J Knight**
J P Nicolson	**W Tait**

In Attendance (Officers):
G Spall, Executive Director, Infrastructure Services
S Cooper, Head of Environment
M Craigie, Projects Unit Manager
D Macnae, Network Manager
I Bruce, Service Manager, Transport Operations
H Tait, Management Accountant
D Haswell, Committee Officer

Chairperson:
Mr J C Irvine, Chairperson of the Committee, presided.

Circular:
The circular calling the meeting was held as read.

Minutes:
The minutes of meetings held on 15 June and 18 2004, having been circulated, were approved.

Members' Attendance at External Meetings
The following Members provided a brief synopsis of their attendance at the following meetings:

**J C Irvine   Association of Public Excellence seminar - Glasgow
                        CoSLA Convention**
With regard to his attendance at the CoSLA Convention meeting, the Chairperson advised that he had had discussions with Councillor Ian Yule of Aberdeen City Council. From the discussions, it was clear that Aberdeen City Council were also keen to open up discussions on the future of Aberdeen Harbour and the Executive Director would be arranging for a delegation to visit Aberdeen to take this forward.

I J Hawkins   COWAM II – Berlin

J H Henry **CoSLA Environment Forum**
KIMO UK – Edinburgh

Capt G G Mitchell **HITRANS**

Capt G G Mitchell advised that his attendance at the HITRANS meeting had been subsequent to the Council's response to the Transport White Paper indicating the Council's concerns in relation to establishing Regional Transport Partnerships. Prior to the HITRANS meeting, Capt Mitchell had met with Councillors from Orkney Islands Council and Western Isles Council to ensure that the 3 island authorities shared concerns in relation to the proposals in the Transport White Paper for requisitioning of money, the proposed voting system and management costs that may be accrued to local authorities. Capt Mitchell had stressed at the meeting that the Council would not take part in discussions on these issues until clarification was provided and assurances given. No decisions had been made on the proposals in the Transport White Paper and it would be discussed again at the next HITRANS meeting. The consultation period on the Transport White Paper had been extended by a period of 3 months to allow for discussions on the detail of the legislation. He reiterated the point that he had put the Council's case very strongly at the meeting, at which Scottish Executive Officials were present, and had said that the Council would welcome a meeting with the Minister for Transport to discuss matters in the very near future.

The Chairperson said that, in his view, because of the stance that had been taken on the Transport White Paper, not only by the Council but other local authorities and CoSLA, it was unlikely that the Bill would be implemented prior to the end of the term of this Council. He advised that a meeting had been arranged between Tavish Scott, MSP, Jim Wallace, MSP and the Chairperson of the Environment and Transport Forum, Mr J A Inkster to be held on 7 September 2004. Unfortunately, this meeting had been postponed but would take place in the near future. The Chairperson continued to say that Members would recall from the Special Infrastructure Committee meeting on 3 August 2004, Members had agreed to request that Shetland should be represented on the CoSLA Transport Bill Task Group. The Chairperson said he was pleased to report that CoSLA had agreed to this request and, accordingly, he would be attending the first meeting of the Task Group on 14 September 2004 where he would put the Council's views across.

The Chairperson advised that he was meeting with Mr Scott Grier and another representative of Loganair this week to discuss various issues that had arisen with Scottish air services. Also, a Special Environment and Transport Forum had been arranged for 23 September 2004 at which Mr Grier and another representative of Loganair would be present.

J A Inkster **RoSPA Seminar – Motherwell**

Mr J A Inkster advised that the main themes discussed at the seminar had been road safety for children travelling to and from school and the 20 MPH speed restrictions adjacent to schools. A brief discussion ensued during which the Network Manager explained that there were Government Guidelines to apply 20 MPH speed restrictions adjacent to schools. The restrictions were only applied at certain times, e.g. at times when children were going into school in the morning and when leaving in the afternoon. All schools in Shetland were being examined

and it may be that the 20 MPH speed restriction may be appropriate for some areas but not for others. He said that the Police were often present at schools where they were aware that drivers were not adhering to the speed restrictions.

47/04   **Islands Links – Update and Proposal for Future Development of Strategy**
The Committee considered a report by the Projects Unit Manager (Appendix 1) and, on the motion of Mr B P Gregson, seconded by Mrs I J Hawkins, approved the recommendations contained therein and further agreed to include Mr E J Knight in the membership of the Links Strategy Member/Officer Working Group.

48/04   **Proposed 30 MPH Speed Limit at Levenwick**
The Committee considered a report by the Network Manager (Appendix 2).

Mr T W Stove said he agreed with the views of Dunrossness Community Council and, in this regard, moved that the Committee approve the recommendations in the report with the proviso that the speed limit is extended to include from the North Levenwick Junction to the South limit. Mrs I J Hawkins seconded.

In response to questions from Members, the Executive Director and the Network Manager clarified the position and the timescale involved of re-advertising the Order if the motion was approved and Members noted the information provided.

Mr J A Inkster said that it was critical that when Members were considering imposing speed limits that they got it right and, in this case, should listen to the advice of Officers.

Accordingly, Mr J A Inkster moved as an amendment that the Committee approve the recommendations in the report. Mr C B Eunson seconded.

(Mr B P Gregson gave notice of a further amendment).

The Executive Director advised that if Members agreed, it would be possible for the speed limit to be applied immediately but that an extension could separately be consulted on. Only if objections were received would the issue be reported back to the Committee.

After summing-up, voting followed by a show of hands and the result was as follows:

Amendment (Mr J A Inkster)   6
Motion (Mr T W Stove)   7

Mr B P Gregson moved as an amendment that the common sense approach should be taken that the Committee approve the recommendations in the report resulting in the speed limit being applied without delay. Further, the due process should be commenced to ask

for an extension of the speed limit as requested by the Community Council. Mr L Angus seconded.

After summing up, voting followed by a show of hands and the result was as follows:

Amendment (Mr B P Gregson)	9
Motion (Mr T W Stove)	5

49/04   **SIC (Various Roads) (Prohibition and Restriction of Waiting) (Variation No. 3) Order 2004**
The Committee considered a report by the Network Manager (Appendix 3).

Referring to paragraph 2.2 of the report, Mr C B Eunson said that the traffic flow was only affected for a short period of time and, in his view, the proposal for double yellow lines to be placed on the whole length of Knab Road was ridiculous. He said that there were a number of vehicles that required to use Knab Road to drop people off at Annsbrae House on a daily basis. Also, a lot of people parked on Knab Road to attend funerals at St Columbas Church.

Accordingly, Mr C B Eunson moved that the Committee agree that the recommendations in the report should be rejected. Mr L Angus seconded.

Mr L Angus said that for a number of years, Lerwick Community Council had tried to get the tarred area at the Coastguard Station to be designated a drop-off point for school buses because it would help solve traffic problems in the area. Mr Angus suggested that the Committee should recommend to the Council that this should be investigated as a matter of urgency.

The Chairperson proposed that this should be the subject of a further report to Committee as Officers from the Roads Section would have to have discussions with Officers from Education Services. The Committee agreed.

In response to a suggestion from Mr W N Stove and, in receiving the consent of his seconder, Mr C B Eunson agreed to alter his motion such that the Variation Order would only apply to that length of Lover's Loan from its junction 20m north east of Breiwick Road to its junction with Mansefield. Members noted that this proposal would not require to be advertised because it was a reduction and could be implemented immediately.

50/04   **Review of Grounds Maintenance Services**
The Committee considered a report by the Head of Environment (Appendix 4).

The Head of Environment took Members through the report following which some discussion ensued. A Member complimented the

Infrastructure Services Department for planting daffodils in certain areas and said it brightened up those areas. In response to questions, the Head of Environment said that bulb planting would be included in the review. He advised that as part of the review, a database would be established which would identify open spaces and who was responsible for those areas.

In relation to the proposal that a more detailed report on the review would be presented to the Community Planning Board for consideration, a Member pointed out that meetings of the Community Planning Board were held in private. The Chairperson advised that the Environment and Transport Forum would be discussing roads issues in the future, which would include items on verge cutting and grass cutting. Stakeholders would be invited to the meeting and, therefore, this would provide an opportunity for community involvement. If anything tangible came out of the Forum meeting, this would be reported back to the Committee.

With regard to the proposal for 5 area teams, the Head of Environment explained that the boundaries for the area teams had not yet been decided and would have to be developed. The teams would be multi-functional. In response to a question regarding section 2.1 of the report seeking assurance that this would not result in nationalisation, the Head of Environment said that at this stage, nothing was included or excluded. The intention was that there should be a review that would identify the best service provider.

In response to a comment from a Member that he was aware of a gardening group that were being charged an extortionate amount for insurance, the Head of Environment confirmed that the issue of insurance for groups maintaining public spaces could be examined.

The Committee approved the recommendations in the report, on the motion of Mr B P Gregson, seconded by Capt G G Mitchell.

Mr J C Irvine moved that the Committee exclude the public during consideration of the following item of business in terms of the relevant legislation. Mr B P Gregson seconded.

Mr T W Stove moved as an amendment that the Committee agree to consider the report in public. Mr C B Eunson seconded.

Voting followed by a show of hands and the result was as follows:

Amendment (Mr T W Stove)   2
Motion (Mr J C Irvine)   13

(Representatives of the media left the meeting).

51/04   **Inter Island Air Service Contract**

The Committee considered a report by the Service Manager, Transport Operations and, on the motion of Mr L Angus, seconded by Mr B P Gregson, approved the recommendations contained therein.

The Executive Director advised that a Press Release would be issued following the meeting today.

A brief discussion ensued on the Air Ambulance Contract and the announcement that Gama Aviation had been the preferred bidder.

The Service Manager, Transport Operations advised that Gama Aviation had agreed to bring the aircraft they proposed to use on the Air Ambulance Service to Tingwall Airport to allow people to view the aircraft.

In response to a suggestion from the Chairperson, the Committee agreed that a Special Environment and Transport Forum meeting should be arranged when Gama Aviation representatives are in Shetland.

....
J C Irvine
CHAIRPERSON

Shetland
Islands Council

MINUTE
A&B

Services Committee
Council Chamber, Town Hall, Lerwick
Thursday 2 September 2004 at 10.30am

Present:

F B Grains	**L Angus**
B J Cheyne	**A J Cluness**
C B Eunson	**R G Feather**
B P Gregson	**L G Groat**
I J Hawkins	**J H Henry**
E J Knight	**W H Manson**
Capt G G Mitchell	**J P Nicolson**
W H Ratter	**F A Robertson**
J G Simpson	**T W Stove**

Apologies:

J C Irvine	**W N Stove**
W Tait	

In Attendance:
J Watt, Executive Director – Community Services
M Duncan, Grants Co-ordinator
C Ferguson, Community Care Manager
A Jamieson, Head of Education Service
C Medley, Head of Housing Service
H Tait, Management Accountant
L Geddes, Committee Officer

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

Circular
The circular calling the meeting was held as read.

Minutes
The minutes of the meeting held on 17 June 2004, and the special meeting held on 24 June 2004, were confirmed.

Members' Attendance at External Meetings
Mr L Angus gave a brief synopsis of a TIGHRA meeting he had recently attended.

Mr W H Manson said that he had attended the first of the consultative meetings regarding proposed changes to schools, and that he was intending to attend as many as possible.

48/04   **Shetland Islands Council (SIC)/Shetland Leasing and Property (SLAP) Proposal to Pilot the Development of Social Housing for Rent**

The Committee considered a report by the Head of Housing (Appendix 1).

The Head of Housing summarised the main terms of the report, pointing out that, in view of the opinions expressed at the public meeting, there were likely to be objections to the proposal if it went ahead. He had been advised that the proposed development was in Zone 1, which was considered as suitable for housing development. Objections relating to loss of amenity and open space would be deemed as valid planning considerations, but objections relating to groups of people who may occupy the houses would not. He went on to refer to page two of the report, and said that the Member for the Area had asked him to point out that there was also a demand for housing in Burra and Trondra.

During the discussion that followed, it was noted that the School Board had expressed concerns about traffic and the potential for another junction in the area. It was also noted that the Sound Community Association had expressed similar concerns to those expressed at the public meeting, particularly in relation to the loss of the green area.

Members speaking in support of the proposal commented on the urgent need for social housing, particularly for clients with learning disabilities, and it was felt that this was a commendable method of using community funds. Whilst a green area would be lost, there did not appear to be wide public use of the area. It was also noted that the Council's road engineers could adequately deal with traffic problems.

Captain G G Mitchell moved approval of recommendation 7.1.1, with the proviso that the design should take cognisance of leaving a maximum green area.

Mr L G Groat seconded.

A Member referred to paragraphs 2.12 and 3.13 of the report which indicated the availability of other sites, and also expressed concern that the failure of a pilot study in this instance could affect other housing developments of this nature.

The Head of Housing confirmed that preliminary studies only had taken place on the sites, so there would not be any major loss of work already carried out. This site had been chosen as it was a flat and centrally located site, and development costs would be lower. He also confirmed that it was a pilot project in terms of the funding arrangements only and, if successful, the model could be applied to other projects.

(Mr L G Groat left the meeting)

A Member commented that he did not feel the public meeting had been well attended, as stated in paragraph 2.5, considering the area in question. It was also suggested that any future public meetings should follow a more structured format.

The Head of Housing agreed there were lessons to be learnt from the public meeting but explained that as the initial turnout had been poor, it

had been agreed to have a discussion around the table. However more people had turned up during the meeting, and this had resulted in the difficulties referred to.

49/04 **Big Lottery Fund – Consultation – Shetland Islands Council Response**
The Committee considered a report by the Grants Co-ordinator (Appendix 2).

The Grants Co-ordinator referred to the appendices of the report which highlighted the grants made to Shetland organisations, and advised that Community Development had a role in assisting and advising groups who were making applications.

A Member referred to the importance of raising the local share, and of demonstrating commitment to carry projects through to the longer-term.

(Mr E J Knight left the meeting)

A Member commented that he had been involved with an application, and it had become clear to him that there was a need for professional advice when putting together an application. Scrutiny of applications was very thorough, and he felt that that some voluntary groups would have difficulty in completing applications.

(Mr E J Knight returned to the meeting)

During the discussion that followed, Members asked for the following points to be included in the response:

- The application process was complicated and quite bureaucratic, resulting in difficulties for some groups.

- Longer term funding would give organisations some stability.

- Consideration should also be given to ongoing revenue funding for the same reasons.

The Grants Co-ordinator said he would emphasise these points in the response. He agreed that the application process could be overwhelming for smaller community groups, but that Community Development did try to assist groups with the application process.

(Mr L G Groat returned to the meeting)

On the motion of Mr F A Robertson, seconded by Mr J P Nicolson, the Committee approved the recommendations contained in the report.

50/04 **Change of Name: South Nesting Primary School**
The Committee considered a report by the Head of Education (Appendix 3) and on the motion of Mr L Angus, seconded by Mr E J Knight, approved the recommendation contained therein.

The Chairman advised Members that the formal opening of the school would be held on 24 October.

51/04 **Cunningsburgh/Quarff Pre-School Provision**
The Committee considered a report by the Head of Education (Appendix 4).

The Head of Education summarised the main terms of the report, advising that there was considered there to be a gap in provision in the area. Negotiations with Quarff School Board had taken place, and it had been suggested that pre-school provision should be located in Cunningsburgh. It was intended to use the Cunningsburgh Village Club on a temporary basis, and it was hoped to provide suitable accommodation around or within the Cunningsburgh School.

In commenting that he was satisfied that the use of the Cunningsburgh Village Club was a temporary measure, Mr T W Stove moved approval of the recommendations and Mr B P Gregson seconded.

In response to queries, the Head of Education confirmed that Quarff School was currently being used on a temporary basis for ASN pupils who were too old for Bells Brae. He had also given permission for two clubs to use the Quarff School on a temporary basis. This use of the Quarff School building would discontinue on completion of the ASN Base at Gressy Loan, and the future of the Quarff School building would be the subject of a report at that time.

The Head of Education went on to confirm that it had not been intended to use the Quarff School building as an ASN Base at the time of closure of the school. This had resulted as a response to an identified need, and would be for the short-term only.

52/04 **Continuing Professional Development Funding 2004-2005**
The Committee considered a report by the Head of Education (Appendix 5).

The Head of Education summarised the main terms of the report, outlining the work that had been undertaken to date and the proposals for the second year of funding. He pointed out that the possibility of sharing training programmes and joint training was being explored, so it would be wider than just the Education Service.

A Member commented that it was his understanding that Shetland College and Train Shetland were responsible for carrying out training for the Council.

The Head of Education confirmed that Shetland College and Train Shetland were involved in the delivery of training. However there was training that was specific to teachers, in-service training and access to specialist trainers was also required, so they would not be involved in delivering all the necessary training. Teachers had an obligation to

complete 35 hours of training, and this had to be justified to the Scottish Executive Education Department. He went on to say that the funding was short-term funding, and it had been spent on setting up the infrastructure for the delivery of training. There was no guarantee that the funding would continue, and seconded staff would go back to their own jobs when it ceased.

A Member commented that he would like to see all Scottish Executive funding used to assist systems that were already in place, rather than being used for the creation of new systems and new posts.

On the motion of Mr W H Manson, seconded by Mr J H Henry, the Committee approved the recommendations contained in the report.

53/04   **Best Value Service Review – Informal Consultation on all the Proposals**
The Committee noted a report by the Head of Education (Appendix 6).

54/04   **Service Developments for People with Learning Disabilities – Update Report**
The Committee noted a report by the Community Care Manager (Appendix 7).

Members commented that they were pleased to see that most of the areas of concern were being addressed and taken forward.

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F B Grains
Chairperson

Shetland
Islands

Council

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MINUTE   B

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

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

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

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

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

Circular
The circular calling the meeting was held as read.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

81/04   Proposed Code of Practice for In-House Bids
The Committee considered a report by the Senior Special Projects Officer (Appendix 4) and, on the motion of Mr W A Ratter, seconded by Mr W N Stove, approved the recommendation contained therein.

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

82/04   Community Planning Board – Constitution and Standing Orders
The Committee noted a report by the Head of Organisational Development (Appendix 5) and, on the motion of Mr W N Stove, seconded by Mr W A Ratter, approved the recommendations contained therein.

83/04   Air Travel: Corporate Procurement Policy
The Committee considered a report by the Head of Finance (Appendix 6).

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

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

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

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

84/04   Projects Assisted Under Delegated Schemes – 2003/04
The Committee considered a report by the Head of Business Development (Appendix 7).

(Mr W H Manson attended the meeting).

After hearing the Head of Business Development introduce the report, the Committee approved the recommendations contained therein, on the motion of Mr W A Ratter, seconded by Mr W H Manson.

In response to a question from a Member in relation to recommendation 7.1(e) whether it was possible for those Heads of Service to further delegate the decision, the Chief Executive said that this was generally not the case. When he made decisions under his Discretionary Delegated Authority, he did not delegate further and, in his view, it was best to have formalised instructions.

85/04   Business Enterprise Scheme, Phase III – Cope Ltd – Shetland Soda Company
The Committee considered a report by the Development Officer (Appendix 8).

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

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

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

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

86/04   Single Status Project Update Report
The Committee noted a report by the Single Status Project Manager (Appendix 9).

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

87/04   Best Value Update
The Committee considered a joint report by the Head of Organisational Development and the Senior Special Projects Manager (Appendix 10).

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

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

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

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

88/04   Shetland College/Train Shetland Board of Management – 22 July 2004
The Committee noted the minute of the aforementioned meeting (Appendix 11).

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

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

10/04 – Streamlining the Economic Forums
Mr W A Ratter advised that the LEF had now been wound up and the issues discussed at the Forum were in hand.

90/04   Special Environment and Transport Forum – 17 June 2004
The Committee noted the minute of the aforementioned meeting (Appendix 12b).

12/04 – Orkney and Shetland Ferry Services Re-tendering Exercise
The Executive Director, Infrastructure Services advised that following the Forum meeting, comments had been submitted to the Scottish Executive on behalf of the Council.   Two meetings of the Orkney and Shetland Livestock Group had been held with another scheduled to be held in November.   He said that the Scottish Executive was listening very carefully to people who shipped livestock and, as far as the specification went, everything had been completed with the exception of livestock issues.

91/04   **Economic Development Forum – 6 July 2004**
The Committee noted the minute of the aforementioned meeting (Appendix 12c).

92/04   **Economic Development Forum – 10 August 2004**
The Committee noted the minute of the aforementioned meeting (Appendix 12d).

17/04 – Strategic Review of Inshore Fisheries.   Presentation by Ms Gabriella Pieraccini, Head of SEERAD's Inshore Fisheries Branch
Mr W A Ratter asked that it be recorded that in response to a question from Mr J H Henry, Ms Pieraccini had made it clear that local Area Management Groups would be funded by the Scottish Executive.

93/04   **Environment and Transport Forum – 17 August 2004**
The Committee noted the minute of the aforementioned meeting (Appendix 12e).

94/04   Social Forum – 19 August 2004
The Committee noted the minute of the aforementioned meeting (Appendix 12f).

17/04 – Direct Payments
In response to a question from Mr W N Stove, the Executive Director advised that representatives from Direct Payments Scotland would be returning to Shetland in November.

On the motion of Mrs F B Grains, seconded by Mr W N Stove, the Committee resolved, in terms of the relevant legislation, to exclude the public during consideration of the following items of business.

(Representatives of the media left the meeting).

95/04 <u>Shetland Development Trust Minute – 26 May 2004</u>
The Committee noted the minute of the aforementioned meeting.

96/04 <u>Shetland Development Trust Minute – 28 May 2004</u>
The Committee noted the minute of the aforementioned meeting.

97/04 <u>Shetland Development Trust Minute – 23 June 2004</u>
The Committee noted the minute of the aforementioned meeting.

98/04 <u>Shetland Development Trust Minute – 2 July 2004</u>
The Committee noted the minute of the aforementioned meeting.

99/04 <u>Shetland Development Trust Minute – 21 July 2004</u>
The Committee noted the minute of the aforementioned meeting.

100/04 <u>Viking Energy Ltd – Procurement of Met Masts</u>
The Committee considered a report by the Principal Officer – Business Technical and, on the motion of Mr W A Ratter, seconded by Mr W H Manson, approved the recommendations contained therein.

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F B Grains
Vice-Chairperson

Shetland

Islands Council

MINUTE   'A' & 'B'

Civic Government Licensing Sub-Committee
Council Chamber, Town Hall, Lerwick
Monday 21 June 2004 at 10.40 a.m.

Present:
J P Nicolson   Capt G G Mitchell
W N Stove

Apologies:
E J Knight

In Attendance (Officers):
B C Hill, Acting Divisional Manager, Legal Services
M Dunne, Service Manager, Environmental Health
D Haswell, Committee Officer

Also**:**
Chief Inspector A Cowie, Northern Constabulary

Circular

The circular calling the meeting was held as read.

Chairperson
Mr J P Nicolson, Chairperson of the Sub-Committee, presided.

Circular
The circular calling the meeting was held as read.

6/04   The Civic Government (Scotland) Act 1982 – Applications for Licences – to be Decided by Sub-
Committee – Recommended for Approval
The Sub-Committee considered a report by the Service Manager,
Environmental Health (Appendix 1).

In introducing the report, the Services Manager, Environmental Health said
that this application, which was recommended for approval, had intially been
considered by the Sub-Committee at its meeting on 31 March 2004 when the
comments from the Northern Constabulary had been taken into account. As
indicated in Appendix 1, two additional substantive comments had been
received, the terms of which were as stated in the Appendix.

In view of the fact that the Sub-Committee had previously agreed to review
Late Hours Catering in order to produce a policy for the approval or
extension of licences, she felt that Members should grant the licence.

Capt G G Mitchell moved that the Sub-Committee approve recommendation 5.1 in the report. Mr W N Stove seconded.

One of the objectors to the application was present at the meeting and was invited to address the meeting. The objector asked that the Sub-Committee should take residents of the town centre into consideration when deciding on such applications and the amount of disruption caused in the town centre. She pointed out the problems being caused in the town centre and said, in her view, the accumulation of refuse was a health hazard.

The Chairperson reassured the objector that the Sub-Committee would be reviewing Late Hours Catering and the points made would be taken into account. The conditions attached to the licence would help alleviate any concerns regarding the accumulation of refuse.

The Service Manager, Environmental Health advised that she had asked the Cleansing Services Section to be particularly aware of any accumulation of litter surrounding the premises. With regard to the conditions attached to the Licence, she confirmed that if there was a severe breach of the conditions, the Council could take action and serve Noise Nuisance Abatement Notices and Fixed Penalty Litter Enforcement Notices. She added that a full investigation on the comments made on the application would be undertaken by Environmental Health staff.

CHAIRPERSON

Shetland
Islands Council

MINUTE   'A' &
'B'

Harbour Board
Council Chamber, Town Hall, Lerwick
Thursday 12 August 2004 at 9.30 a.m.

Present:

J G Simpson	Captain D C Gray
I J Hawkins	J C Irvine
G Johnston	E J Knight
J Smith W Tait	

Apologies:

C Smith   R Watt

In Attendance (Officers):
J T Dickson, General Manager, Ports & Harbours Operations
P Bryant, Deputy Port Operations Manager
A Inkster, Port Engineer
S Summers, Assistant Finance Services Manager
H Tait, Management Accountant
D Haswell, Committee Officer

Chairperson:
Mr J G Simpson, Chairperson of the Board, presided.

Circular:
The circular calling the meeting was held as read.

Minutes:

The minute of meeting held on 3 June 2004, having been circulated, was confirmed.

Members' Attendance at External Meetings
There was nothing to report.

14/04   **Port Operations Report**
The Board noted a report by the General Manager (Appendix 1).

As indicated in the report, the General Manager advised that the International Ship and Port Facility Security Code (ISPS) was introduced on 1 July 2004. Since the introduction of the ISPS Code, no problems had been encountered.

In response to questions from a Member, the General Manager advised that the helicopter service had only been utilised 3 times. With regard

to the weather forecasting service, he advised that this was working very well.

Mrs I J Hawkins reminded Members that, at its last meeting, the Board had agreed to establish a Member/Officer Working Group in order to establish how small ports could be marketed to their full potential. It had also been agreed that the Head of Development Resources should be invited to the meeting today to discuss oil industry issues. The Chairperson advised that the Head of Development Resources had been invited to the meeting today but had another meeting to attend. The Board agreed that the Head of Development Resources should be invited to the next meeting of the Board.

The General Manager advised that it was expected that the first oil from the Clair field would go into pipeline by the end of this year and the first cargo from Sullom Voe in February 2005. He said that Sullom Voe Terminal was ready to receive the oil but some work was still to be completed offshore. With regard to ship-to-ship transfers, he explained that the only ship-to-ship transfers taking place at the moment were transfers of fuel oil in Flotta. He added that he had received correspondence from BP yesterday that indicated they would be undertaking a major marketing drive on ship-to-ship transfers with their partners.

The Board otherwise noted the report.

15/04   **Ports Project Monitoring Meeting**
The Board noted a report by the Deputy Port Operations Manager (Appendix 2).

The General Manager, Deputy Port Operations Manager and Ports Engineer provided up-to-date information on the following projects:

Dolphin at Symbister – PCM 2127
Negotiations had taken place with Tulloch Developments earlier this week and some savings had been achieved. The works would be completed within the available budget and, unless any major difficulties were encountered, the works would proceed.

On the motion of Mr J C Irvine, seconded by Mrs I J Hawkins, the Board agreed that works should proceed unless there were any major difficulties in which case this issue would be referred back to the Board.

Symbister Peerie Dock
Members noted that 6 expressions of interest had been received from interested contractors. Finance Services were currently completing checks on 2 contractors following which tender documents would be issued. It was anticipated that the budget for this project would be fully utilised. Should the bids received be within budget, it was hoped that the contract could be awarded as soon as possible. If the bids received were outwith budget, this would require to be reported to the Board.

Members were reminded that the Scottish Executive funded half the cost of this project.

The Board unanimously agreed that if prices were within budget, the works should proceed.

Mid Yell Pier

A further report detailing alternative proposals would be presented to CPMT. If this was agreed, it would be reported back to the Board together with the plans for the project.

The General Manager advised that he had received the latest throughput figures for Sullom Voe Terminal until the year 2016. From the figures, it was unlikely that there would be any major change of shipping throughput for the next 3/4 years.

CHAIRPERSON

Shetland
Islands Council

MINUTE   'A' & 'B'

Inter-Island Ferries Board
Council Chamber, Town Hall, Lerwick
Monday 6 September 2004 at 10.30 a.m.

Present:
B P Gregson   E J Knight
Capt G G Mitchell   J P Nicolson
F A Robertson   J G Simpson

Apologies:
There were no apologies

In Attendance (Officers):
G Spall, Executive Director, Infrastructure Services
K Duerden, Ferry Services Manager
M Craigie, Project Unit Manager
B MacTear, Marine Superintendent
D Haswell, Committee Officer

Chairperson:
Mr B P Gregson, Chairperson of the Board, presided.

Circular:
The circular calling the meeting was held as read.

Minutes
The minutes of meeting held on 18 June 2004, having been circulated, were confirmed.

9/04   **Provision of Foula Ferry Service**
          The Board considered a report by the Ferry Services Manager
          (Appendix 1).

          The Ferry Services Manager briefly introduced the report following
          which a brief discussion ensued.

          Mr F A Robertson said that 3 meetings had been held in Foula at which
          the proposed options were fully explained to Foula residents and very
          thorough discussions had been held about the way forward. At the
          meetings, islanders accepted that the status quo could not continue.
          On the favoured option, Mr Robertson advised that islanders were not
          taking this issue lightly and were very carefully examining the option of
          the Foula ferry service being transferred to them. He said that what
          was being considered was not only the ferry service but whatever

happened to the ferry service in the future would have an economic effect on the island. As indicated in the report, the next stage was for the Board to consider details of the contractual, financial and legal implications of the favoured option. Mr Robertson concluded by saying that he had been asked by Foula islanders to record their thanks to Members for holding meetings in Foula who felt that they had been listened to and their concerns taken account of.

Mr F A Robertson moved that the Board approve the recommendations in the report. Mr J G Simpson seconded.

The Chairperson said that this was a very important and significant step forward. With regard to the favoured option, he advised that a lot of work had been done before this option had been presented to islanders and the recommendations now opened the way for the details to be prepared. He said that the Board had given an undertaking to islanders that this issue should be resolved as soon as possible and this was in everyone's interest.

In response to a comment with regard to safety, he agreed that this was a very important issue and it was accepted that the final proposal would have to be absolutely watertight.

10/04   **Whalsay Ferry Service – Public Consultation – Results and Proposals**
The Board considered a report by the Projects Unit Manager (Appendix 2).

The Projects Unit Manager introduced the report and said that the results of the questionnaire had very significantly drawn out the main issues that needed to be considered in the context of Whalsay, these being (a) capacity problems at peak times, (b) the location of the new ferry terminal of which there was no clear cut opinion and (c) concerns about losing a ferry. With relation to (c), the Projects Unit Manager said that this issue was influencing a number of other issues and it was clear from the results that islanders felt that there had to be 2 ferries for the future of the ferry service. In this regard, the Board would have to consider this issue very carefully. The Board agreed.

The Chairperson advised that representatives of the Board would be meeting informally with Whalsay Community Council on Wednesday of this week. The main purpose of the meeting would be to clarify issues but also to clear the way for a public meeting to be held in Whalsay in early course.

Referring to the sketches that had been attached to the questionnaire, Mr J G Simpson said that the Whalsay community recognised that a lot of work needed to be done on the sketches. He welcomed the fact that there would be a meeting with the Whalsay Community Council this week and, thereafter, a public meeting would be held. The community were gravely concerned about over-capacity and the possibility of

losing a ferry. Whilst it was not possible for the Council to guarantee that there would always be 2 ferries on the Whalsay route, the ferry service that was provided had to fit the requirement. Mr Simpson concluded by saying that there was a lot of consultation to be done.

The Board approved the recommendation in the report, on the motion of Mr J G Simpson, seconded by Mr J P Nicolson.

The Ferry Services Manager said that experience of the new vessels had indicated the impact of thruster units had on small crafts. It was important that ferries and small crafts were segregated and this would have to be kept in mind.

11/04 **Amendment to Service Specification**
The Board considered a report by the Ferry Services Manager (Appendix 3) and, on the motion of Mr J P Nicolson, seconded by Capt G G Mitchell, approved the recommendation contained therein.

12/04 **Emergency Call-Out Arrangements for Ferry Crew**
The Board noted a report by the Ferry Services Manager (Appendix 4).

Mr J G Simpson said that whilst there had never been an incident where crew did not turn out in Whalsay, if an incident did occur, crew would assist out of goodwill. Mr Simpson said he was concerned about the call-out arrangements, particularly in light of the recent changes to the Air Ambulance Service and the fact that the Scottish Ambulance Services had indicated that they could not justify the additional cost to extend the call-out arrangements to Whalsay and Bluemull Sound.

The Chairperson agreed with the concerns and said that the Board should keep this matter under continuous review because of the changes that were going on and, indeed, this could be an opportunity to take advantage of the changes and examine this issue further. The Board agreed.

The Executive Director, Infrastructure Services said that this issue required much wider debate than just the Inter Island Ferries Board and suggested that it should be discussed at the Community Planning Board.

Accordingly, Mr B P Gregson moved that the Board note the contents of the report and recommend to the Council that because the Board had some concerns about the implications of the report, that this issue should be referred to the Community Planning Board for discussion forthwith. Mr J P Nicolson seconded.

13/04 **Skerries Harbour Improvements**
The Board noted a report by the Ferry Services Manager (Appendix 5).

Mr J G Simpson suggested that the best way to progress this issue could be for Members of the Board to travel to Skerries and meet with

Skerries residents, as soon as possible, to allow possible options to be discussed. He said that the North East Mouth could, at times, be a dangerous entrance and, therefore, there were safety issues to be considered.

The Chairperson agreed that this issue should be dealt with fairly quickly and undertook to arrange a meeting in Skerries between Board Members and Skerries residents to try and progress this.

The Board otherwise noted the report.

CHAIRPERSON

Shetland
Islands

Council

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MINUTE   'A' & 'B'

Planning Sub-Committee
Council Chamber, Town Hall, Lerwick
Wednesday 11 August 2004 at 10.30am

Present:

F A Robertson	**J H Henry**
T W Stove	**J A Inkster**
L Angus	**J C Irvine**
B J Cheyne	**E J Knight**
A J Cluness	Captain G G Mitchell
R G Feather	**W A Ratter**
F B Grains	**J G Simpson**
L G Groat	**W N Stove**
I J Hawkins	**W Tait**

Apologies:
B P Gregson
W H Manson
J P Nicolson

In Attendance (Officers):
A Hamilton, Head of Planning
J Atkinson, Planning Officer
J Barclay, Planning Officer
I Halcrow, Head of Roads
M Craigie, Capital Projects Unit Manager
C Nicolson, Capital Projects Manager
L Adamson, Committee Officer

Also:
C Rathbone
J Lucock
S Malcolmson

Chairman:
Mr F A Robertson, Chairperson of the Sub-Committee, presided.

Circular:
The circular calling the meeting was held as read.

Minutes:
The minute of the meeting held on 2 June 2004 was confirmed.

09/04   **Hearing**
The Sub-Committee considered a report by the Head of Planning (RECORD Appendix 1).

1.   2004/68/PCD - To erect dwellinghouse, adjacent to North Virkie/A970 Junction, Virkie, Dunrossness by Mr and Mrs S Malcolmson.

The Head of Planning explained the background to this application and the previous decision which was a departure from the Council's development plan. He further explained that, if the Council wished to depart from its development plan, it must have sound planning reasons for doing so. He noted that, in previous discussions relating to this application, Members had suggested that the application site was a better site than a site farther up the field within the Zone 1 land. The Head of Planning said that that was not a reasonable approach, because someone could apply for permission to develop the land within the Zone 1 area. He wished to stress that the Planning Authority was not being asked to judge between alternatives. The question was whether or not there was a valid planning reason for permitting a house on the application site and in his opinion there was none. The Head of Planning observed that whilst Members might disagree with the policy, it had been arrived at by the Council in consultation with the Community Council. Indeed, the Community Council had asked for the zoning to be amended at a relatively late stage in the process. Even if the Community Council did not now adhere to their earlier decision in this case, the policy stood. The Head of Planning agreed with previous comments by Members that, in a general sense, the zoning provisions could be applied with a degree of flexibility in appropriate circumstances, provided always that there was a sound planning basis for such flexibility. But in this case, there were objections to any departure from the plan and if the Sub-Committee wished to make such a decision, it would need to take particular care to consider the basis for doing so.

The Chairman then invited the objector and the applicant to make a short presentation to the Sub-Committee in order to make their case.

Mr C Rathbone, an objector, said that of the nine immediate neighbours, seven objected, one did not object and one was ambivalent. He was representing those who objected to the application. He observed that this application had been controversial from the start. Mr Rathbone explained that the objectors' main concerns about the application were with reference to the Council's Zoning Policy, with the loss of amenity also an issue. This was an area of high amenity and the fact that the Council had provided a layby on the main road confirmed that that was the case. He and everyone else involved with the application recognised that the loss of a view was not a material issue. Nevertheless, it was true that some residents would suffer a loss of view should the house be built on the Zone 4 site and he had assessed the loss by measurement; he was not aware of the Council doing so. He had bought his property on the understanding that his view would be maintained as the land is within Zone 4. Mr Rathbone said that the Local Plan was a Council-owned policy that had been subject to widespread public consultation and had been endorsed by the Scottish Executive. He felt that he and his fellow objectors had been badly let down by Councillors, who were reneging on their policy and indeed seemed to have contempt for it. He noted that Council officials had advised against this application. Mr Rathbone agreed that no development plan was perfect, but he had had advice from elsewhere in Scotland which indicated that the system in use here was as fair as any

other. He noted Mrs F B Grains' view that Councillors had the right to depart from policy, but he believed they could legitimately do so only where there was a material planning reason; otherwise the result would be anarchy and a confused public. He added that there are alternative sites in Zone 1 which could be developed for the house site, which would adhere to Development Plan policy and would receive no objections from the neighbouring residents. The applicants would suffer no loss if they were to build elsewhere, but the objectors would suffer loss, and there was no right of appeal for objectors.

Speaking on behalf of the applicants, Mr J Lucock, the applicants' Agent, explained that Mr and Mrs Malcolmson, in deciding to proceed with their planning application, had wanted to mitigate the loss of view to the neighbours. The applicants were of the opinion that the alternative site in Zone 1, immediately to the North of the proposed site, would cause more visual impact when viewed from the neighbouring properties. Mr Lucock added that the alternative plot was a smaller site and it may prove difficult to accommodate the proposed house. Mr Lucock pointed out that the applicants had originally proceeded on the basis of misinformation provided by the Council.

The Head of Planning confirmed that view per se is not a relevant planning issue, although loss of amenity can be an issue. Referring to the alternative Zone 1 site, he stated that the size of the site is comparable with others in the area and believed that it would certainly be possible to accommodate a house within the site.

Mrs F B Grains said that she concurred with the previous decision, that the application be approved. She stated that when the zone lines were drawn, they were as a guide only and contours of the land must be taken into consideration. Mrs Grains said that following the site visit it was evident that the proposed site was more suitable for the development and the straight line on the map did not appear relevant. In adding that a review of the Zoning Policy requires to be carried out, Mrs Grains moved that the Sub-Committee agree to the previous decision, for the application to be approved. Mr J G Simpson seconded.

In response to a query from a Member regarding the review of the zoning system, the Head of Planning reported that the review should be underway within the next month.

Captain G G Mitchell said that Councillors have the latitude to decide whether the Zoning Policy be applied and the number of objectors is largely an irrelevant point to a decision being made against policy without good planning reasons. Captain G G Mitchell moved as an amendment that this application be refused as there are no good planning reasons for approving the application. Mr W N Stove seconded.

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

Amendment (Captain G G Mitchell   6)
Motion (Mrs F B Grains   9)

The Chair then asked Mrs F B Grains to provide a reason to justify the departure from the development plan. She responded by saying that, after the site visit, it could be seen from the lay of the land that this was a more suitable site, bringing the proposed house lower down and less obtrusive on the landscape.

10/04 **Planning Applications for Decision**
The Sub-Committee considered reports by the Head of Planning (RECORD Appendix 2).

As requested at the previous meeting, the Head of Planning illustrated the individual planning applications with a powerpoint display of photographs showing the proposed application sites.

2.   2004/39/PCD - Erect 15 metre wind turbine (19.4 metres overall), Biggins, Ollaberry by Chris Duncan.
The Head of Planning reported that the Planning Service are currently reviewing the policy for smaller scale wind generators and it is proposed that a report will be included in the next cycle of meetings.

In response to a question from a Member, the Head of Planning explained that noise assessment of wind generators was still a developing area but that the possibility of noise disturbance was an issue in this case.

Mr L G Groat moved that a decision be deferred to allow for the policy to be reviewed and for the Member for the Area to be present. Mr W A Ratter seconded and the Sub-Committee agreed.

3.   2004/46/PCD - Erect 15 metre (base to hub) wind turbine, overall height 19.4 metres, Sandwick Social Club, Central, Sandwick by Sandwick Social Club.
The Head of Planning explained that this application is more in line with present policy guidelines for wind turbines.

Mr A J Cluness moved that the application be deferred until the policy for smaller wind generators is reviewed. Mr F A Robertson seconded, and the Sub-Committee agreed.

4.   2004/71/PCO - Erect dwellinghouse, Swinister, Sandwick by Mrs Sylvia Williamson.
The Head of Planning summarised the main points of the report. Mr W Tait, Member for the Area, stated that the Community Council and local residents have expressed concern on road safety issues and children's safety. He also referred to the loss of amenity to neighbouring houses. He added that should the proposed house move further from the neighbouring house it would be closer to the landslide area. Mr W Tait accordingly moved that the application be refused. Mr T W Stove, in seconding the motion, advised that should this house be built, it would be out of step with the other houses in the area.

The Sub-Committee accordingly agreed to refuse the application on the grounds of road safety; it would disrupt the existing settlement pattern; the consequent loss of amenity to the existing neighbouring houses and the area may be affected by flooding.

5.   2004/208/PCD - Erect extension to existing porch, 3 Staney Hill, Lerwick by Mr and Mrs Pottinger.
Mr L G Groat explained that he had visited the objectors' house where it was evident that the existing extension on the front of the neighbouring house hampers daylight getting into the living room/kitchen. He accordingly moved that the application be refused, as the further proposed extension would have a detrimental effect on the level of light into the living room/kitchen. Mrs I J Hawkins seconded, and the Sub-Committee agreed that the extension would result in an unacceptable loss of daylight into the living room/kitchen and a consequent loss of amenity.

6.   2004/228/PCD - To erect a dwellinghouse, Houster, Tingwall by Ms S Moar.
The Head of Planning declared an interest in this application insofar as the applicant was a neighbour and friend, and said he would make no comment on the merits of the case.

Mr J C Irvine explained that he had visited the site together with the landowner and a professional driver, to assess the concerns relating to the access point into the site. The possibility of the Roads Service providing a bypass in the area had been discussed. Mr J C Irvine moved that a decision be deferred to allow for a site visit to take place. Mr L Angus seconded, and the Sub-Committee agreed.

7.   2004/234/PCD - To create new agricultural access, Hamister, Whalsay by Mr Andrew Hutchison.
The Head of Planning summarised the background to this application.

Mr J G Simpson explained that this is an access to an agricultural park, which is occasionally used by the landowner. He accordingly moved that the application be approved. Mr A J Cluness seconded, and the Sub-Committee agreed.

8.   2004/245/PCD - To erect a garden shed, 12 Unicorn View, Lerwick by Mr Mark Moncrieff.
Additional papers relating to this application were tabled at the meeting. Amended recommendation 10.1(2) (attached as Appendix 2A), and two further letters of objection (attached as Appendix 2B).

The Head of Planning explained that this is a retrospective application which is recommended for approval subject to a revised additional condition to the finishes of the shed.

Mr L G Groat moved that the application be approved with the amendment to Condition 10.1(2) for the finishes to the shed to be carried out within 4 months, instead of 6 months as stated. Mr T W Stove seconded and the Sub-Committee agreed.

In response to a request from a Member, the Head of Planning undertook to publicise the planning permission requirements relating to garden sheds, porches, extensions and the like.

9.   2004/266/PCD - Extend existing runway 09/27 by 250m (East) including reclamation of 4.2ha of land from the sea, and 90m (West) including reclamation of 0.2ha of land from the sea, and reprofiling of Wilsness Hill to provide infill material, Sumburgh Airport, Virkie by Highlands and Islands Airports Ltd.
The Head of Planning referred to the reference in the report where SEPA have concerns relating to the effect of the development on discharges within the Pool of Virkie. The Head of Planning confirmed that SEPA are now satisfied that Condition 16 meets their requirements.

Captain G G Mitchell summarised the benefits to Shetland of the proposed runway extension which would lead to an improved air service for the future. The Sub-Committee agreed to approve conditionally on the motion of Captain G G Mitchell, seconded by Mr W Tait.

11/04   Notice of Intention to Develop
The Sub-Committee considered a report by the Head of Planning (RECORD Appendix 3).

10.   2004/255/NID - Improvements to the Upper Gremista Road, new link road, new access to Gremista Yard and Bridge approach road by Shetland Islands Council, Gremista, Lerwick.

Further papers were tabled at the meeting in relation to this application. (Attached as Appendix 3A).

Mr L G Groat expressed a non-pecuniary interest as Chairman of the Lerwick Port Authority. Mr Groat advised that he supports the objectors and said that the road has been purposely designed to facilitate the bridge to Bressay. He added that as the leading light is located on this land, the responsibility for relocating the light would rest with the SIC.

(Mr L G Groat left the meeting).

The Head of Planning referred Members to Option 1 in section 5.1 in the report and clarified that the reference to an EIA should not have been included.

Mr J C Irvine moved that the Sub-Committee agree to Option 1 and to the qualifying statement in section 5.2 of the report. Mr A J Cluness seconded and the Sub-Committee agreed. Mr A J Cluness paid tribute to the Project Team who had endeavoured to accommodate the issues which have been raised by the objectors. He added that the Council is committed to this project and this decision takes it further forward.

CHAIRPERSON

Shetland
Islands Council

REPORT

To: ~~Executive Committee~~**Shetland Islands Council**   **15 September** ~~24th June 2003~~**2004th**

From: **Head of Organisational Development**
       Senior Special Projects Manager

REPORT No⁰: CE-42-F~~31-D120-D1~~

~~ORGANISATIONAL DEVELOPMENT PRIORITIES~~ **AUDIT OF BEST VALUE SUBMISSION**

~~1INTRODUCTION~~**Introduction**

~~1.1 The purpose of this report is to inform the Executive Committee of the perceived priorities of the Organisational Development Service, set out some proposals for tackling those priorities and provide an opportunity for discussion and feedback to help work planning.~~

This report provides members with an opportunity to comment on and endorse the updated version of the Councils self-assessment of its services and arrangements as required for the upcoming Audit of Best Value.

~~2BACKGROUND~~**Background**

~~2.1 The creation of an Organisational Development Service was approved by the Council in February 2003 to enable a more focussed and better-resourced integrated service for ;~~

~~? Policy & Planning Coordination~~
~~? Organisational Development and Structures~~
~~? Community Planning & Focus~~
~~? Best Value~~

~~2.2 The remit to deliver this agenda was seen to be vested in the new Executive Committee.~~

~~ESTestALUEalueANDandERVICEerviceLANNINGlanning~~
Best Value Audit

Shetland Islands Council is in the first group of Councils in Scotland to have an "Audit of Best Value" carried out. This is intended to review the Councils delivery of its statutory duties around Best Value, Community Planning and Public Performance Reporting.

Key aspects of the Audit are;

- the overall, and service by service, performance of the Council within its local context,
- a focus on the effectiveness and impact of management processes and
- the involvement, for the first time, of elected members in this kind of audit process reflecting their key role in scrutiny of performance,

The audit requires a self-assessment of corporate and service performance to be done as a first step. This is attached to this report as appendix 1.

The Council will present this to Audit Scotland on Tuesday 21st September with audit activity taking place over the following weeks.

The final Audit report will be considered by the Accounts Commission and will be a publicly published document. It is anticipated during December.

Self assessment development

The submission which has been circulated as background papers was developed with input from all Services drawing on existing performance management information.

A draft was presented to members at a seminar on the 1st September and updated as a result of their inputs. The updated draft was endorsed by Executive Committee on the 7th September

Today represents the final opportunity for members to comment on, or seek changes to, this document before a final version of the submission is sent to Audit Scotland.

2.3DUCATIONducationestESTALUEalueSERVICE REVIEWService ReviewA Head of Service was appointed for Organisational Development on the 1st May and this report is a brief summary of the perceived key priorities for discussion.

3ORGANISATIONAL DEVELOPMENT PRIORITIESest Value AuditEST VALUE AUDIT

BEST VALUE RESOURCINGBest Value Resourcing
Corporate Plan –
As this is perhaps the key political statement made by the Council it would seem appropriate that the Executive Committee forms the "working group" that develops the plan.

Officer support will primarily come from Organisational Development as other senior managers main function in relation to this plan will be to develop appropriate service responses to implement its objectives. These responses

should be captured in the Service Plans, an area which the External Auditors felt warranted higher priority. Guidance is now sought on the timetable for corporate plan development.

3.2 Community Planning Board and Community Plan – With the Local Government Scotland Act, the Community Planning now has a statutory basis and the Council has an obligation to facilitate and co-ordinate the Community Planning process. The Community Planning Board is in the process of updating the Community Plan and would expect to inform and be informed by the Council's Corporate Plan. The Community Plan, in general, must seek to balance economic, social and environmental objectives and reflect cross-cutting themes such as equality, health improvement and sustainable development. Council member appointment to the Community Planning Board is made by the Executive Committee. The last Council had a single political representative on the Community Planning Board; as there is a general wish to engage on environmental, economic and social themes a wider representation with links to each of the stakeholder forums may be an alternative option.

The Community Planning Board will have its next meeting on the 7th July and is continuing to update its community plan and develop supporting structures to strengthen effective community planning.

3.3 Best Value – Best value has also become a statutory duty with the adoption of the Local Government Scotland Act. The Council now has to "achieve continuous improvement in the performance of all its functions" and provides the Accounts Commission with the power to ensure that is happening.

Locally Best Value has found progress limited beyond the Education Service Review and options will have to be examined to complete work in that area. In the short term this will be informed by the seminar on the 26th June. Regardless of the outcome regarding Education effective progress will also have to be made in other areas.

In the previous Council the Standing Committee was the "member working group" providing political leadership to this process. The Executive Committee are requested to confirm that it will assume that role from now on.

Following that confirmation a detailed review of the overall state of progress regarding service reviews and options for next steps will be brought forward.

3.4 Single Status – The single status initiative to harmonise terms and conditions of staff is the biggest individual project being run out of Organisational Development. It is perhaps the biggest internal project the Council has ever undertaken and there are significant concerns about its timetable. An update report was provided to Council in February that overviewed progress and obtained approval to augment the project team with additional staff funded from existing Council budgets. Progress must now be made in this area and confirmation is sought from this committee that this project should continue to feature as a high priority for he service in order to achieve the implementation date of April 2005.

3.5 Staff Development and Training – There is widespread agreement that the Councils main asset is their staff and that if any real service improvement is going to be delivered it will be through the development and better application of the skills and abilities of staff and members. A Performance Appraisal scheme for Executive Directors and Service Heads has been in place since June 2000 and it is necessary to consider the next stage in the natural development of this scheme which is to cascade to other levels within the organisation. There is currently much discussion and debate ongoing about how the Council's staff development functions should be organised with Induction, Management Development and the College and Training Section Reviews all currently happening. It seems likely the conclusion of all these reviews will identify the need for proper co-ordination of Staff Development requirements, including members, within the core of the organisation. That will probably require a Staff Development role to be re-established within the Personnel Service, however that will be the subject of future reports.

Currently the general views of the Executive Committee are invited on the relative priority of staff development, particularly on any member training and development issues, as efforts will be made to deal with these, if possible, without waiting for all reviews to be complete.

3.6 Communications – The last Council's Corporate Plan recognised the need to improve Council communications. To that end a Communications Strategy and Customer Care Guidelines have been prepared and are now ready to be brought forward for final discussion and implementation.

The overall package of work also includes revised Public and Staff Suggestion Schemes, and updated Complaints Scheme and a revised version of the Council's Corporate Styles and Standards. The strategy contains proposals regarding Internal, External and Media Communications and recommends that the vacant Communications Officer post is filled to provide a dedicated member of staff whose prime function is to assist and improve the Council in all aspects of its communications.

The responsibility for ensuring a corporate approach to communication has not been delegated to any Committee or officer, therefore a decision of Council will be sought prior to implementation, with detailed reports next cycle. However the views of the Executive Committee regarding the priority of this work area is sought to inform the planning of future activities within Organisational Development.

4 ~~FINANCIAL IMPLICATIONS~~ Financial Implications

~~There are no direct financial implications associated with this report.~~ There are no direct financial implications contained within this report.

~~4.1 Detailed proposals to progress each of the priority activities will be brought forward as required.~~

5 ~~POLICY & DELEGATED AUTHORITY~~ Policy & Delegated Authority

~~5.1~~ The Executive Committee has a responsibility to oversee the monitoring and conduct of Best Value. However the Audit submission covers all service areas and therefore it requires adoption by the Council (SIC 90/03).

~~The Council is currently considering the delegated responsibilities and decision making powers of the Executive Committee. However the nomination of Member representation of the Community Planning Board was specifically delegated by the Council to the Executive Committee, Minute Ref SIC 70/03.~~

6 ~~CONCLUSIONS~~ Conclusions

~~6.1~~ It is important for the Council to use Best Value as an effective tool in promoting continuous service improvement, which is also a statutory requirement.

7 ~~RECOMMENDATIONS~~ Recommendations

I recommend that the Council considers the attached Audit of Best Value Submission, and endorse it after any amendments.

~~I recommend that the Executive Committee;~~

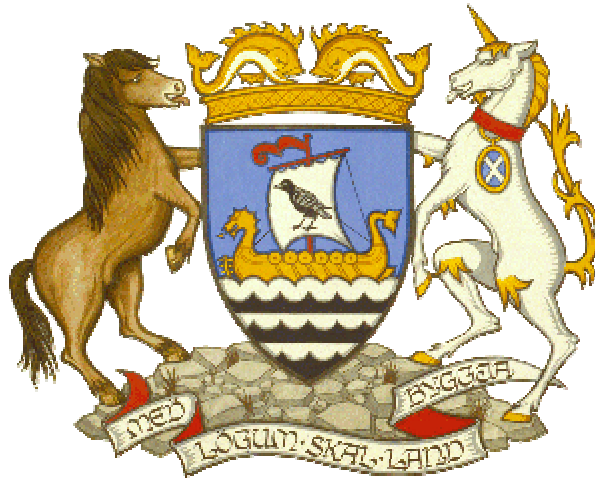~~7.1 Confirm member appointment(s) to the Community Planning Board, and~~

~~7.2 Note the other contents of this report.~~

Date: **9 September 2004** ~~10th June~~ ~~nd November 2003~~ ~~November 2003~~
Our Ref: **JRS/DESL** ~~AMAAMA~~ **Report No: CE** ~~20 D131 D1~~

~~Report Nº:~~

SHETLAND ISLANDS COUNCIL

BEST VALUE AUDIT SUBMISSION

DRAFT

as at 30 July 2004

CONTENTS

Contextual Information

Performance - high level assessments for each public-facing service

Statutory Criteria - high level assessments for corporate criteria

Draft Improvement Plan

2. Statutory Criteria

Shetland is different from the rest of Scotland. As well as physical environment and geographical location our ethnic, cultural and historical influences have created a distinctive society here. Roots in Scandinavia, recent Scottish influences and an ongoing international tradition based on trade and seafaring have been the building blocks for a society that can be adaptable, innovative, inclusive and dynamic. It has also resulted in a very strong sense of local community and origin.

Shetland is a challenging environment to deliver local authority services in. There are 18 separate islands communities augmented by a spread rural population in many remote locations. These are in part maintained by significant investment in transport infrastructure and high quality community facilities and services, which have been developed across the full geographical spread of Shetland. This, together with recent economic prosperity, sustains a population of 22,500. (www.visitshetland.com)

The discovery of North Sea Oil off Shetland in the 1970's has been a key event in the islands recent history. There have however been other "gold rushes" in our history, mainly connected with various fisheries. The pioneering and visionary parliamentary legislation of the ZCC Act (1974) giving Reserve Powers to the Council in its dealing with the oil industry at that time provided the basis on which the Councils financial strength and extended levels of service provision to the population of Shetland have been established. The defining challenge we now face as a community is ensuring this position is sustained into the future, "crash" must not follow this "boom".

Shetland Islands Council and its related bodies and Trusts are by far the largest component of Shetlands economy. A directly employed workforce of more than 3500 and an estimated 30% contribution to the islands total economic output (Shetland in Statistics) places the Council in a highly prominent position in the sustainability and viability of the Shetland community. The Council has a major role, often ahead of commercial financial institutions and national enterprise agencies in investment in the local economy in order to preserve jobs and employment as well as to stimulate new commercial activity.

The Council has a prominence of position in these islands disproportionate in comparison to any other local authority in Scotland. As a result there is no doubt that a high level of dependency on the Council by the Community has arisen in Shetland over the past thirty years. From this position Shetland Islands Councils faces many challenges in its interface with the community whose expectations of sustained service provision and infrastructure development remain very high.

In this context, Best Value is a challenging concept for Shetland Islands Council and the Shetland Community. Any proposed change in service delivery, spend limitation or even questioning of the status quo can create anxiety in sections of the community, generate very vocal adverse reaction and as a consequence result in significant political pressure. However the resultant temptation for elected members to spend their way out of difficult best value decision making, because of our high levels of available and useable financial reserves, is a challenge we are confident that Shetland islands Council is up to.

Shetland Islands Council has enthusiastically been at the centre of the development of the Community Planning process recognising the benefits a shared approach to service provision can bring to the Shetland public. A shared vision has been developed an activity that is still ongoing. The Together Shetland framework developed by the Shetland Community Planning board identifies the need for continuing balance in the development of economic, social, environmental and cultural well being as critical to sustaining a vibrant, sustainable and self-sufficient community. Shetland Islands Corporate Plan and strategic priorities dovetail closely with this vision.
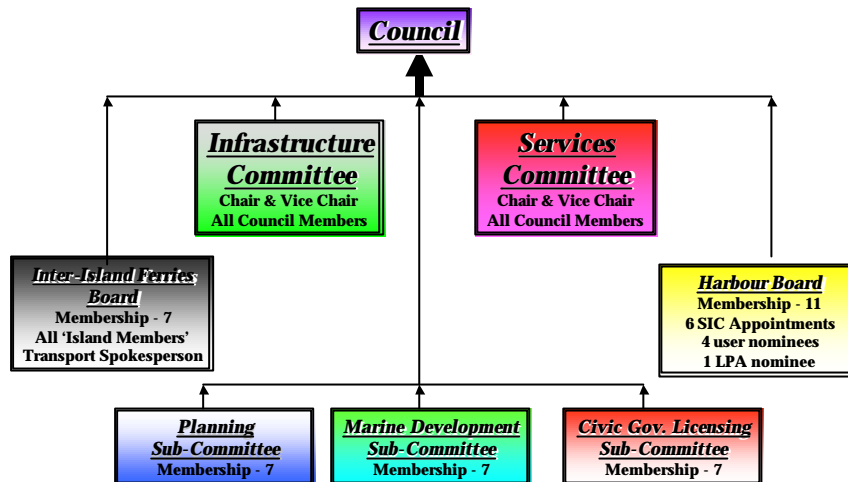
KEY STRATEGIC OBJECTIVES AND PRIORITIES

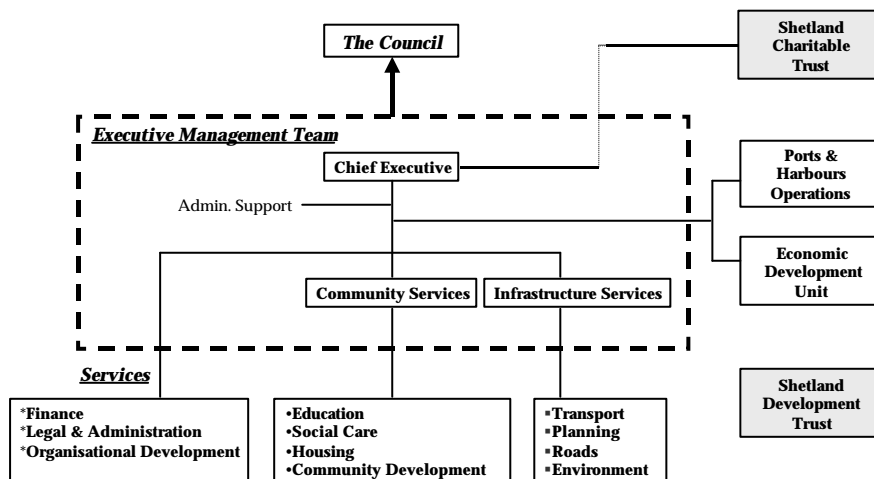| **Society**	Culture
• **Improving Health**	• **Our Cultural Identity**
• **Equal Opportunities**	• **Thinking and acting Collectively**
• **Social Justice**	• **Excellence**
• **Active Citizenship**	
• **Community Safety**	
• **Achieving Potential**	
Environment	**Economy**
• **Our unique landscape**	• **Improvement Marketing of Shetland and Shetland Products**
• **Our natural resources**	• **Skills Development**
• **Managing waste**	• **Improving our Communication Links with the Outside World**
• **Our biodiversity**	• **Economic Diversification**
• **Internal transportation**	• **Strengthening our Rural Communities**

MANAGEMENT & POLITICAL STRUCTURES

The current Committee structure is :

Committee Structure

Council

Infrastructure Committee
Chair & Vice Chair
All Council Members

Services Committee
Chair & Vice Chair
All Council Members

Inter-Island Ferries Board
Membership - 7
All 'Island Members'
Transport Spokesperson

Harbour Board
Membership - 11
6 SIC Appointments
4 user nominees
1 LPA nominee

Planning Sub-Committee
Membership - 7

Marine Development Sub-Committee
Membership - 7

Civic Gov. Licensing Sub-Committee
Membership - 7

And the management structure:

Management Arrangements

The Council

Shetland Charitable Trust

Executive Management Team

Chief Executive

Admin. Support

Ports & Harbours Operations

Economic Development Unit

Community Services   **Infrastructure Services**

Shetland Development Trust

Services

*Finance
*Legal & Administration
*Organisational Development

•Education
•Social Care
•Housing
•Community Development

▪Transport
▪Planning
▪Roads
▪Environment

Shetland Islands Council is comprised of 22 elected members and although some have political party affiliation the Council is independent. There are very strong and direct member/ward links that have considerable impact on debate and decision making.

Both political and aligned management structures have been overhauled over the past five years and a system of consultation of policy creation interaction with wider stakeholders has been successfully pioneered through 'forums'.

DESCRIPTION OF PERFORMANCE MANAGEMENT SYSTEM

Historically a combination of strong input controls and management particularly in financial areas combined with keen public interest and scrutiny of all activity formed the de-facto performance management regime. While outcome focus continues to be or key objective there is now an increasing emphasis on a more formal approach.

Managerial performance management is supported by a regular cycle of Executive, Departmental and Service Management team meetings allowing issues and directions to cascade downwards and rise upwards across the organisation.

Revenue accounts and the capital programme are inspected monthly by senior management, and quarterly by elected members. Statutory performance indicators and a public performance report are produced annually. Performance of individual service areas or projects are also reported to responsible committees on an exception basis often at member instigation.

The Community and Corporate Plans are central to the Councils developing performance framework. They contain the Council's pledges to the community. They in turn links to Service Plans, which are designed to deliver on these pledges.

The priorities within the Corporate Plan have been allocated to lead members and to officers. Key activities and targets to monitor progress on delivery of the Corporate Plan have been identified. Detailed arrangements for reporting against the Corporate Plan are set out in the Councils performance management framework.

We are very conscious that the recent Best Value, Community Planning and power of Well-Being legislation creates opportunities that communities can benefit from. We believe Shetland has many of the enduring strengths and assets to be at the forefront of community development. The Council sees delivering and demonstrating best value for Shetland as a key in making the most of this opportunity.

Sandy Cluness, Convenor   **Morgan Goodlad, Chief Executive**

COMMUNITY SERVICES DEPARTMENT

1. Position in organisation

2. Structure of department

```
                    ┌─────────────────────────┐
                    │   EXECUTIVE DIRECTOR    │
                    │      Jacqui Watt        │
                    └─────────────────────────┘
                                 │
      ┌──────────────────────────┴──────────────────────────┐
┌─────────────────────────┐              ┌─────────────────────────┐
│ COMMUNITY DEVELOPMENT   │              │       EDUCATION         │
│     George Smith        │              │     Alex Jamieson       │
└─────────────────────────┘              └─────────────────────────┘
┌─────────────────────────┐              ┌─────────────────────────┐
│        HOUSING          │              │      SOCIAL CARE        │
│     Chris Medley        │              │ contact Christine Ferguson │
└─────────────────────────┘              └─────────────────────────┘
┌─────────────────────────┐
│  CAPITAL PROJECTS UNIT  │
│      Mike Finnie        │
└─────────────────────────┘
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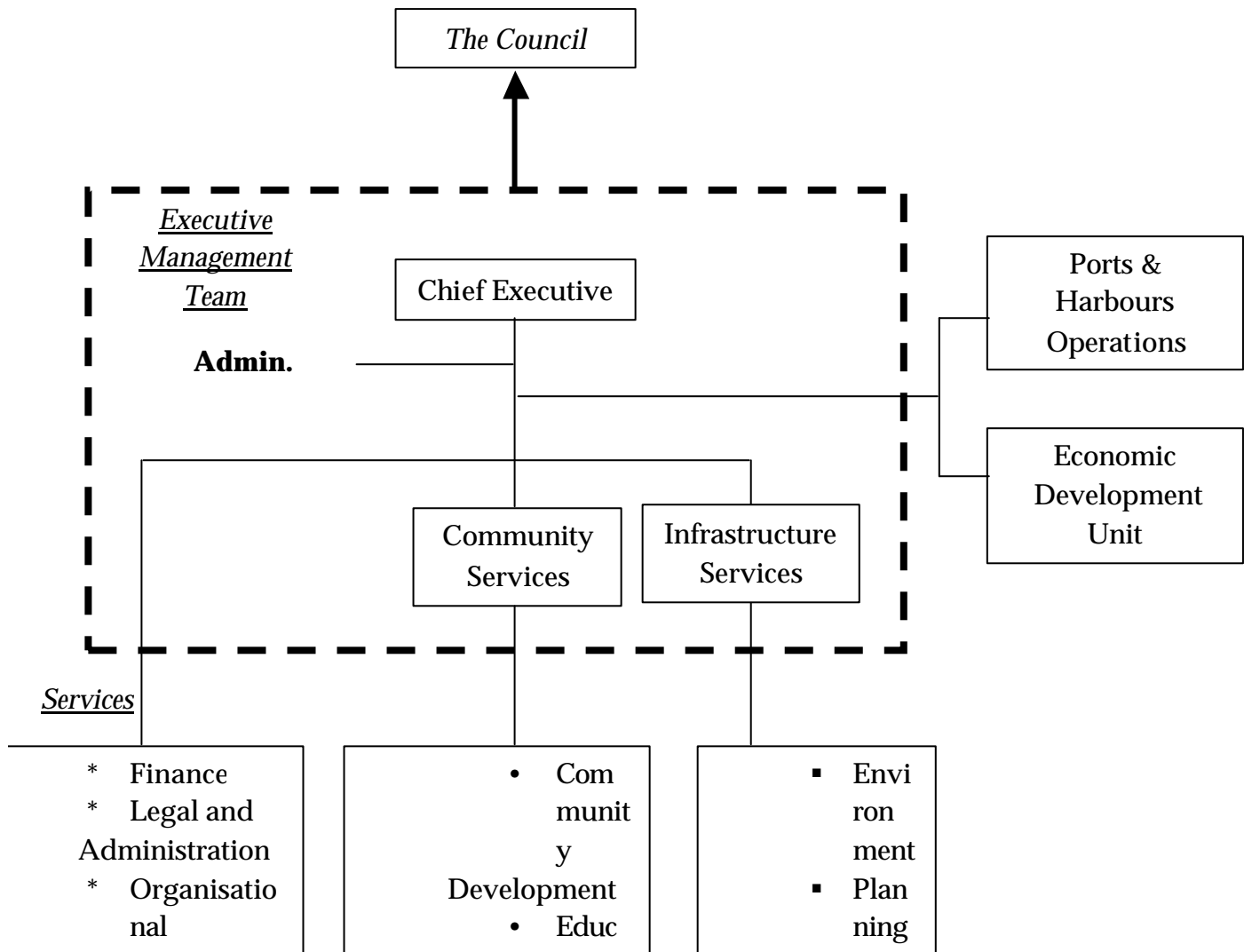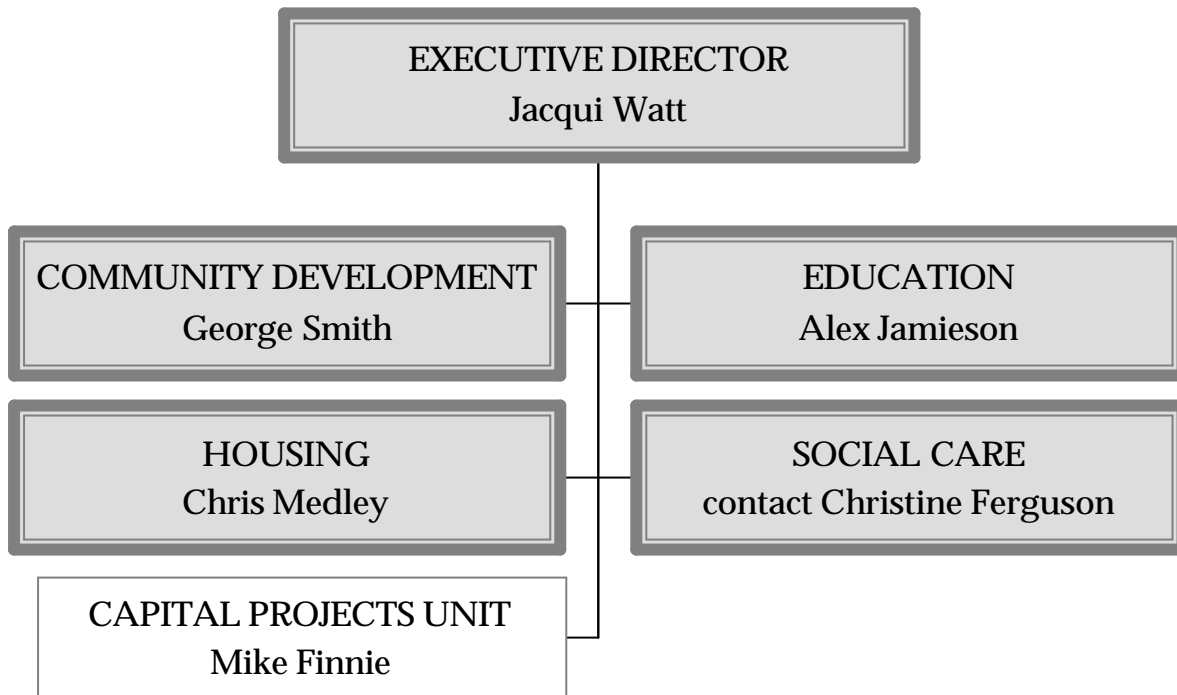
3. Summary contact details

Executive Director – Jacqui Watt
- Hayfield House, Hayfield Lane, Lerwick, ZE1 0QD
- Tel.: 01595 744000
- Fax.: 01595 744040
- E-mail: director.community.services @sic.shetland.gov.uk

Community Development: Head of Service – George Smith
- Hayfield House, Hayfield Lane, Lerwick, ZE1 0QD
- Tel.: 01595 744039
- Fax.: 01595 744056
- E-mail: george.smith@sic.shetland.gov.uk

Education: Head of Service – Alex Jamieson
- Hayfield House, Hayfield Lane, Lerwick, ZE1 0QD
- Tel.: 01595 744039
- Fax.: 01595 692810
- E-mail: head.of.education.services@sic.shetland.gov.uk

Housing: Head of Service – Chris Medley
- Fort Road, Lerwick, ZE1 0LW
- Tel.: 01595 744385
- Fax.: 01595 744395
- E-mail: chris.medley@sic.shetland.gov.uk

Social Work: contact Christine Ferguson

- Quendale House, Lerwick, ZE1 0AN
- Tel.: 01595 744329
- Fax.: 01595 744321
- E-mail: christine.ferguson@sic.shetland.gov.uk

4. Capital programme as at August 2004

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Community Development	801	517	480	377	642	542
Education	959	3,829	3,325	10,476	10,014	12,230
Housing	202	169	175	181	188	194
Social Care	290	1,716	234	48	43	44
TOTAL	2,252	6,231	4,214	11,082	10,887	13,010

5. Human resources as at June 2004

	headcount	FTE
Directorate	2	2.0
Community Development	131	76.2
Education	933	664.1
Housing	121	97
Social Care	507	283.7
Capital Projects Unit	15	14.7
Total	1,709	1137.7

COMMUNITY DEVELOPMENT

1. Introduction and background

    1.1. Community Development provides a wide range of lifelong learning, sporting, cultural and recreational services to communities, organisations and individuals across Shetland.

    1.2. As well as direct service delivery there is also very significant partnership working with local lifelong learning, cultural and recreational "trusts" whose activities are substantially funded by the Shetland Charitable Trust. There are key partnerships with the Shetland Recreational, Arts, Amenity and Islesburgh Trusts on a wide range of services. These are co-ordinated with Community Development but delivered by the various trusts.

    1.3. Community Development works in partnership with a wide range of community organisations across all service areas with the objective of assisting these organisations to identify their needs and helping them meet those needs.

2. Key activities and customers

    2.1. The service is structured around four key areas:
    - **Community Learning and Development** which is "Informal learning and social development work with individuals and groups in their communities. The aim of this work is to strengthen communities by improving people's knowledge, skills and confidence, organisational ability and resources". This includes work with children, young people, adult learning, including adult literacy, and community capacity building.
    - **Sport and Leisure Services** provides and promotes a diverse range of opportunities, services and facilities for sport, physical recreation, outdoor education and play for people of all ages and abilities throughout Shetland.
    - The **Museums and Archives service** contributes to the quality of life in Shetland by safeguarding the material and written evidence of people and their environment. Museums and Archives provide for their users a sense of continuity and pride in the place, and traditions of the community that they serve. The service has an important lifelong educational role for people from all sections of the community.
    - **Shetland Library** provides a library and information service to the community through a central library, a state of the art learning centre, mobile library vans, school library services with the aim of developing and supporting access to library services in communities throughout Shetland.

    2.2. All service areas seek to provide services to all ages and communities. In a community such as Shetland it is important to provide universal services but it is recognised that there is an increasing need t target services at those most in need to combat exclusion.

3. Key documents, plans and strategies directing the service

3.1. All areas of Service
- **Shetland Community Plan**
- **Shetland Islands Council Corporate Plan**
- **Shetland Cultural Strategy**
- **National Cultural Strategy**
- **Children and Young People's Service Plan**

3.2. Community Learning and Development
- Community Learning & Development Service plan
- Working and Learning Together - guidance for Community Learning and Development
- Draft Community Learning and Development strategy 2004-7
- Shetland Adult Literacy Action Plan
- Numerous links with other strategies which are detailed in the Community Learning and Development Strategy

3.3. Sport and Leisure Services
- **Sport & Leisure Service Plan**
- **Shetland Sport and Recreation Strategy**
- **Sport 21 – 2003 –2007, The National Strategy for Sport – Shaping Scotland Future**
- **The National Cultural Strategy – Creating Our Future…. Minding Our Past,**
- **Let's make Scotland more active: a strategy for physical activity: The Physical Activity Task Force**
- **The Report of the Review Group on Physical Education**

3.4. Museum and Archive
- **Museum & Archive Service Plan**
- **Shetland Museum Collection Management Policy 2002-2005**
- **A National ICT Strategy For Scotland's Museums**
- **Shetland Cultural Heritage Strategy**

3.5. Library
- **Library Service Plan**
- **CoSLA Standards for the Public Library Service in Scotland**
- **CoSLA School library Standards**
- **Audit Unit Taking a Closer Look at the School Library Resource Centre**
- **Quantitative Indicators for school Libraries (SLIC)**

4. Recent activities and improvements

4.1. During the past year Community Development has:
- **Implemented Dialogue Youth by beginning to develop a smart card for young people, establishing a Youth issues unit; offering training to youth work and school staff on Young Scot PSE and citizenship education**

- **Taken a lead role in implementing Shetland's Adult Literacy Action Plan, ensuring 213 Learners benefited from the service ; facilitated in partnership the development of the 2004-6 Adult Literacy Action Plan**
- **Engaged 661 learners in evening classes; undertaken a comprehensive review of evening class provision, including learner consultation**
- **Supported 13 summer playscheme committees, including training, to plan and deliver summer play opportunities in their local area, involving many 883 children attendances and 102 volunteers**
- **Undertaken a comprehensive review of grant aid, involving over 200 groups in the consultation and have re-designed schemes to better meet community need and corporate objectives**
- **Re-constructed the Jubilee Flower park pavilion - successfully completed**
- **Achieved matching lottery funding of £5m for the new Museum and Archives project in partnership with Shetland Amenity Trust.**
- **Acceptance and progression of Interpretive plan for museum displays by museum and archive project team**
- **Appointment of Lifelong Learning Officer to Museum and Archive team**
- **Appointment of main contractor for new museum and archive and continued project progress on time and within budget.**
- **Implementation of the Talis library management system**
- **Joint work between Library and Adult Literacy – achieved funding from Communities Scotland for a joint project which will offer IT skills support and encourage use of the internet and learning centre**
- **Continued to develop People's network with free internet access available in learning centre**
- **Successfully led completion of multi-agency Shetland Cultural Strategy**
- **Secured commitment from SIC to funding cinema and music venue subject to successful Lottery bid**
- **Approved a Sport and Recreation Strategy for Shetland.**
- **Submitted successful NOF PE and Sport Programme applications which in part has allowed the Council to appoint an Outdoor Education and Activities Officer for Shetland.**
- **Successfully approved an Active Schools Implementation Plan for Shetland which will initiate the full introduction of the Active Schools Programme to Shetland.**
- **Appointed a Development Officer: Disabilities to co-ordinate and develop sport, recreation and cultural opportunities for people with a disability, in particular young people.**
- **Concluded cultural agreement between Shetland and Faroe Islands.**

5. Service analysis

5.1. In September 2002, Community Learning and Development was inspected by HMIE, using the quality assurance framework, "How Good is Your Community Learning and Development?" The inspection report was published on 4 February 2003 and summarised the service's key strengths and weaknesses.

5.2. Strengths were described as - the overall quality and extent of provision for young people; the progress with implementing the literacies action plan; the effective support for volunteers in Community Learning and Development activities; the contribution to effective networking in local communities; the vision and leadership shown by the service manager ad senior staff; the high quality of engagement and leadership provided to important partnerships.

5.3. An Action Plan addressing areas of weakness has been drawn up in anticipation of follow inspection by HMIE at end of September 2004. See section 7.

5.4. Sport & Leisure Services carried out a comprehensive SWOT analysis during the development of its service plan during 2004. Results are summarised in that plan.

5.5. There are limited national performance indicators for sport & leisure however Shetland has consistently had by far the highest attendance figures in Scotland for both swimming pools and indoor sports and leisure facilities (4 times the national average). This high level of usage is maintained in 2003/04. It should be noted that these facilities are provided by the Shetland Recreational Trust.

5.6. The Brief for new Museum and Archives and submission to Heritage Lottery Fund identified lack of space for visitors, artefacts and documents and poor environmental conditions in present accommodation, it also proposed a comprehensive programme to rectify these shortcomings. Again statutory performance indicators are limited but Shetland Islands Council has maintained 100% registration of Council owned museums and supported a number of community owned museums to achieve and maintain registration with Scottish Museums Council.

5.7. The Library service monitors its performance against a wider number of national performance indicators. Issues around the implementation of the Talis Library information system prevented some performance information from being gathered in 2002/03.

5.8. From 1998 to 2002 Shetland has consistently had among the highest % of borrowers from public libraries as a % of the resident population although the average number of issues per borrower has been below the Scottish average.

5.9. Re-registration of the entire borrower list has contributed to a dip in borrower percentage during 2003/2004, although it remains well above the Scottish average. The average number of items per borrower has however increased significantly.

5.10.   Shetland Library is now reporting all statutory performance indicators through the introduction of the Talis Library management system as well as a wide range of the other management information with detailed issue data having been available from June 2004.

5.11.   Internal audits have been carried out in Sport and Leisure services, Community Learning and Development, Adult Literacy and the Library service over the last 18 months. The agreed actions from these audits have been implemented or where appropriate built into relevant service plans.

6. Key areas for improvement / main issues

6.1. Community Learning and Development
The main points for action identified in the HMI inspection of Community Learning and Development in 2003 were –

- the service should further develop the focus on outcomes and outcomes measures within all of its planning processes; increasing the focus on targeting socially excluded individuals and groups; the need to introduce self-evaluation and improvement planning as an integral part of its work.

- Since the inspection Community Learning and Development have been working hard to address these areas and prepare for a follow up inspection in 2004. To-date progress has been made in a 3 areas – details of progress can be found both in the Community Learning and Development action/service plan and in a report to HMI on progress.

6.2. Sport and Leisure Services

- Review the ongoing management and maintenance of play areas in Shetland.
- Review the ongoing management and maintenance of parks and playing fields in Lerwick.
- Review the first year of the Outdoor Education and Activities programme to identify issues and improvements for subsequent years.
- Review current arrangements for the storage and use of sports and outdoor education equipment.
- Review the annual Children's Summer Holiday programme to monitor progress and identify improvements for future years.
- Along with partner agencies fully implement the Active Schools Programme in Shetland.
- Work with partners and the voluntary sector to ensure the successful delivery of the 2005 Natwest Island Games in Shetland.

6.3. Museum and Archive

- **To ensure adequate resources are in place to meet the requirements of the new museum and archive building and service**
- **Maintain as good a level of service to the public as possible during this very busy transition and implementation phase.**

6.4. Library

- To explore potential for school libraries to become community libraries
- To review user customer satisfaction with St. Ringans library and learning centre
- To review the mobile library service

7. <u>Action plans</u>

   7.1. Detailed action plans for the development of Community Development are contained with the service plans for the relevant service areas. These are:
   - Community Learning and Development
   - Sport and Leisure Services
   - Museum and Archive
   - Library

8. <u>Contact names</u>

   8.1. Community Development reports to the **Services Committee**

   8.2. **Spokesperson, Young People** – Cllr. Bill Manson
   8.3. **Spokesperson, Culture** – Cllr. Eddie Knight

   8.4. Head of Service – George Smith
   - Hayfield House, Lerwick, ZE1 0QD
   - Tel.: 01595 744039
   - Fax.: 01595 744056
   - E-mail: george.smith@sic.shetland.gov.uk

   8.5. Other contacts.

      8.5.1. Community Learning and Development
      - Fiona Stirling, Community Learning and Development Manager
      - Hayfield House, Lerwick, ZE1 0QD
      - Tel.: 01595 744060
      - Fax: 01595 744056
      - E-mail: fiona.stirling@sic.shetland.gov.uk

      8.5.2. Sport and Leisure Services
      - Neil Watt, Sport and Leisure Services Manager
      - Hayfield House, Lerwick, ZE1 0QD
      - Tel.: 01595 744046
      - Fax: 01595 744056
      - E-mail: neil.watt@sic.shetland.gov.uk

      8.5.3. Museum
      - Tommy Watt, Curator
      - Shetland Museum, Lower Hillhead, Lerwick, ZE1 0EL
      - Tel.: 01595 695057
      - Fax: 01595 696729
      - E-mail: Shetland.Museum@sic.shetland.gov.uk

      8.5.4. Archive
      - Brian Smith, Archivist

- Shetland Archives, 44 King Harald Street, Lerwick, ZE1 0EQ
- Tel: 01595 696247
- Fax: 01595 6964533
- E-mail: Shetland.Archives@sic.shetland.gov.uk

8.5.5. Library

- Morag Nicolson, Childrens Services Librarian / Douglas Garden, Support Services Librarian
- Shetland Library, St. Olaf Street , Lerwick, ZE1 0QD
- Tel.: 01595 693868
- Fax: 01595 694430
- E-mail: shetlandlibrary@sic.shetland.gov.uk

9. Service strengths and weaknesses

4 General high quality and wide range of facilities and services recognising the current gap in museum and archive provision.

4 decentralised service, with bases spread throughout Shetland; accessible staff who work out-of-hours in order to meet community need

4 effective partnership working with wide range of organisations and communities to meet community need; encourage communities to take responsibility for their own development ; access external resources; improve services

4 experienced and motivated staff

4 links with Community Planning, particularly through Community Learning and Development

4 responsive and generous grant aid schemes

X Need to further develop the targeting of services to hard to reach and excluded

X Recruitment of professional staff difficult in some areas

X Overall profile of service not as visible or effectively integrated as it could be.

X National performance measures sometimes lacking or inappropriate and local measures not highly developed.

X Difficulty in dealing with some corporate and national initiatives on top of service workload.

BV Action Plan

Weakness	Action	Lead	Timescale
Targeting	Focus on targeting issues in all areas of service development. E.g. Sport & Leisure for Young People with special needs, CLD strategy and over 50's internet access.	George Smith	Ongoing
Professional staff	Community Services business support review.	Shona Thompson	Jan 2005

recruitment	Support Services BV review Promote flexibility in service delivery to be able to react to recruitment difficulties through service redesign	John Smith George Smith	Jan 2005 Ongoing
Overall service profile	Improved integration and marketing of service. Specific actions in service plans e.g. summer activities for young people. Better co-ordinated overall marketing through web and other media.	George Smith Neil Watt Fiona Stirling George Smith	Ongoing Summer 2005 March 2005
Performance measures	Develop and implement relevant local performance measures	Service managers	April 2005
Corporate and national Workload	Continue to seek to improve own workload planning through development of Community Development service plans. Have corporate workload planned and communicated more effectively through development of Support Services Service plans. Have national workload planned and communicated more effectively through Service and Corporate engagement with national bodies. Monitor, communicate and resolve workload issues earlier and more effectively through performance management	CD Service managers Executive Services Service managers. Service and Corporate Management Executive Management Team.	April 2005. April 2005 Ongoing April 2005

10. Five-point scale

    poor / weak / fair / **STRONG** / excellent

EDUCATION

1. Introduction and background

   1.1. The Education Service provides pre-school, primary and secondary education for all children in Shetland for 38 weeks per year. We facilitate the provision of 35 hours of continuing professional development for all teachers and promote the development of all staff and stakeholders.

2. Key activities and customers

   2.1. The Service is structured around the key activity of educating young people aged 3-18 to reach their full potential.

   2.2. There are 34 schools in total. There are two High Schools, six Junior High Schools with primary and nursery departments attached, one School and twenty five Primary Schools. Seventeen of the primary schools are one or two teacher schools.

   2.3. The education authority has the task of challenging and supporting schools in remote, diverse and sometimes fragile local communities, each with varied needs. The role of the Education Service in preparing Shetland pupils to respond to rapidly changing opportunities in employment, further and higher education is a key part of developing the economic and social sustainability of the island communities.

   2.4. This service is provided within a framework of quality assurance, policy development with a view to raising standards.

3. Key documents, plans and strategies directing the service

   3.1. The following are the key documents:
   - **Community Plan**
   - **Corporate Plan**
   - **Education Service Improvement Plan.**
   - **National Priorities for Education**
   - **School Improvement Plans**

4. Recent activities and improvements
   4.1. The Follow-Up Inspection Report by Her Majesty's Inspectorate of Education shows significant improvement in all areas highlighted in the original inspection report published in December 2001.

5.2   Investors in People status; The   Education   Service   has   recently   been recommended for Investors In People status after an assessment of our practices by the IiP auditor.

5. <u>Service analysis</u>

5.1. The following are of relevance:
    - Audit of schools' performance
    - Self Evaluation at school level against quality indicators in How Good is Our School 2002?
    - Audit of National Priorities at Service Management level
    - Audit of Quality Management in Education by Service Management which included all promoted staff in schools

5.2. Her Majesty's Inspection of the Education Function of Shetland Islands Council.

    5.2.1. The Education Service was inspected and a report was published in December 2001. A two-year action plan was drawn up and this has been implemented since 2002. Her Majesty's Inspectors returned for an interim visit in January 2003. This resulted in the publication of a very positive interim follow-up letter which clearly stated where progress had been made and where there was still work to be done.   The HMI team made their final visit in January 2004 and published in May 2004 a Follow- Up Report. The report concluded that " the Council had made good progress in overtaking the main action points, and in some aspects progress was very good".

5.3. Best Value Service Review

    5.3.1. TheBest Value Service Review of the Education Service has been ongoing since 2001. A report was compiled for Services Committee and Full Council recommending a scheme of provision for Shetland following the public consultation of 2002. . Since then a new Council has been elected and a new working group of members and officers has been re-established to take forward the decisions of the previous council.   The member officer working group has used an Option Appraisal matrix to produce a revised report , this report was presented to Services Committee and Council in June 2004. The Council agreed a further 3 month consultation period on the recommendations contained within the report . The report will then be presented to Services committee in October 2004 for final decisions to be taken.

5.4. Service levels and Performance

    5.4.1. Detailed performance measures baselines and targets set for the National Priorities and these are set out and monitored in the Education Service improvement plan.

6. <u>Key areas for improvement / main issues</u>

6.1. The key areas for improvement are:

Core Activity	Objectives	Area Identified for improvement	Task
Consultation and Communication	Improve mechanisms for consultation **Improve mechanisms for communication**	Engagement with stakeholders	Provide increased opportunities to listen to all groups of stakeholders **See Action Plan Pages 34-35**
Operational Management	Further refine the processes involved in the service planning cycle Improve the deployment and effectiveness of centrally-employed staff	Service planning process **Staff understanding of respective roles and remits**	Produce an annual Service Improvement plan which is consistent with Corporate framework **Focus work plans on key Service priorities** **Handbook for central staff** **See Action Plan Pages 36-38**
Resource Management	Improve the allocation of resources to better reflect key spending priorities	Management of financial and human resources	Link improvement objectives with resource allocation **See Action Plan Pages 39-41**
Achievement and Attainment	Increased levels of numeracy and literacy **Improved examination results**	Learning and teaching approaches	Ensure these are more child-centred **See Action Plan Pages 46-53**
Framework for Learning	Ensure the continuing professional development of teachers' skills **Increased self-discipline of pupils** **Enhanced school environments which are more conducive to teaching and learning**	Provision of appropriate opportunities to meet the professional development of staff **The promotion of positive behaviour**	Further develop training Programme **Implement a policy framework** **See Action Plan Pages 53-63**
Inclusion and Equality	Ensure every pupil benefits	All pupils achieving their full potential	Target resources

Core Activity	Objectives	Area Identified for improvement	Task
	from education **Ensure every pupil benefits from education with particular regard paid to pupils with disabilities and special educational needs**	**Provision for secondary age pupils**	See Action Plan Pages 65-73
Values and Citizenship	Increased respect for self and others **Increased awareness of interdependence with other members of their neighbourhood and society and increased awareness of the duties and responsibilities of citizens in a democratic society**	Account taken of pupils as stakeholders **Responsibility for our future**	Valuing pupils' views and opinions **Providing opportunities for pupils to take responsibility** **See Action Plan Pages 74-78**
Learning For Life	Pupils are equipped with the necessary foundation skills, attitudes and expectations to prosper in a changing society **Increased levels of creativity and ambition of young people**	Making the most of our distinctiveness **Develop thinking skills**	Provide opportunities for cultural activities **Local definition of creativity** **See Action Plan Pages 79-83**

6.2. The main issues facing the service arise from the implementation of the Education Best Value Review, and from McCrone.

7. Action plans

   7.1. An Education Service action plan has been developed as part of the Service Improvement Plan which details the main activities that will be undertaken during the year based on an analysis of the service, service reviews and the legislative, local and corporate context within which the service must deliver. These projects are underpinned by the requirement for continuous improvement.

   7.2. The plan will be reviewed continuously and performance of indicators and projects will be reported annually, through public performance reporting.

   7.3. Through the monitoring of targets and action plans, the improvement plan will assist in providing evidence for continuous improvement and add to the process of demonstrating best value for all areas of service delivery within Education.

   7.4. The action plan is laid out in two sections. The first section sets objectives against Quality Management in Education. The second section sets objectives against The National Priorities. The sections of the plan are headed as follows:

   - **Objectives – these are the specific activities which the Service will undertake to work towards the priorities**
   - **Strategy for implementation with timescales – these are how the improvement is to be carried out**
   - **Target Outcomes – these are the measurable targets which will be used to measure improvement**
   - **Responsibility and target timescales – these identify person responsible for the target, state the budgetary implications for securing each target and set the timescale**
   - **Monitoring and evaluation – these set the strategies which the Service will monitor and evaluate the improvement against**
   - **Thematic Links with other plans - these are links made to other plans which are produced by other services**

8. Contact names

   8.1. The Education Service reports to the Services Committee

   8.2. **Spokesperson, Young People** – Cllr. Bill Manson

   8.3. Head of Service – Alex Jamieson

   8.4. The contact details for the service are:

   - **Education Service**
   - **Hayfield House, Lerwick, ZE1 0QD**
   - **Tel.: 01595 744000**

- **Fax: 01595 744074**
- **Email: head.of.education.services@sic.shetland.gov.uk**

9. <u>Key Service Strengths and Weaknesses</u>

    4 **levels of attainment in Reading Writing and Mathematics at 5-14 in Primary and Secondary schools**

    4 **levels of attainment in National Qualifications**

    4 **the Education Service's performance in following up main points from action from HMIE reports on schools**

    4 **Service Planning**

    4 **Quality Assurance policy and practice**

    X **the slow development of the integrated community schools project**

    X **prevarication on decision-making in connection with issues of school rationalisation in terms of the Best Value report**

    X **the slow implementation of the devolved school management scheme**

BV Audit Action Plan

Weakness	Action	Lead	Timescale
Community Schools implementation	A Joint project in revitalising integrated community schools development is being undertaken between the Education Service and Community Development.	Alex Jamieson	March 2005
Education Best Value Service Review	Best Value Review recommendations out for public consultation. Lead Alex Jamieson	Alex Jamieson	October 2004
Devolved School Management roll-out	A revised implementation plan for the accelerated roll-out of devolved school management is being developed.	Jim Reyner	Various monitoring checkpoints

10. <u>Five-point scale</u>

poor / weak / fair / **STRONG** / excellent

The self-assessment exercise undertaken by the Education Service prior to the February 2004 Follow-up Inspection mirrored closely the findings of the Inspectors – if anything, the Education Service was hyper-critical of its performance and definitely underplayed some of our overall strengths. Nevertheless, translating our own assessment and that of HMIe on to a five-point scale would undoubtedly result

in a score of 4 (four) where 1 represents significant weakness and 5 represents significant strengths in all areas. This translates as GOOD on the BV Audit Submission five point scale.

HOUSING

1. Introduction and background

   1.1. The aim of the Housing Service is the provision of good quality affordable housing as an option to the people of Shetland. In meeting this aim the housing service is expected in partnership with other agencies, to contribute to the social and economic well being of the community.

   1.2. The housing we provide includes general needs, temporary, supported and sheltered accommodation. The housing service will also be responsible for taking the strategic overview of housing provision in Shetland into the future.

   1.3. Our further aim is to provide integrated services by partnerships with other agencies to meet local needs, whilst making the most of the resources available.

2. Key activities and customers

   2.1. The Service is structured around these key activities:

   - Provision of General Needs Housing
   - Provision of Sheltered & Supported Accommodation
   - Provision of Temporary & Homeless Accommodation
   - Provision of Staff Housing for incoming workers.
   - Provision of Education houses for tied workers
   - Provision of a Housing Support Worker service
   - Provision of a repair and improvement service

   2.2. Within current constraints, we provide general needs housing as an affordable option for families of all sizes and single people. This is to give an alternative provision (subject to demand), that allows individuals to live and work in their area of choice and help promote sustainable communities.

   2.3. We provide temporary accommodation and advice to those "home seekers" who find themselves homeless for whatever reason. This is to ensure that where possible we work to alleviate homelessness, so that no one should suffer the indignity of not having a decent home.

   2.4. We provide supported accommodation for those that need additional support to live independent lives. This might be in the form of specialist accommodation and / or staff assistance as required.

   2.5. We provide sheltered and very sheltered accommodation for those that require a degree of additional support to stay in their own homes.

   2.6. In all cases support is provided in partnership with other agencies.

3. Key documents, plans and strategies directing the service

    3.1. The key document is:

    - Local Housing Strategy

4. Recent activities and improvements

    4.1. The following improvements have been noted:

    - **Rents were held at inflation only for the second year running**
    - **We prepared and sent out rent letters in record time**
    - **We did not apply any increase to heating charges for the elderly**
    - **Supervision & Management costs were reduced further to make us the lowest amongst Scottish local authorities**
    - **50% reduction in unit costs for supervision and management over the last two years**
    - **Levels of investment were maintained making us the highest housing investor amongst Scottish local authorities**
    - **We delivered services below cost targets**
    - **We completed all housing strategy and statutory action plan submissions on time**
    - **We attracted £785,994 of additional funding**
    - **We increased the number of repairs described by survey as good and very good by 6%**
    - **We increased the number of repairs completed on time by 3%**
    - **We increased the number of repairs completed at time agreed by 11%**
    - **We reduced the time for processing housing applications from an average of 25 days to 6 days**
    - **We developed procedures for statutory consultation with tenants**
    - **We concluded the annual staff survey**

5. Service analysis

    5.1. At present the housing service as the highest rents in Scotland and the highest pro rata debt in Scotland (currently £53m). Servicing of this debt is placing constant pressure on rents and reducing the capacity to deliver affordable housing. Debt relief is essential if the housing service is to be sustainable into the future.

    5.2. At present the only mechanism for debt redemption is to facilitate the transfer of the housing service to a not for profit company and become a Registered Social Landlord (RSL). In the next year the council must review its position and decide if it wishes to enter next years transfer programme.

    5.3. Progress to stock transfer will be a lengthy and require high levels of consultation with tenants, staff and the wider community.

5.4. In addition all local authority housing services in Scotland will be subject to regulation and Inspection by Communities Scotland at some point in the near future. The date for Shetland to be inspected is still to be set, but in the meantime the housing service must prepare itself for the inspection.

5.5. The housing service operates a Quality Management System (QMS), Audits of the service identify areas for improvement, which are completed on a rolling basis. In addition work on previous operational tasks has identified key areas for improvement in the forthcoming year. Statutory changes have also identified areas that need to be developed.

5.6. Engagement with customers:

- **We operate a system of customer satisfaction surveys to measure performance.**
- **We will listen to complaints and learn from the experience.**
- **We produce a housing options guide.**
- **We operate a Quality Management System (QMS) to help us learn & improve.**
- **We maintain close links with all tenant and resident organisations.**
- **We will consult with tenants on improvement works.**
- **We will consult and deliver the priorities identified under the following strategies:**
  - o **Local Housing Strategy**
  - o **Homeless strategy**
  - o **Supporting people strategy**
  - o **Tenant Participation strategy**
  - o **Anti Social Behaviour strategy**
- **We work to the EFQM business model, which recognises customer satisfaction as a key to achieving business results.**

5.7. Detailed performance monitoring information, targets and baselines are set out in the Housing Service Plan. Highlight statistics from last year include;

99% said they were happy with the service received when reporting a repair.
94% said the repair was carried out at the time agreed
95% of repairs were completed within prescribed timescales overall
95% said they were satisfied with the standard of workmanship
Of which
2% described the repair service as poor
4% described the repair service as fair
26% described the repair service as good
68% described the repair service as very good
97% said they were happy with the way their application was dealt with

6. Key areas for Service improvement / main issues

6.1. The key areas for improvement are:

Core Activity	Objectives	Area Identified for improvement	Task

Core Activity	Objectives	Area Identified for improvement	Task
Administration	**Satisfactory closure of complaints against the service**	**Recording systems and analysis of trends**	**Provide a monitoring framework and review procedure**
Maintenance	**Production of viable 30 year planned maintenance programme**	**Data recording and cost analysis for future planning**	**Develop fully costed 30 year programme**
Financial	**Improve financial control**	**Management reports to include financial updates**	**Include summary financial information for control and management review**
Quality	**Improve range of quality indicators**	**Planned maintenance, allocations**	**Complete customer satisfaction surveys and analyse results**
Maintenance	**Replace outdated schedule of rates (SOR)**	**Completion of new documents with review of rates and pricing**	**Complete SOR document, price it and compare rates for best value**
Management	**Improve interaction between homeless / estate management teams**	**Sharing of information and team meetings**	**Formalise meeting arrangements and protocols for exchange of information**
Homelessness	**Reduction and prevention of homelessness**	**All areas of homeless advice and information**	**Implementation of the homeless strategy as agreed with the Scottish Executive**

6.2. The main issues facing the service are:

- Recent changes to statutory responsibilities
- Statutory changes to tenancy conditions
- Stock transfers
- Regulation and inspection
- Reducing stock / right to buy
- Highest rent in Scotland

7. Service Action plans

7.1. Detailed action plans for the development of Housing services are contained with the Housing service plans.

8. Contact names

8.1. The **Housing Service** reports to the **Services Committee**

8.2. Spokesperson, Housing – Cllr. Gordon Mitchell

8.3. Head of Service – Chris Medley
- Housing Service, Fort Road
- Tel: 01595 744363
- E Mail: chris.medley@sic.shetland.gov.uk

8.4. In addition the following may be contacted:

- **Contact: Anita Jamieson**
- Service Manager – Housing Business Support
- Housing Service, Fort Road, Lerwick ZE1 OLW
- Tel: 01595 744363
- Fax: 01595 744395
- E Mail:anita.jamieson@sic.shetland.gov.uk

- **Contact:**
- Senior Housing Officer – Asset Management
- Housing Service, Quendale House, Lerwick ZE1 OAN
- Tel: 01595 74336
- Fax: 01595 744392
- E Mail:Ewen.Balfour@sic.shetland.gov.uk

- **Contact:**
- Senior Housing Officer – Estate Management
- Housing Service, Fort Road, Lerwick ZE1 OLW
- Tel: 01595 744388
- Fax: 01595 744395
- E Mail:

- **Contact:**
- Senior Housing Officer – Supported accommodation
- Housing Service, Fort Road, Lerwick ZE1 OLW

- Tel:
01595 744388
- Fax:
01595 744395
- E Mail:george.martin@sic.shetland.gov.uk

- **Contact:**
- Senior Housing Officer – Strategy & Policy
- Housing Service, Fort Road, Lerwick ZE1 OLW
- Tel:
01595 744375
- Fax:
01595 744395
- E Mail:vaila.simpson@sic.shetland.gov.uk

- **Contact:**
- Senior Housing Officer – Information Systems
- Housing Service, Fort Road, Lerwick ZE1 OLW
- Tel:
01595 744384
- Fax:
01595 744395
- E Mail:keith.lobban@sic.shetland.gov.uk

- **Contact:**
- Senior Housing Officer – Homelessness
- Housing Service, Ladies Drive, Lerwick
- Tel:
01595 694712
- Fax:
01595 696880
- E Mail: rod.keay@sic.shetland.gov.uk

- **Contact:**
- Senior Housing Officer – Housing, Direct Labour Organisation
- Housing Service, Gremista depot, Lerwick
- Tel:
01595 744705
- Fax:
   01595
- E Mail: robby.watt@sic.shetland.gov.uk

9. Key Service strengths and weaknesses

4 **Able and flexible staff demonstrated capability to downsizing the management of the service to 2nd lowest management & supervision costs**

4 **Strong performance management systems**

4 **Good customer engagement through tenants forum, customer satisfaction survey and other methods.**

4 **Good quality of all categories of housing stock**

X **High rent levels and Housing debt**

X **Reducing stock / right to buy**

X **Failures in closing complaints against service**

BV Action Plan

Weakness	Action	Lead	Timescale
High Rents / Housing Debt	Stock transfer or similar fundamental activity deferred for two years, the to be reviewed	Chris Medley	October 2006
Reducing Housing Stock / Right to Buy	Seek to increase Housing stock where possible through acquisition and/or new build	Chris Medley	Ongoing
Complaints Closure	Provide a monitoring framework and review procedure to promote satisfactory closure of complaints against service	Keith Lobban	March 2005

10. Five-point scale

poor / weak / fair / **STRONG** / excellent

Based on an overall evaluation of service performance the Housing Service is overall judged to be STRONG.

SOCIAL WORK

1. Introduction and background

   1.1. Social Work is responsible for the delivery of key services to support vulnerable people in Shetland who cannot care for themselves through disability, age, illness or other circumstances, based on an individual assessment of their needs.

2. Key activities and customers

   2.1. The Service is structured around three key activities.

   2.2. **Community Care** – Where the principle is to enable people to live as normal a life as possible in their own homes or in a homely environment in their local community.

   2.3. Community Care is provided for;

   - **Older People (people aged 65 or over.)**
   - **People with Dementia.**
   - **People with mental health problems.**
   - **People with physical and/or learning disabilities; head injury.**
   - **People with sensory impairments.**
   - **People who abuse substances.**
   - **People requiring palliative care.**
   - **People who are homeless.**
   - **People with HIV/AIDS.**
   - **Unpaid / family carers.**

   2.4. The Social Work Service will provide or purchase services to meet the assessed needs of vulnerable people in the Shetland community who cannot care for themselves through disability, age, illness or other circumstances, working with the most vulnerable to help them achieve their full potential.

   2.5. **Children and Families** – Where the Social Work Service is committed to working with other agencies in Shetland "supporting families in providing the best opportunities for their children to maximise their full potential."[1]

   2.6. Children and Families main customers are;

   - **Children and young people affected by disability.**
   - **Children and young people in trouble: including social, emotional and behavioural difficulties, substance misuse, youth justice.**
   - **Children and young people looked after away from home.**
   - **Young people leaving care.**

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[1] Shetland's Children & Young People's Services Plan 2002 – 2004

2.7. Shetland's Children's Services planning partners fully support the government's vision that: "Every child and young person should be healthy, happy, safe and achieving their full potential."

2.8. **Criminal Justice** – which aims to:

- **"Provide effective risk assessment and management of offenders within the community;**
- **Promote community safety; and**
- **Promote social inclusion and the rehabilitation of offenders as a positive approach in the prevention of offending behaviour and maintenance of crime-free lifestyles."[2]**

2.9. The principle customers and users of the Criminal Justice Service are;

- **Police.**
- **Courts.**
- **Offenders.**
- **Victims of crime.**
- **Wider community (community safety issues.)**

3. Key documents, plans and strategies directing the service

3.1. These are:

- **Health and Community Care Plan**
- **Children & Young People's Service Plan**
- **Criminal Justice Strategic Plan**

4. Recent activities and improvements

4.1. These include:

- **Implementation of new Mental Health Community Support Service based at Annsbrae.   This is a multi-agency service development involving Housing and NHS.**
- **Approval for redesigned Care at Home Services and start of implementation phase working in partnership with Shetland Welfare Trust and NHS.**
- **Implementation of SWIFT computerised client information system which will support activities in all areas of service provision and over time allow access to information for partner agencies involved in care provision.**
- **Successfully providing support locally to a small number of vulnerable children and young people who in previous years would have been placed outwith Shetland.**

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[2] Criminal Justice Strategic Plan 2002 – 2005

- **Development of specialist supported accommodation for two people with profound physical disabilities.**
- **Completion of the design phase for new accommodation for people with learning disabilities at Kantersted.**
- **Implementation of new learning and development programmes for people with learning disabilities attending the Eric Gray Resource Centre.**

5. <u>Service analysis</u>

5.1. Several performance indicators are used to identify levels of service demand and many are published as a statutory requirement by Scottish Executive, CIPFA and Audit Scotland, Shetland Islands Council produces its own monthly statistics to assist performance monitoring. The following details show examples of the data held.

5.2. Community Care Assessments:

Community Care Assessments	Percentage of Targets met		
Days between:	**2001-02**	**2002-03**	**2003-04**
Referral and Allocation	**25.8**	**36.5**	**56.5**
Referral and Initial Contact	**60.3**	**67.1**	**67.8**
Referral and Assessment			
Social Work	**65.5**	**41.1**	**68.2**
Occupational Therapy	**65.3**	**58.0**	**43.4**
Home Care	**57.2**	**41.7**	**70.0**
Community Alarm	**66.2**	**78.5**	**90.7**
Referral and Provision of Service			
Social Work	**50.0**	**37.5**	**63.5**
Occupational Therapy	**55.2**	**51.2**	**39.7**
Home Care	**44.3**	**25.0**	**38.3**
Community Alarm	**44.6**	**58.5**	**53.5**
Referral and next Review			
Social Work	**68.2**	**84.5**	**80.8**
Home Care	**66.7**	**66.6**	**63.4**
Community Alarm	**100.0**	**100.0**	**100.0**

5.3. Home Care:

The Number and Rate Per 1,000 Population Aged 65+, Receiving Personal Care in their own home

	Personal Care	
	Number of clients receiving a service	**Rate per 1,000 population aged 65+**
2000/2001	**226**	**75.0**
2001/2002	**213**	**70.7**
2002/2003	**217**	**70.3**

The Number and Rate Per 1,000 Population Aged 65+, Receiving Home Care Services Outwith Office Hours

	Care at Weekends	
	Number of clients receiving a service	**Rate per 1,000 population aged 65+**
2000/2001	155	51.4
2001/2002	152	50.4
2002/2003	151	48.9

The Number and Rate Per 1,000 Population Aged 65+, Receiving Home Care Services Outwith Office Hours

	Evening/overnight Care	
	Number of clients receiving a service	**Rate per 1,000 population aged 65+**
2000/2001	50	16.6
2001/2002	59	19.6
2002/2003	70	22.7

5.4. Children and Families

Child Protection Register

	Number of referrals during the year	Percentage of children on the register in the year who had previously been on the register	Total number on the child protection register at 31 March	Number of children on the register at 31 March per 1,000 population, aged 0-15 inclusive
2000/2001	40	37.5%	10	2.0%
2001/2002	79	12.5%	12	2.4%
2002/2003	63	9.1%	8	1.7%

5.5. Criminal Justice:

The Proportion of Social Enquiry Reports Allocated to Staff and Reported to Court Within Target Time

	Number of social enquiry reports requested by the courts during the year	Proportion of social enquiry reports allocated to social work staff within 2 days	Proportion of social enquiry reports submitted to courts by due date
2000/2001	97	100%	100%
2001/2002	105	100%	100%
2002/2003	94	100%	100%

5.6. The three main service plans are the subject of extended consultation. Consultation drafts of the Health and Community Care Plan, Children & Young People's Service Plan and Criminal Justice Strategic Plan are prepared in consultation with partner agencies and representatives of other stakeholders including:

- **service users and unpaid/family carers;**
- **staff;**
- **NHS;**
- **police;**
- **voluntary sector organisations;**
- **independent sector providers;**
- **community councils;**
- **Reporter to the Children's Panel.**

5.7. Strategic Planning Groups include wide representation from partner agencies, the voluntary sector, as well as user and carer representatives. Strategic Planning Groups active in Social Work Service areas during 2003/04 include:

- **Older People's Strategy Group;**
- **Disability Strategy Group;**
- **Mental Health Forum;**
- **Children & Young People's Service Planning Group;**

- **SADAT; and**
- **Child Protection Committee.**

5.8. Service reviews in 2003/04 included a review of Day Care Services. Consultation for the review included face-to-face interviews with service users and unpaid/family carers.

5.9. NHS 100, a group of self-nominated members of the public, who meet to discuss health related issues and plans, have been invited to comment on a range of proposals and documents including:-

- **draft Health & Community Care Plan;**
- **3 year Advocacy Development Plan;**
- **out of hours services;**
- **Community Health Partnership (CHPs); and**
- **Older People's Strategy.**

5.10.   Presentations to the Social Forum have included:-

- **plans for learning disability services;**
- **3 year Advocacy Development Plan**
- **2012 Childcare Strategy;**
- **Occupational Therapy service developments; and**
- **Care at Home redesign.**

5.11.   Consultation with staff in 2003/2004 included:-

- **proposals for a new Mental health Community Support Service**
- **redesign of Care Services at Home – this was done jointly with staff from Shetland Welfare Trust; and**
- **staff and managers of day care services.**

5.12.   Two Planning Conferences, which were open to staff from all agencies, elected members and members of NHS100, were held to help inform the Health and Community Care Plan planning process.

6. Key areas for improvement / main issues

6.1. Key areas for improvement are:

- Continue implementation of Care at Home Services with Shetland Welfare Trust and NHS Shetland.
- Consider and implement recommendations from Day Care Review Report
- Continue development of inter agency planning arrangements for children's services through Better Integrated Children's Services project.
- Develop joint assessment procedures for all agencies involved in children's services.
- Develop a Carers Strategy for Shetland.

6.2. Main issues include:
- Ageing population
- Increasing numbers of people with disabilities
- Joint Future Agenda
- Diminishing resources, both financial and human
- Partnership with voluntary sector
- Childrens services redesign

7. Action plans

7.1. Detailed action plans for the development of Social Work services are contained within the Social Work Service Plan. These are:-

- Social Work Management Team Plan (Appendix 5 to Service Plan)
- Joint Future Implementation Group Action Plan (Appendix 6 to Service Plan)
- Children & Young Peoples Services Plan Action Plan (Appendix 7 to Service Plan)

8. Contact names

8.1. **Social Work** reports to the **Services Committee**

8.2. **Spokesperson – Social Work** – Cllr. Cecil Eunson

- **Fiona Waddington, Head of Service (due to take up post in Nov'04)
91-93 St Olaf Street, Lerwick, ZE1 0ES**

- **Christine Ferguson, Community Care Manager**
- **Quendale House, Lerwick, ZE1 0AN**
- **Phone: 01595 744329**
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- Ann Williamson, Service Manager, Fieldwork
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- Emily Weston, Service Manager, Adult Services
- Quendale House, Lerwick, ZE1 0AN
- Phone: 01595 744310
- Fax: 01595 744316
- Email: emily.weston@sic.shetland.gov.uk

- Cindy Clark, Service Manager, Older People Services

- Quendale House, Lerwick, ZE1 0AN
- Phone: 01595 744322
- Fax: 01595 744316
- Email: cindy.clark@sic.shetland.gov.uk

- Stephen Morgan, Service Manager, Looked After Children
- 92 St Olaf Street, Lerwick, ZE1 0ES
- Phone: 01595 744485
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- Denise Morgan, Service Manager, Criminal Justice
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- Fax: 01595 744460
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9. Service strengths and weaknesses

4 **High quality care services for all client groups**

4 **High levels of care services provided to people in their own homes**

4 **Good working relationships with other agencies eg NHS, Housing**

4 **Annsbrae and Community Mental Health Team brings together mental health services in the community linking staff from NHS, Social Work and Housing**

4 **Comprehensive training and organisational development programme joint with NHS and Shetland Welfare Trust**

4 **Low ratio of management and administration staff to frontline staff targeting resources at service delivery**

X **Sustainability of high cost models of care delivery – quality and quantity**

X **Limitations on networking with other local authorities, Scottish Executive and Association of Directors of Social Work, due to remote island locality and cost implications (many organisations and locations do not have video conferencing facilities)**

X **Protracted recruitment processes including length of time for Disclosure Scotland checks**

X **Problems recruiting qualified social workers**

X **Gaps identified in specialist service provision for people with disabilities.**

Weaknesses	Task	Lead Officer	Timescale
Sustainability of high cost models of care delivery – quality and quantity.	All proposed service developments assessed for sustainability. Specific service developments in service plans include:-	Head of Social Work	On-going

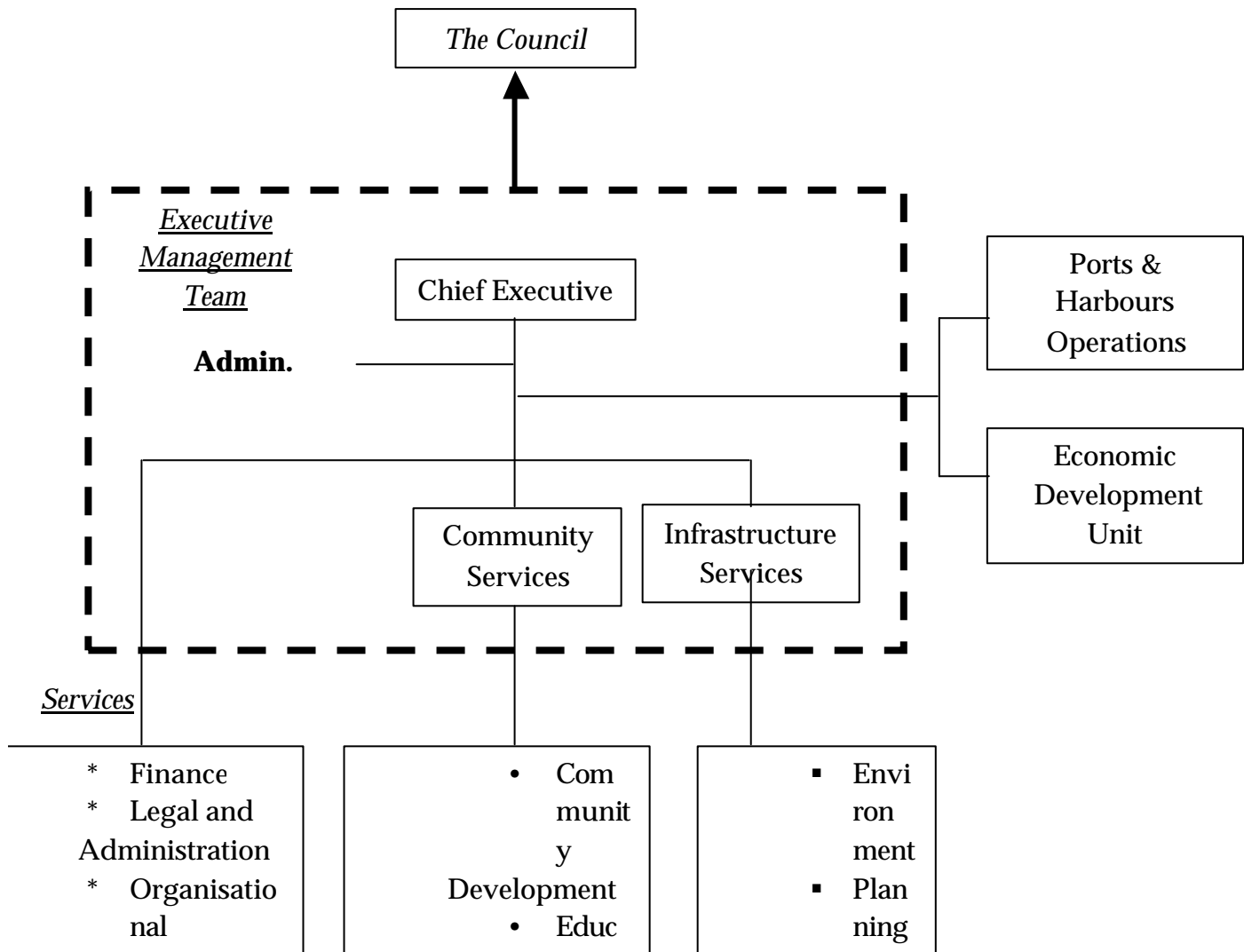|			
	• New respite facility for people with learning disabilities • New supported accommodation at Quoys. • Care @ Home redesign.		
Limitations on networking opportunities with other Local Authorities, Scottish Executive, ADSW.	• Promoting video- conferencing with partner agencies; Scottish Executive and other nationally based organisations. • Reviewing all travel requests to ensure best use of any business trips off Shetland.	Head of Social Work	On-going
Protracted recruitment processes. Issues with length of time for Disclosure Scotland checks.	Review of all recruitment processes and central support facilities for Community Services.	Strategy & Support Manager	Jan'05
Problems recruiting qualified social workers.	• Review recruitment procedures. • Promote trainee posts.	Head of Social Work	On-going
Gaps in specialist service provision for people with disabilities.	Multi-agency Disability Strategy and detailed action plans being prepared.	Executive Director Community Services (SIC) Director of Patient Services (NHS)	Jan '05

10. Five-point scale

The overall self-assessment of the performance of the Social Work service is:-
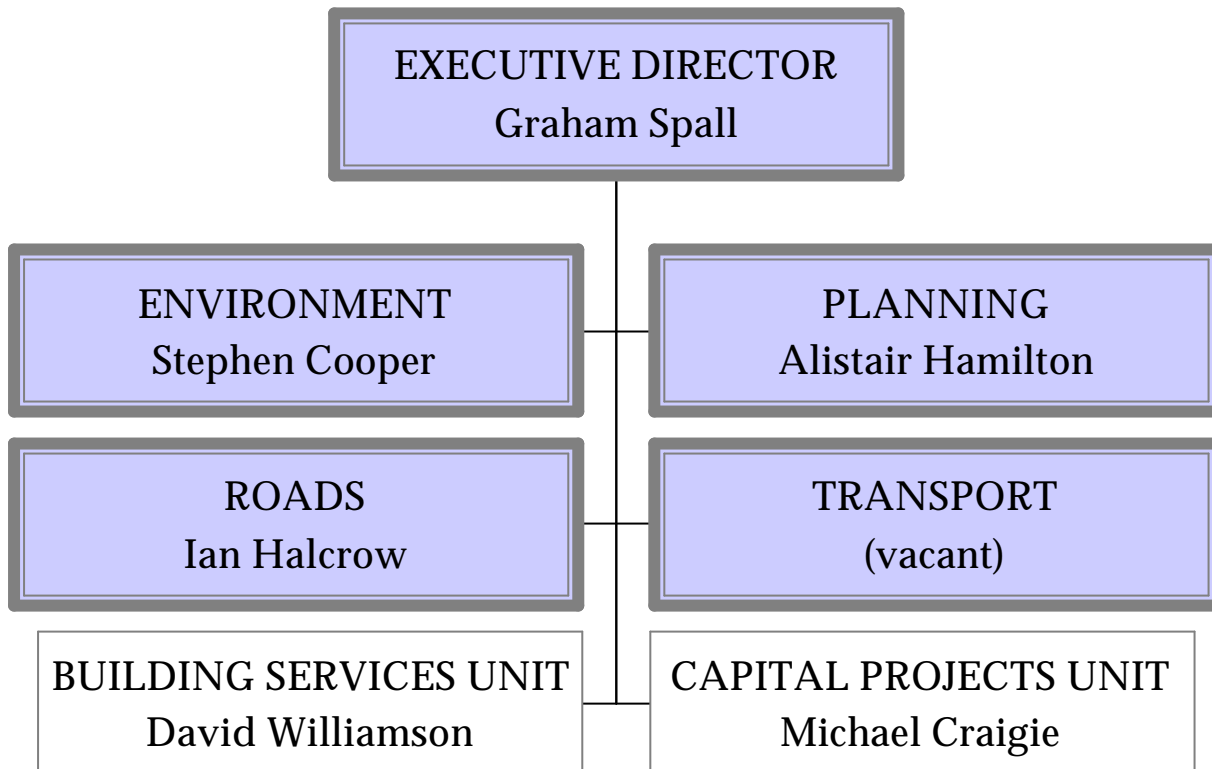
poor / weak / fair / **STRONG** / excellent

INFRASTRUCTURE SERVICES DEPARTMENT

1. Position in organisation

| The Council |

Executive Management Team

Admin.

| Chief Executive |

| Ports & Harbours Operations |

| Economic Development Unit |

| Community Services |

| Infrastructure Services |

Services

| * Finance
* Legal and Administration
* Organisational | • Community Development
• Educ | ▪ Environment
▪ Planning |

2. Structure of department

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                    ┌─────────────────────────┐
                    │   EXECUTIVE DIRECTOR    │
                    │      Graham Spall       │
                    └─────────────────────────┘
```

ENVIRONMENT Stephen Cooper	PLANNING Alistair Hamilton
ROADS Ian Halcrow	TRANSPORT (vacant)
BUILDING SERVICES UNIT David Williamson	CAPITAL PROJECTS UNIT Michael Craigie

3. Summary contact details

Executive Director – Graham Spall
- Grantfield, Lerwick, ZE1 0NT
- Tel.: 01595 744800
- Fax.: 01595 695887
- E-mail: executive.director.infrastructure@sic.shetland.gov.uk

Environment: Head of Service – Stephen Cooper
- Grantfield, Lerwick, ZE1 0NT
- Tel.: 01595 744893
- Fax: 01595 695887
- E-mail: stephen.cooper@sic.shetland.gov.uk

Planning: Head of Service – Alistair Hamilton
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- Tel.: 01595 744811
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Roads: Head of Service – Ian Halcrow
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Transport: contact Executive Director
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- E-mail: executive.director.infrastructure@sic.shetland.gov.uk

Ferries: Ferry Services Manager – Ken Duerden
- Port Administration Building, Sella Ness, Sullom Voe, ZE2 9QR
- Tel.: 01806 244290
- Fax: 01806 244232
- E-mail: ken.duerden @sic.shetland.gov.uk

4. Capital programme as at August 2004

	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
	£'000	£'000	£'000	£'000	£'000	£'000
Environment	1,451	1,657	7,605	895	845	874
Planning	715	610	631	653	676	700
Roads	3,945	5,321	2,743	9,564	8,564	1,550
Transport & ferries	4,117	8,451	4,766	3,250	2,280	3,569
TOTAL	10,228	16,039	15,745	14,362	12,365	6,693

5. Human resources as at June 2004

	headcount	FTE
Directorate	**25**	**21.2**
Environment	**79**	**74.1**
Planning	**20**	**19.6**
Roads	**115**	**115.0**
Transport	**185**	**174.1**
Building Services Unit	**414**	**176.3**
Capital Projects Unit	**6**	**6.0**
Total	**844**	**586.3**

ENVIRONMENT SERVICE

1. Introduction and background

   1.1. The Environment Service comprises the following services:
   - Waste Service which includes the landfill, energy recovery and recycling
   - Cleansing Service which includes refuse collection, street cleansing and public toilets
   - Burial grounds
   - Trading standards
   - Environmental health

2. Key activities and customers

   2.1. The key activities of the service are extensive and diverse, and these are set out in the individual service plans.

3. Key documents, plans and strategies directing the service

   3.1. As the areas covered by the service are diverse, there are a large number of strategies and plans which direct the service these are set out in the individual service plans.

4. Recent activities and improvements

   4.1. Environmental Services used the DOLPHIN EFQM model to assess the strengths and weaknesses of the service as a whole. As the service is so diverse this enabled a service wide assessment to be undertaken in greater detail. Some of the recent activities and improvements highlighted during this process include:
   - Use of local Performance Indicators linked to key processes within the service;
   - One to one's with staff link service plans to individual objectives;
   - Use of 360 degree appraisal to assess managers strengths and skills;
   - Achievement of ISO9001:2000 award within Waste Service to be extended service by service across the entire section and implement ISO14001 for the Waste Service;
   - A history of service planning and performance management to achieve continuous improvement in service delivery;
   - Cascading management team meetings to inform staff;
   - Service Manager and Councillor away day to launch service plan and to review past years achievement and performance;
   - Evidence of effective and long standing Interagency working with shared PIS and objectives (Health Action Team, Litter Group; Forums);
   - Use of customer feedback cards and consultation practices;
   - Involvement of stakeholders in policy review and development.

5. <u>Service analysis</u>

5.1. The service is focused on improving performance and delivering a service which meets customer expectations and needs. The PIs for the service show a trend of improvement as can be seen from the individual service plans. Customer satisfaction levels are high, as shown from the Your Voice results, and customer feedback cards.

5.2. Using the EFQM model has enabled the service to be benchmarked externally. Details are available from the Head of Environment Services, including service results against the group highest, lowest and median scores. The Service drops below the median scores on People, Partnerships and Resources, and People results, whilst its strengths are seen to be Customer Results, Key Performance Results and Policy and Strategy.

6. <u>Key areas for improvement / main issues</u>

6.1. The Dolphin EFQM model addressed the areas for improvement and issues which need to be addressed within the service. These have been developed into an action plan.

6.2. These include:
- **Linking the Corporate plan to service plans more effectively;**
- **Extension of ISO9001:2000 to other areas of service;**
- **Measurement of achievement against service pledges**
- **Develop PIs based on Customer expectations and measure delivery against them;**
- **Undertake more benchmarking and analyse more effectively against existing benchmarking data including reviewing service against the private sector to develop good practice;**
- **Undertake peer review with other local authorities to determine best practice and further service improvements;**
- **Encourage staff to diversify knowledge outside specialist areas of expectation;**
- **Formalise Training Plans for all staff;**
- **Analyse Service requirements from Support Services to enhance service delivery;**
- **Contact non-users and hard to reach groups to explore how service may meet their needs;**
- **Promote service more effectively in the media; within the Council and other partners, including promoting achievements and outcomes.**

7. <u>Action plans</u>

7.1. Each of the service plans has action plans for each element of the service. The Improvement areas highlighted through the use of the EFQM model, has also

been developed into an action plan which will feed into the next round of service plans. This process will be carried out on an annual basis.

8. Contact names

8.1. The **Environment Service** reports to the **Infrastructure Committee**

8.2. **Spokesperson, Environment** – Cllr. Jim Henry

8.3. The contact details for the service are:

- Stephen Cooper, Service Head
- Grantfield, Lerwick, ZE1 0NT
- Tel.: 01595 744893
- Fax: 01595 695887
- E-mail: stephen.cooper@sic.shetland.gov.uk

9. Service strengths and weaknesses

- 4 **Service is customer focused and delivers a service which balances multiple stakeholder needs**
- 4 **Staff are committed to quality service delivery**
- 4 **Service planning process has delivered recorded continuous improvement in service delivery**
- 4 **Performance management systems are in place to maintain service delivery on target**

- X **Service Plans should be driven by Corporate Plan and should be linked to the delivery of Corporate Objectives;**
- X **Staff communication processes need improvement to motivate staff and improve staff satisfaction;**
- X **More rigorous approach to staff training and development required, including management training.**
- X **achievement against service pledges should be recorded and reported in all service plans;**
- X **development of Performance Indicators is not Customer Driven;**
- X **benchmarking and Peer Review with other Organisations should be instituted to gather best practice and extend comparisons.**

Action Plan to address these weaknesses:

Weakness	Task	Lead Officer	Completion Date

Service Plans should be driven by Corporate Plan and should be linked to the delivery of Corporate Objectives;	**In preparing service plans for 2005/6 use Corporate Plan to set direction**	**Service Head and Service Managers**	**April 2005**
Staff communication processes need improvement to motivate staff and improve staff satisfaction;	**Review existing system of cascading meetings in light of results of staff satisfaction survey**	**Service Head**	**When results available and before April 2005**
More rigorous approach to staff training and development required, including management training.	**Create staff training and development plans and keep up to date, to be reviewed as part of One to One or appraisal.**	**Service Head and Service Managers**	**To be applied in appraisals from April 2005**
Achievement against service pledges should be recorded and reported in all service plans;	**Service Plans from 2005/6 to show achievement against Service Pledges**	**Service Head and Service Managers**	**April 2005**
Development of Performance Indicators is not Customer Driven;	**Undertake survey of Customer expectations and create PIs to measure delivery against expectations**	**Service Head**	**PIs to be included in Service Plans from April 2005**
Benchmarking and Peer Review with other Organisations should be instituted to gather best practice and extend comparisons.	**Identify suitable partners and set parameters for benchmarking and Peer Review Process**	**Service Head and Service Managers**	**April 2005**

10. Five-point scale

poor / weak / fair / **STRONG** / excellent

PLANNING

1. Introduction and background

   1.1. The Planning Service is concerned with ensuring that Shetland's physical development occurs in ways that bring economic, environmental and social benefit to the islands. We want development to be sustainable, in other words to manage resources in a way that will benefit not just today's Shetland, but the Shetland inhabited by future generations.

   1.2. Our various activities are mostly undertaken in order to fulfil statutory duties that Parliament has placed upon the Council. There is a wide range of such duties. Over time, new legislation or procedures are introduced and we must ensure that the Council is properly advised on its response to new legislation and that, when new procedures are introduced, staff are properly trained.

   1.3. The Planning Service's activities are undertaken by four sections, whose work is described below.

2. Key activities and customers

   2.1. Legislative requirements govern most of the work of the Planning Service. Many Acts, Regulations and Statutory Instruments are involved.

   2.2. The service's core activities are:
   - **the Development Plans service prepares, maintains, reviews and implements the Structure Plan and Local Plan, which set out the framework for development and area regeneration, reflecting the priorities established by the Council and local communities. Among other tasks, the Service also promotes environmental improvement, undertakes work related to flooding and coast protection implements the new countryside access legislation;**
   - **the Planning Control service undertakes wide consultation and resulting negotiations on new development proposals to ensure that they are carefully considered and take account of Council policies. It also follows up cases where development has proceeded in contravention of planning legislation.   It provides advice to other parts of the Council in relation to major capital projects;**
   - **the Building Control service checks that new building work achieves national standards relating to the health, safety, welfare and convenience of people in and around buildings, minimises energy demands and provides fair access for disabled people. The Service also ensures that dangerous buildings or structures are made safe and buildings are demolished in a safe manner;**
   - **the Conservation service looks after our very rich heritage of buildings, landscapes, plants and animals.   It also promotes energy conservation. Internationally, it is involved in partnerships and projects aimed at protecting our marine environment, including especially KIMO (the international local authorities' environmental organisation) and the 'Save the North Sea' project, aimed at tackling the pollution that threatens our coasts and fisheries.**

2.3. The Planning Service must meet the needs of a range of different customers, for example the people of Shetland, community and political representatives, developers, government, local and national agencies, voluntary organisations such as local Trusts, the media and international partners.

2.4. The Planning Service aims to:

- **Deliver a high quality service**

- **Analyse and plan for future requirements**

- **Monitor service delivery**

- **Provide an action plan for service improvements**

3. <u>Key documents, plans and strategies directing the service</u>

3.1. The operation of the Planning Service is governed in large part by the various Acts and Regulations in this field. At a local level, the key functional and statutory documents are the Structure Plan and the Local Plan. The management framework, including values and aims, is set by the Community Plan and the Corporate Plan and is articulated in the Planning Service Plan. The vision set out in the Shetland Structure Plan, formulated by the Planning Service in consultation with the Shetland public, has been largely adopted in the Shetland Community Plan.

3.2. The statutory Shetland Structure Plan and the Shetland Local Plan and their supporting guidance contribute towards the Council's goals. At the same time, the Service takes account of other Council strategies, policies and guidance covering such matters as housing, economic development, biodiversity, culture and transport, reference to which is made in the Shetland Structure Plan.

3.3. The Corporate Framework is provided by the Corporate Plan. The four priorities set out in the Corporate Plan, which are supported by the Planning Service's strategies, are:

- **Sustainable economic development**

- **Looking after where we live**

- **Benefiting people and communities**

- **Celebrating Shetland's cultural identity**

3.4. As the Corporate Plan acknowledges, these priorities are shared with our partners in the Community Plan. We have already note above how we contribute to these shared aims.

4. <u>Recent activities and improvements</u>

4.1. The main achievements of the Planning Service during 2003-04 were:

- **finalising the Shetland Local Plan**
- **handling approximately 450 applications for Planning Permission**
- **concluding service level agreements with consultees in the planning application process**
- **handling approximately 450 applications for Building Warrant plus 130 property enquiries (including letters of comfort)**
- **maintaining the building control service for the second part of the year with limited staffing resources**
- **delivering 33 countryside access improvements throughout Shetland and attracting an additional £54,000 in external funding**
- **completing character surveys for two of Shetland's three conservation areas**
- **working towards the establishment an Access Forum as required by the Land Reform Act**
- **distributing some £150,000 in Conservation Grant**
- **establishing a Flood Liaison Advisory Group (FLAG) for Shetland**
- **establishing a grant system for flood protection**
- **launching 4 community biodiversity action plans**
- **managing Shetland's Doors Open Day event in September 2003**
- **conducting a shopping questionnaire to explore current public attitudes to Shetland's retail sector**
- **ensuring that the Save the North Sea project was managed from Shetland and launching the Fishing for Litter Project**
- **developing the Planning Service website which enables on-line access to planning files and drawings and participation in the planning process**
- **publishing a series of advice notes for public information which answer FAQs and provide guidance on a number of subjects**
- **improving customer care through better administrative arrangements**
- **successfully pursuing initiatives via the Shetland Regeneration Partnership including the first annual conference held in Aith**

5. <u>Service analysis</u>

5.1. The Planning Service has only recently begun to develop a formal service planning system and so does not have a set of performance indicators or benchmarks from previous years. Service performance information is largely intuitive, apart from the Statutory Performance indicators. Assessment of

performance is based on comments received. We believe that our reaction to complaints from external sources is satisfactory, but we need to confirm this.

5.2. Over the past year, the Service has faced a number of challenges.

5.3. The Building Control Service has experienced significant difficulty in retaining and recruiting staff and has had to operate with a staff complement below establishment for much of the period. Steps have been taken to resolve these difficulties and it is hoped that a full service can be restored in the near future. Nevertheless, the Service met its statutory targets, but these arguably do not reflect all elements of the Building Control processes.

5.4. The Conservation Service sought to increase understanding of certain aspects of its work, for example biodiversity. The Service hopes that difficulties in supporting energy conservation will be relieved by the recent Scottish Executive initiative, which provides for an additional member of staff.

5.5. The Planning Control Service has had to deal with a number of particularly complex planning applications and has become increasingly involved in capital project development. This work has had to be accommodated against a background of increasing expectations relating to public involvement in the planning process. The Service has met its Householder planning application target (90% of applications determined within 2 months) – one of only six in Scotland to do so – but has not met its overall planning application target (80% of applications determined within 2 months).

5.6. The Development Plans Service successfully concluded work on the Shetland Local Plan and pursued other work relating to countryside access and environmental improvements, but was unable to devote adequate time to monitoring the implementation of the Structure and Local Plans. The administration of the flooding and coast protection grants scheme has been hampered by lack of appropriate engineering support within the service.

5.7. The Service currently lacks adequate means of assessing its performance and promoting improvements.

5.8. There is no formal process for professional or management training and this will be incorporated in the Training Plan.

5.9. The main difficulty for the Planning Service as a whole has been finding the staff time to devote to longer-term policy development as opposed to reacting to short-term priorities.

6. Key areas for improvement / main issues

6.1. There is an overall need to formulate and commit to an improvement plan. Accordingly, we intend to use the Dolphin EFQM Excellence model to undertake analysis of the Service. The results will be fed into service planning and appraisals, including medium and long term action plans.

6.2. A full assessment of our improvement priorities must logically await the analysis which the Dolphin process will allow. However, we think that the main areas for attention are likely to include:

- **Improving customer care, including understanding the needs of our customers and their experience of our services;**
- **Expanding understanding of the planning system among Councillors, staff in other Departments, our partner organisations and the general public;**
- **Developing meaningful and representative performance indicators to allow more effective management of resources**
- **Developing better communication systems within and beyond the Service;**
- **Ensuring that staff development, in all its aspects, is properly considered and promoted.**

7. Action plan

7.1. As noted above, the process of analysis and improvement to which we are now committed is only just getting under way. It should lead to proposals for longer-term development of the Service in the areas mentioned above and possibly in others.

7.2. For the immediate future, therefore, we need to focus firstly on use of the Dolphin EFQM Excellence Model to analyse our performance and develop a sound framework for future improvement in the longer term

7.3. Secondly, we need to undertake actions that will offer the prospect of significant short-term gains. These actions, which in the interests of consistency we have grouped using the factors identified in the Dolphin model, are set out below. They are intended to help us achieve continuous improvement. They are as follows:

Factor	Issue	Action 2004/05	Action 2005/06 and beyond	Weakness addressed
Leadership	**Management training**	**Build into Training Plan**	**Offer satisfactory management training**	**F**
	Appraisal	**Incorporate 360 degree appraisals**		**F**
	Committing time to manage	**Consider ways of increasing delegation** **Adopt a more structured approach to team and**		**C**

Factor	Issue	Action 2004/05	Action 2005/06 and beyond	Weakness addressed
		management meetings		
	Vision for Shetland's future	**Review of Structure Plan**	**Conclude review of Structure Plan**	**A,B**
Policy & Strategy	**Service Planning**	**Review the Service Plan**	**Review Service Plan taking account of analysis of identified priorities arising from the People, Partnerships & Resources and Processes (including delivery methods).**	**ALL**
	Insufficient intra- and inter-departmental co-ordination in policy development and delivery	**Devise ways of guaranteeing inclusion of all relevant disciplines in policy development and implementation**		**D**
People	**Training Plan**	**Develop a Staff Training Plan** **Continue and refine Training Programme for Councillors and Community Councillors**	**Develop a Training Programme for other staff, stakeholders and the public**	**F**
	Motivating staff and recognising their contribution	**Staff survey to assess current attitudes and concerns**		**F,G**
Partnerships & Resources	**Range and nature of current partnerships**	**Identify current partnerships, describe their aims, define our role in them and consider whether or not they are cost-effective**		**A,G**
	Possible	**Consider in what**		**A, D**

Factor	Issue	Action 2004/05	Action 2005/06 and beyond	Weakness addressed
	benefit of further partnerships	ways further partnerships could assist in service delivery		
	Financial management	**Review methods of monitoring and preparing budgets**		**G**
	Control and development of administrative support	**Review needs of Service on a section-by section basis and dedicate staff to meet those needs**		**E**
	Management and development of Planning website	**Consider how best to manage, develop, expand content, control quality and monitor use**		**A,B**
	Use of management information systems	**Consider how to maximise effectiveness of IT systems**		**C,E,G**
Processes	**Customer care**	**Develop a draft customer charter and evaluate it through a customer survey** **Introduce stakeholder newsletter**		**A,B**
	Introduction of new legislation	**Begin review of Scheme of Delegation**	**Review Scheme of Delegation in light of new legislation**	**G**
	Lack of clear identification of operational processes	**Identify all key operational processes**		**G**
	Delays in decision-making due to 6-week Council cycle	**Consider and if appropriate propose revised cycle for Planning Sub-Committee**		**G**

8. Contact names

8.1. The **Planning Service** reports to the **Infrastructure Committee**

8.2. **Spokesperson, Planning** – Cllr. Iris Hawkins

8.3. The contact details for the service are:

- **Alastair Hamilton, Head of Planning**
- **Grantfield, Lerwick, Shetland, ZE1 0NT**
- **Tel.: 01595 744811**
- **Fax: 01595 695887**
- **Email: alastair.hamilton@sic.shetland.gov.uk**

9. Service strengths and weaknesses

4   **Experienced, well-qualified and committed staff**
4   **Clear recognition of quality of output through three recent national awards for planning achievement**
4   **Most statutory performance targets currently being met**
4   **Actively involved in achieving results through projects and partnerships**
4   **Committed to accessibility, openness and public participation**
4   **Among the leading Scottish local authorities in development of E-government for planning services**

X **Inadequate feedback on stakeholder needs and opinions (A)**
X **Inconsistency in communication with public (B)**
X **Insufficient time devoted to management (C)**
X **Skills gaps in specific areas (D)**
X **Professional staff spending excessive time on administrative duties (E)**
X **Lack of structure in staff development, notably in management training (F)**
X **Lack of mechanisms for assessing and documenting procedures and performance (G)**

10. Five-point scale

poor / weak / **FAIR** / strong / excellent

ROADS

1. Introduction and background

    1.1. Roads is responsible for the management and maintenance of 1,045 kilometres (650 miles) of public roads in Shetland, including all bridges, footways, streetlights and other assets associated with them.

2. Key activities and customers

    2.1. The provision of a well maintained road and footway network benefits every business, visitor and member of the Shetland Community. It is not just car users and pedestrians that benefit, but all transport, emergency and other services require a safe and well maintained road network in order to effectively operate and serve their customers.

    2.2. The Council as Roads Authority has a statutory duty to manage and maintain all public roads in Shetland. However, discretion is allowed in the standard of maintenance and improvement carried out; these are subject to Council policies and priorities.

3. Key documents, plans and strategies directing the service

    3.1. These are:

- **Local Transport Strategy**
- **Corporate Plan**
- **Action Plan for the Maintenance, Improvement and Use of Roads and Infrastructure**
- **The Code of Practice for Maintenance Management 2001.**
- **The Winter Maintenance Policy.**

4. Recent activities and improvements

    4.1. During the last two years, Roads has:

- Responded promptly and effectively to landslides triggered by torrential rain on 19 September 2003. The landslides had blocked the main A970 road at Channerwick and Sandwick, cutting off Sumburgh Airport and the south mainland from the rest of Shetland.
- Installed and commissioned a roads maintenance management system, and made progress in updating our inventory of assets.
- Replaced seven obsolete pelican crossings with new equipment in order to make maintenance easier and improve reliability.
- Made significant progress towards providing evidence of competence and safety awareness of Roads staff, using either the Construction Plant Competence Scheme or the Construction Skills Certification Scheme.

- Joined with all other Scottish authorities in the Scottish Road Maintenance Survey (SRMCS). Results are required for a new performance indicator, and are being used to help target investment strategies and prioritise maintenance.
- Major road improvement, A971 Parkhall to West Burrafirth junction, completed at a cost of £3.6M.

5. Service analysis

5.1. A Best Value Service Review of Roads was carried out and presented to the Resources Committee of 20 March 2002, followed by the full Council. The issues that were identified, and the progress to date, are detailed below:-

Issue	Requirement	Progress to Date
Integrated Working	Develop a programme to remove traces of the client / contractor split, with particular emphasis on shared accommodation, organisation and management, monitoring performance and accounting arrangements.	**Progress continues to be made in improved integrated working within the service. Implementation of the RMMS (see below) has improved the exchange of information between staff. It is proposed that all Roads staff should be located in a single office at Gremista in order to get all office staff together, and to maintain a close working relationship with the manual workers. Unfortunately, this is unable to happen at present – a revised target date for implementation is now the end of 2005.**
Inspection Survey Strategy	**Develop, adopt and implement a strategy in accordance with the Code of Practice for Maintenance Management**	**The revised Code of Practice for Maintenance Management now places greater emphasis on developing a local strategies and standards for road maintenance. We are still using intervention levels from the old code, but it is now time to review these to ensure that they are still appropriate.**
Prepare a Service Plan	**In line with best value management practices**	**A first service plan has now been done.**
Performance Measures and Indicators	**Develop appropriate local performance indicators to monitor service performance.**	**A new indicator has been established for all Scottish Authorities, the Scottish Road Maintenance Condition Survey (SRMCS). This uses information from machine-based surveys of the road surface. We have some historic machine surveyed information on the condition of Shetland roads, and are using that historic data to show how network condition has changed over the years.**

Issue	Requirement	Progress to Date
Benchmarking with comparable authorities	**Establish a benchmarking regime which compares Shetland's service delivery with other island and rural authorities**	**Some benchmarking is done already through the likes of APSE, SCOTS and Published Performance Indicators. I propose that information that is already available from such sources continues to be analysed to compare service standards and delivery between Shetland and other authorities.**
Procurement Strategy	**There is a need to adopt a procurement strategy that allows the service to optimise the use of existing resources whilst maintaining the current healthy balance in the market place.**	**We are generally retaining procurement strategies that have been proven to work, for example submitting some maintenance work along with medium and larger sized capital schemes to competitive tender. However, we still have considerable work to do in further developing the application of Best Value principles.**
Roads Maintenance and Management System	**There is a need to implement the newly commissioned RMMS to record the whole life history and defects management of the network.**	**Our RMMS was supplied and installed by WDM and became operational in 2003. To complement that, an inventory survey of our road network was started that year and is being continued.** **Further development of the RMMS has taken place as staff have become more familiar with it; However there is scope for more to be done to maximise the benefit that can be gained from it.**

5.2. Key performance indicators are:

Activity	Performance Indicator	Actual 2001-02	Actual 2002-03	Actual 2003-04	Target 2004-05
SRMCS	Condition of the road network			40.7%	39%
Carriageway treatment	Percentage resurfaced	1.3%	2.1%	1.5%	1.7%
Carriageway treatment	Percentage surface dressed	7.3%	9.5%	6%	8%
Traffic light failures (Pelicans)	Repair completed within 48 hours	87%	36%	0%	85%
Street light failures	Repair completed within 7 days	80%	77%	63%	80%

5.3. Government and Scottish Executive targets for casualty reduction, adopted by Shetland:-

	KSI	Child	Slight
Average number of casualties per year between 1994 and 1998 (Baseline for target reductions)	**23.6**	**3.6**	**58.4**
1999	**18**	**3**	**49**
2000	**10**	**0**	**38**
2001	**16**	**2**	**34**
2002	**15**	**5**	**25**
2003	**7**	**Not available**	**42**
Average number of casualties per year between 1999 and 2003 (five years average)	**13.2**	**2.4 (4 yrs)**	**37.6**
Target for 2010 (See notes below)	**14.2 *[1]**	**1.8 *[2]**	**52.6 *[3]**
Government Targets for casualty reduction by the year 2010:- ***1 To reduce by 40% the number of people killed or seriously injured (KSI) in road crashes.** ***2 To reduce by 50% the number of children killed or seriously injured in road crashes.** ***3 To reduce by 10% the number of people slightly injured in road crashes per 100 million vehicle kilometres.**			

6. Key areas for improvement / main issues

  6.1. These are listed in the form of an action plan, in the next section.

7. Action plans

  7.1. Areas for improvement, and the actions proposed are as follows:

Description	Reason	Tasks	Target Date & Lead Officer	Weakness Addressed
Inventory survey of street lights	To update street lighting inventory	Collect or check information on all street lights and update database	May 2004 Network Manager	A
Inventory survey of road network	To update general inventory items	Arrange company to survey 40% of road network; ensure results are added to database	October 2004 Maintenance Manager	A
Record changes to road network	To ensure that RMMS database is kept up to date	Identify changes to road network; ensure records are updated to reflect those changes	January, for previous years changes Network Manager	A

Description	Reason	Tasks	Target Date & Lead Officer	Weakness Addressed
Safety inspections	Safety of public using roads	Carry out all safety inspections in accordance with timetable	September 2004 Network Manager	B
Road maintenance	To improve standard of the road network	Investigate sections of road identified as possibly requiring treatment or repairs, and where appropriate carry out such treatment as would be most appropriate	March 2005 Maintenance Manager	C
Pelican crossings and street lights	To improve response time to faults	To ensure that faults affecting pelican crossings or street lights are fixed in an appropriate time scale	March 2005 Network Manager	D
Road Safety	To identify further targets and priorities to reduce road crashes in Shetland	To provide information to the Road Safety Officer, and other assistance as appropriate, to help her produce a Road Safety Plan	March 2005 Traffic Engineer	
Staff training	To demonstrate staff competence	For 95% of machine operators, 90% of other road workers and 75% of office based staff to achieve an industry recognised card to indicate their competence in Health and Safety awareness relevant to their work	March 2005 All Managers	

8. Contact names

8.1. The **Roads Service** reports to the **Infrastructure Committee**

8.2. The service may be contacted at:

- **Roads, Infrastructure Services Department,
  Shetland Islands Council,
  Grantfield, Lerwick, Shetland, ZE1 0NT.**

- **Phone: 01595 744866**
- **Fax: 01595 744869**
- **Email: roads@sic.shetland.gov.uk**

8.3. Key personnel in Roads are:

- **Head of Service   Ian Halcrow**
- **Network Manager   David Macnae**
- **Maintenance Manager Ron Beardsley**
- **Design Manager Lionel Kerry**

8.4. Links to Council Committee:

- **Chairman of Infrastructure Committee   Cllr Jim Irvine**
- **Vice Chairman of Infrastructure Committee Cllr Alistair Inkster**
- **Spokesman for Transport Issues   Cllr Gordon Mitchell**

9. <u>Service strengths and weaknesses</u>

4   Good, motivated and experienced staff

4   Relatively well-funded service, which has allowed most roads to be maintained and improved to a high standard.

4   A member - officer working group has been set up, giving officers guidance on priorities and feeding back service information to members.

4   Regular contact with most Community Councils, providing stakeholder feedback of the service we provide.

4   Networking with other authorities via Scottish Executive meetings, APSE and SCOTS.

X   Don't yet have a complete and up to date inventory of all assets, limiting progress to a full asset management approach to road maintenance.

X   Some staff not fully familiar with the recently introduced Road Maintenance Management System, and therefore not making full use of it.

X   Many roads in remoter areas, although subject to significant commercial traffic servicing fish farms, are very narrow and without adequate foundations.

X   Promptness of repair of street lights and Pelican crossing faults need to be improved.

X   Promptness of responses, particularly to written correspondence has scope for improvement.

X   Changes over recent years as a result of restructurings, new Government initiatives, changed performance indicators, etc has absorbed significant staff time.

10. <u>Five-point scale</u>

Overall, Roads is considered to be:-

poor / weak / fair / **STRONG** / excellent

TRANSPORT

1. Introduction and background

    1.1. In addition to providing integrated transport systems to the general public, e.g. local bus, ferry services and air services, concessionary fare schemes, bus infrastructure, Transport Services co-ordinates and provides all transport related requirements for each Council department, this includes,

    - School transport
    - Transport for pupils with additional support needs
    - Social Care transport
    - Fleet Management /maintenance.

2. Key activities and customers

    2.1. Service core activities are:-
    - Provision of local bus services, all services operated under contract to the Council who specify routes, timetables, fares to ensure service provision;
        (a) **meets Best Value criteria and,**
        (b) **ensures equity of accessibility, minimising social inclusion and improve quality of life for all**
    - Provision of internal air services/ management of associated airport infrastructure
    - Provision of transport services for Council statutory functions, the service co-ordinates and provides all the transport requirements for Education and Social Care services through a mix of in-house vehicles and trained staff and private contractors.
    - Fleet Management the service provides vehicle management including vehicle maintenance services for all Council owned vehicles.

    2.2. The Council are empowered to secure the provision of public passenger transport services in accordance with the requirements of the Transport Act 1985 and the Transport (Scotland) Act 2001.

    2.3. Bus services are co-ordinated and managed on a day to day basis, this includes all local bus services operated under contract to the Council. Information on passenger numbers, concessionary travel and fare income is collated weekly through the bus ticketing system. School transport, Special Needs transport and Social Care transport is provided on a day to day basis as required by the service departments as these are very much demand responsive services.

    2.4. Inter-island air services are provided under contract by Loganair, daily records are kept of their operating performance and of passenger numbers. Airport infrastructure is managed within relevant legislative framework as required.

    2.5. Fleet management provides to Council departments a bespoke service from advice on vehicle types available, to procurement, maintenance and disposal.

The Unit is also responsible for all the legislative compliance in respect of the Council's vehicle operating licences through the Traffic Commissioner.

2.6. Taxi licensing is managed in accordance with relevant legislation, this involves procession applications, liasing with Police where necessary, monitoring of vehicle condition and issuing inspection reminders and licences every month.

3. Key documents, plans and strategies directing the service

   3.1. The main legislation and policies relevant to Transport Services remit are,

   - Transport Acts 1968 and 1985
   - **Transport (Scotland) Act 2001**
   - **Public Passengers Vehicles Act 1981**
   - **Road Traffic Acts 1960 and 1988**
   - **Civic Government)Scotland) Act 1982**
   - **Disability Discrimination Act 1985**
   - **Public Service Vehicles Accessibility Regulations 2000**
   - **Vehicle Inspectorate, Traffic Commissioner and Department of Transport regulations**
   - **Freight Transport Association**

   3.2. Other local plans / strategies:

   - **Local Transport Strategy**
   - **School Transport Policy**
   - **Corporate Plan**
   - **Community Plan**

4. Recent activities and improvements

   4.1. Passenger numbers continue to improve on all public transport services provided by the Council:

   4.2. With Social Care and Special Needs transport now co-ordinated and managed by Transport Services information is available on service provision, e.g. during 6 month period 01 April –30 Sept 2003 approx 17,000 passengers were carried as part of Social Care client services.

5. Service analysis

Bus services	00/01	01/02	02/03
	383,360	390,306	393,828
Air services	00/01	01/02	02/03
	4,414	4,658	4,931

6. Key areas for improvement / main issues

6.1. The key areas for improvement are:

6.2. Targets are:

Core Activity	Objectives	Area Identified for improvement	Task
Bus services	**Improve service from/to North Isles**	**Integrated through service**	**Work in partnership with NHS Shetland**
Bus services	**Provision of information**	**Extension of bus ticketing system**	**Introduce portable machines on North isles services**
Fleet management	**Improve management systems**	**Introduce new charging mechansim**	**Commission Tranman fleet management software**

Activity	Performance Indicator (Statutory or Council)	Actual 2002-03	Actual 2003-04	Target 2004-05	Review Period	Links with CP, CorPlan
Bus services	Council	393,828		400,000	Annual	
Air services	Council	4931		5000	Annual	
Vehicle maintenance	Council				Annual	

7. Action plans

7.1. The Service's action plan is as follows:

Description	Reason	Who Involved	Tasks	Completion Date	Links with Legislative, Local Framework etc.
Fleet Management systems implemented	Improved management tool	IB, MP, IJ BR	Get IT & Admin to progess	April 2004	
Integrated bus services North Isles	Improved provision	IB (JN BG SIC members)	Tenders issued	April 2004	Transport(Scotland) Act 2001

Passenger usage on feeder services	Improved auditable information	IB, MP	Identify product suitability	April 2005	Transport strategy

8. Contact names

   8.1. The **Transport Service** reports to the **Infrastructure Committee**

   8.2. **Spokesperson, Transport** – Cllr. Gordon Mitchell

   8.3. The contact details for the service are:

   - **Ian Bruce, Service Manager**
   - **Grantfield, Lerwick, ZE1 0NT**
   - **Phone: 01595 - 744872**
   - **Fax: 01595 - 744869**
   - Email: ian.bruce@sic.shetland.gov.uk

9. Service strengths and weaknesses

   4 **Integrated management of all internal transport service provision**
   4 **Council wide fleet management services**

   X **Do not have a complete bus network covered by ticketing system**
   X **Fleet Management System is incomplete**

Weakness	Task	Lead Officer	Completion Date
Do not have a complete bus network covered by ticketing system	**Extend current system to include feeder services**	**Ian Bruce**	**Dec 2004**
Fleet Management System is incomplete	**Utilise current systems capability by progressing training programme**	**Ian Bruce**	**Dec 2004**

10. Five-point scale

poor / weak / fair / STRONG **/ excellent**

FERRIES

1. Introduction and background

    1.1. The Shetland Islands Council Inter Island Ferry Service provides lifeline services to a number of islands off the Shetland mainland where there is no other scheduled provision of passenger and vehicle transport. It also provides a complementary service to some islands where there is a scheduled or chartered air service.

2. Key activities and customersS

    2.1. Shetland Islands Council own and operate a fleet of 14 ferries providing lifeline services between mainland Shetland and the islands. The services run from 16 terminals serving 9 islands with a total population of just less than 3,500 people. The ships make over 70,000 crossings each year and carry almost 700,000 passengers and over 300,000 vehicles.

    2.2. Roll on / roll off services, carrying passengers and all types of vehicles, operate every day to the islands of Yell, Unst, Fetlar, Whalsay and Bressay. Vehicles can be reserved on all these routes except to Bressay.

    2.3. Freight and limited passenger services operate to Skerries, Fair Isle, Foula, and Papa Stour. Frequencies vary from 3 to 28 return sailings per week and some vehicles can be carried. All passengers and vehicles must be booked.

    2.4. The inter island ferries are owned and operated by Shetland Islands Council. An integral part of the delivery of the ferry service is the management and maintenance of the vessels.

    2.5. The majority of the terminals used for the ferry service are also owned by Shetland Islands Council. Similarly to the vessels, the operation and maintenance of the terminals is another important part of the delivery of the ferry service.

    2.6. There are many groups of customers of Ferry Services with differing requirements. The main groups of customers are as follows:

        • **Island residents.**
        • **Other Shetland residents.**
        • **Visitors from outside Shetland.**

    2.7. These groups can be further divided by purpose of journey into:

        • **Commuters.**
        • **Business travellers**
        • **Recreational travellers**
        • **Customers requiring shipment of loose freight or mails.**

2.8. The customer groups can also be divided by type of traffic into:

- **Foot passengers.**
- **Car drivers.**
- **Commercial vehicle drivers.**
- **Bus and coach drivers.**
- **Taxi drivers.**
- **Passengers in vehicles.**
- **Emergency services staff.**
- **Cyclists.**

3. Key documents, plans and strategies directing the service

3.1. The Shetland Islands Council Inter Island Ferry Services will be delivered to comply with the requirements of the International Maritime Organisation's (IMO) Safety Management Code for the Safe Operation of Ships and for Pollution Prevention. Consideration will also be given to applicable codes, guidelines and standards recommended by the IMO, MCA, UK Government, Classification Societies and the maritime industry.

3.2. The service provided will be specified by Shetland Islands Council and constrained by the resource available.

4. Recent activities and improvements

4.1. Recent improvements include:

- **M.V. "Filla" introduced.**
- **Construction of two new ferries, initially for Yell Sound.**
- **Construction of two new terminals on Yell Sound.**
- **Construction of new terminal at Papa Stour.**
- **Design of new terminal at West Burrafirth.**
- **Design and commencement of new terminal on Fetlar.**
- **Specification and erection of two electronic Variable Message Displays.**
- Increased crew certification & training.

5. Service analysis

5.1. A number of audits of Ferry Services were carried out during the year. The key areas for improvement from these audits are as follows:

5.1.1. MCA audits & Internal ISM audits
- **Minimise non conformities**
- **introduce staff assessments**

5.1.2. Internal financial audit

- **Review Revenue Security**
- **Manage Outstanding Leave and Time in Lieu.**

5.2. Performance monitoring information:

	Actual 03/04	Target 04/05
Average age of fleet (yrs)	**19**	**14**
Age of oldest unit (yrs)	**35**	**30**
Passenger carryings	**695,342**	**700,000**
Vehicle carryings	**322,135**	**325,000**
Days off service for breakdown	**54**	**50**
Days off service for overhaul	**273**	**273**
Audit nonconformities:		
Internal (Major)	**7**	**0**
Internal (Minor)	0	10
External (Minor)	0	4
Observations	**3**	**0**
Reported accidents	**19**	**0**
Certificates gained	**233**	**296**
Days lost through sickness	**1,844**	**1,660**

6. Key areas for improvement / main issues

6.1. The following are the main issues:

- **Agree Service Specification for Ferry Services.**
- **Provide a safe, reliable, frequent, reasonably priced service throughout a long service day.**
- **Deliver sufficient capacity to minimise barriers to easy access to islands.**
- **Efficiently provide level of service required by Inter Island Ferries Board.**
- **Contain dependency on Council revenue streams.**
- **Provide best possible service within agreed budgets.**
- **Maintain a rolling 20 year programme of vessel and terminal replacement.**
- **Develop a sustainable resourcing plan.**
- **Continue transition from operational to service focus**

7. Action plans

7.1. Detailed action plans for the development of Ferry services are contained within the Ferries service plan.

Weakness		Task	Lead Officer	Completion Date
Service specification	**1**	**Approval by Inter Island Ferries Board / Shetland**	**KMD**	**03/04**

Weakness		Task	Lead Officer	Completion Date
		Islands Council		
20 Year Plan	**2**	**Approved by Inter Island Ferries Board / Shetland Islands Council**	**KMD**	**03/04**
	3	**CPMT to include in Shetland Islands Council plan**	**KMD / CPMT**	**05/04**
Develop cadetship	**4**	**Funding**	**KMD**	**10/03**
	5	**Recruitment**	**WJC**	**06/04**
New Build Programme	**6**	**Quick fix**	**KMD**	**11/03**
	7	**Learning review**	**LPJJ / RM**	**10/04**
	8	**Resource**	**KMD**	**09/04**
	9	**Approval for next vessels**	**KMD / MJC**	**12/04**
Enhance skills & knowledge	**10**	**Develop proposal**	**DP / GD**	**09/04**
	11	**Produce system**	**DP / GD**	**12/04**
Instil SMS culture	**12**	**Crew skills assesments**	**BMacT**	**09/04**
	13	**Coaching**	**BMacT**	**12/04**
Review sea staff agreement	**14**	**Produce proposal**	**BMacT**	**09/04**
Structure enabling customer focus	**15**	**Route management**	**KMD**	**09/04**

8. Contact names

   8.1. **Ferry Services** reports to the **Inter Island Ferries Board.**

   8.2. The contact details for the service are:

   - Ken Duerden, Ferry Services Manager
   - Port Administration Building, Sella Ness, Sullom Voe, ZE2 9QR
   - Tel.: 01806 244290
   - Fax: 01806 244232
   - E-mail: ken.duerden @sic.shetland.gov.uk

9. Service strengths and weaknesses

   - 4   Very frequent service
   - 4   Long operating day
   - 4   Very reasonable prices
   - 4   Locally based crews

X Greater corporate controls (10, 12 & 15)

X Full compliance of all service staff with Safety Management System (SMS)C (10 & 12)

X Willingness to change (10 & 15)

X Devolution of responsibility (10 & 12)

X Age of aspects of fleet / terminals (3 & 9)

X Shortage of certificated personnel in key areas (10 & 15)

Trust of sea staff / users (10, 12, 14 & 15)

10. Five-point scale

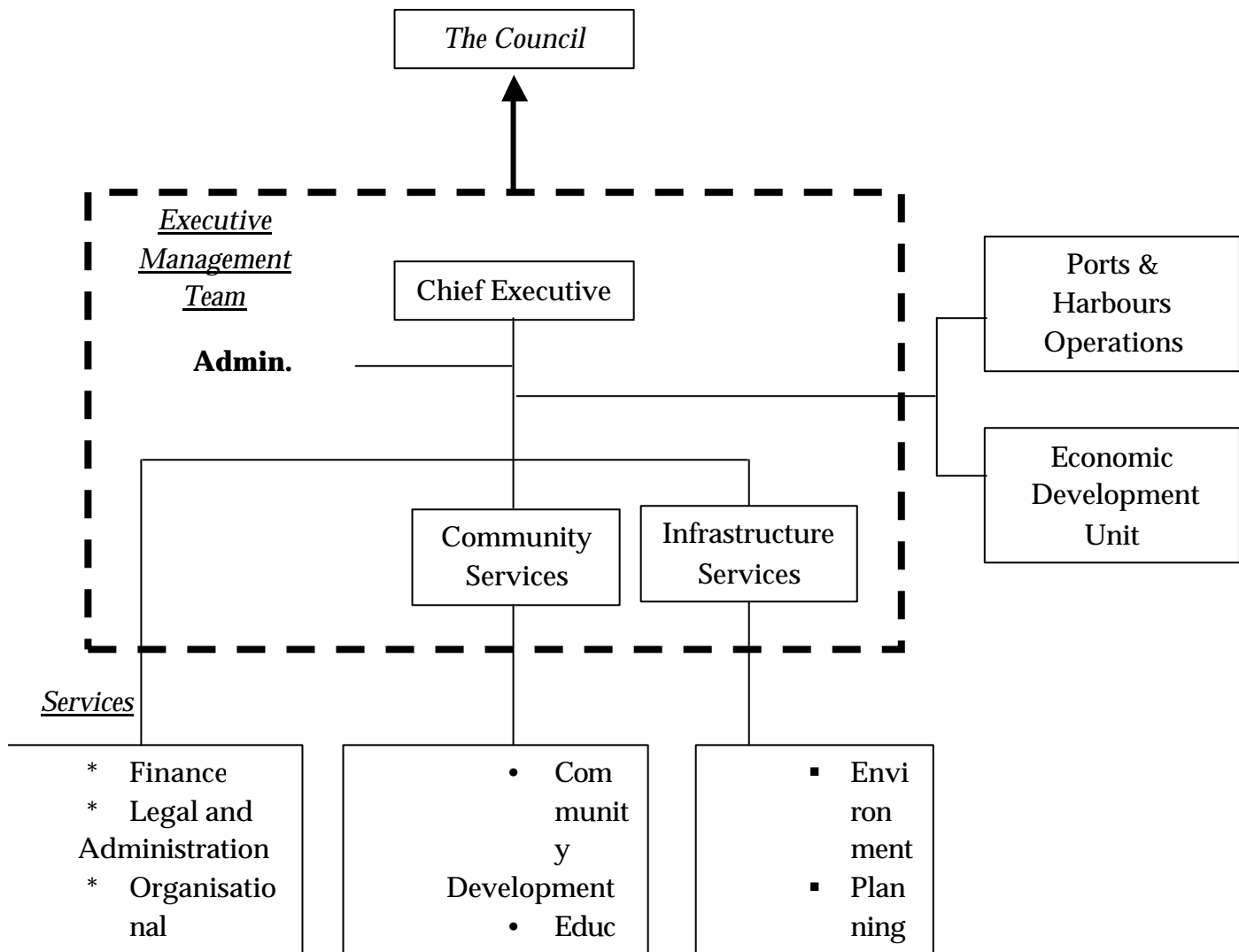poor / weak / fair / STRONG / excellent

The service delivered to the public is Strong with very frequent service over a long operating day at very reasonable prices.

Improvements with new vessels / infrastructure and improved public information / customer care will improve the service delivered further.
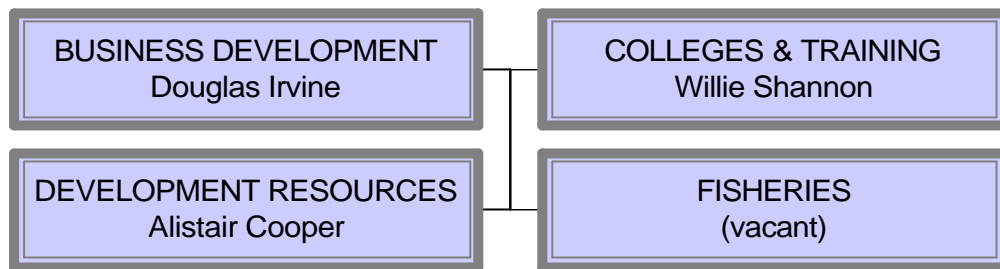
Ferry Services as a department is Fair to Strong with room for improvement in controls, compliance with procedures etc.

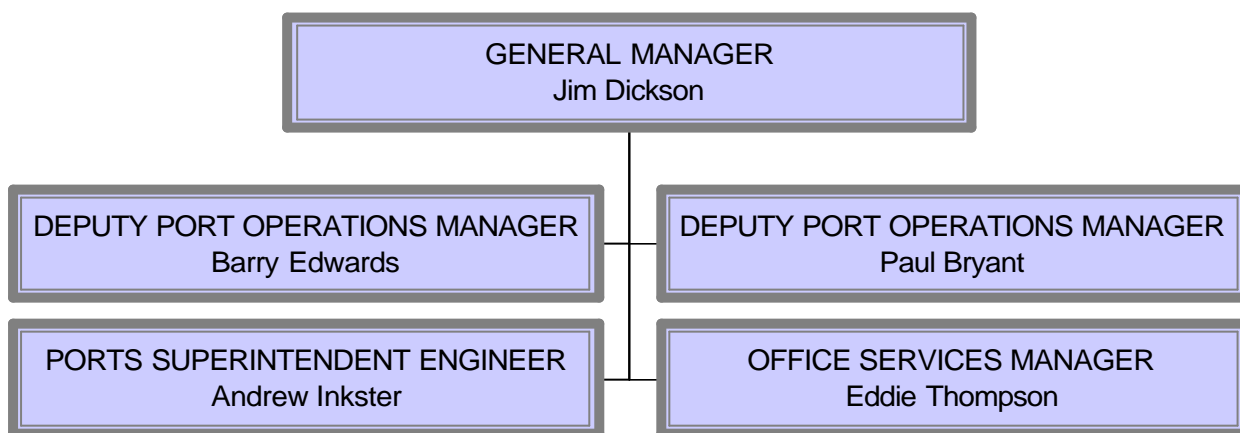**ECONOMIC DEVELOPMENT UNIT**
PORTS & HARBOUR OPERATIONS

1. Position in organisation

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                        ┌─────────────────┐
                        │   The Council   │
                        └─────────────────┘
                                 ▲
    ┌ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ─ ┐          ┌──────────────┐
                                                        │   Ports &    │
    │  Executive                             │          │   Harbours   │
       Management       ┌──────────────────┐            │  Operations  │
    │      Team         │ Chief Executive  │ │          └──────────────┘
                        └──────────────────┘
    │  Admin.                                │          ┌──────────────┐
                                                        │   Economic   │
    │                                        │          │ Development  │
                 ┌──────────────┐ ┌──────────────┐      │     Unit     │
    │            │  Community   │ │Infrastructure│ │    └──────────────┘
                 │   Services   │ │   Services   │
    └ ─ ─ ─ ─ ─ ─└──────────────┘─└──────────────┘─ ┘
  Services
 ┌──────────────┐ ┌──────────────┐ ┌──────────────┐
 │ *  Finance   │ │ •   Com      │ │ ▪   Envi     │
 │ *  Legal and │ │     munit    │ │     ron      │
 │ Administration│ │    y        │ │     ment     │
 │ *  Organisatio│ │ Development  │ │ ▪   Plan     │
 │    nal       │ │ •   Educ     │ │     ning     │
 └──────────────┘ └──────────────┘ └──────────────┘
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2. <u>Structure of Economic Development Unit</u>

BUSINESS DEVELOPMENT Douglas Irvine	**COLLEGES & TRAINING** Willie Shannon
DEVELOPMENT RESOURCES Alistair Cooper	**FISHERIES** (vacant)

3. <u>Structure of Ports & Harbour Operations</u>

GENERAL MANAGER
Jim Dickson

DEPUTY PORT OPERATIONS MANAGER Barry Edwards	**DEPUTY PORT OPERATIONS MANAGER** Paul Bryant
PORTS SUPERINTENDENT ENGINEER Andrew Inkster	**OFFICE SERVICES MANAGER** Eddie Thompson

4. <u>Summary contact details</u>

Economic Development: Co-ordinator – Willie Shannon
- Economic Development Unit, Greenhead, Lerwick, ZE1 0PY
- Tel.: 01595 744935
- Fax: 01595 744961
- E-mail: willie.shannon @sic.shetland.gov.uk

Economic Development: Service Head – Alistair Cooper
- Economic Development Unit, Greenhead, Lerwick, ZE1 0PY
- Tel.: 01595 744911
- Fax: 01595 744961
- E-mail: alastair.cooper @sic.shetland.gov.uk

Economic Development: Service Head – Douglas Irvine
- Economic Development Unit, Greenhead, Lerwick, ZE1 0PY
- Tel.: 01595 744932
- Fax: 01595 744961
- E-mail: douglas.irvine @sic.shetland.gov.uk

Ports & Harbours: General Manager – James T. Dickson

- Port Administration Building, Sella Ness, Sullom Voe, ZE2 9QR
- Tel.: 01595 744201
- Fax.: 01806 244291
- E-mail: james.dickson@sic.shetland.gov.uk

5. Capital programmes as at August 2004

Economic	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Development	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
TOTAL	**54**	**0**	**0**	**0**	**0**	**0**

Ports &	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08
Harbours	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
TOTAL	**3,649**	**904**	**530**	**416**	**3,324**	**190**

6. Human resources as at June 2004

Economic Development	headcount	FTE
Business Development	**8**	**7.4**
Development	**18**	**17.1**
Resources	**3**	**3.0**
Fisheries & Marine	**4**	**4.0**
Shetland College	**51**	**46.2**
Total	**84**	**77.7**

Ports & Harbours	headcount	FTE
Total	**76**	**75.0**

ECONOMIC DEVELOPMENT

1. Introduction and background

   1.1. The Economic Development Unit has a core function to provide strategic economic direction and policy guidance for the Council, the Community Planning Board and external agencies such as the Shetland Development Trust.

   1.2. The main aim of the Shetland economic development strategy "Shetland 2012" is:-

   "To maintain and enhance prosperity in Shetland by enabling businesses, communities and individuals to attain their full economic potential".

   1.3. The EDU seeks to identify the gaps or weaknesses in provision that need to be addressed to move the economy forward.

2. Key activities and customers

   2.1. The Council's economic development service is provided, first of all, in the interest of the wider Shetland economy and Shetland inhabitants.

   2.2. Within this broad statement there are key groups of customers that benefit from some aspects of the service such as, for example, assistance to indigenous traditional industries or business start-ups in new products or services. Businesses that sell outside Shetland are likely to seek assistance from the marketing service, for example, while individuals or communities that have an interest in the development of windfarms will seek to engage with the project team dedicated to promoting renewable energy. The service may also benefit potential inward investors to Shetland.

   2.3. The unit's core activities are:

   - **Economic Strategy/Policy Development**
   - **Economic information, research and publication of statistics**
   - **European advice, research and information**
   - **Economic analysis in support of external grant applications**
   - **Project work**
       - **Renewable Energy**
       - **Broadband Communications**
   - **Marketing – Establishing a Shetland brand, Marketing Development Programme, and, promotional events**
   - **Assistance schemes to support economic development/diversification in the economy as the oil industry declines and other structural changes take place.**
   - **Specific advice/guidance in relation to: Agriculture; fisheries; oil; tourism; and community economic development**

3. <u>Key documents, plans and strategies directing the service</u>

   3.1. The following documents direct the service:

   - **Together Shetland – the Community Plan**
   - **SIC Corporate Plan**
   - **Economic Development Strategy "Shetland 2012"**
   - **Economic Policy Statement 2003 – 2007**
   - **Marketing Strategy**
   - **Shetland Brand Development Project**
   - **Marketing Development Programme**
   - **Whitefish Plan**
   - **Business Enterprise Scheme**
   - **Renewable Energy Strategy**
   - **Economic Research Assistance Scheme**
   - **Agricultural Strategy**
   - **Agricultural Assistance Schemes**
   - **Fisheries Assistance Schemes**
   - **Rural Shop Improvement Schemes**
   - **Tourism Financial Assistance Schemes**
   - **Rural Entrepreneurship Scheme**
   - **Support for a range of individual projects**
   - **Service Plan**

4. <u>Recent activities and improvements</u>

   4.1. Some highlights of service improvements or successes within the last couple of years include:

   - International energy conference marking the 25th anniversary of the oil industry in Shetland;
   - initiation of "Shetland the Brand";
   - creation of a coastal zone management service to assist in developing the economy whilst protecting the environment;
   - creation of a dedicated team on renewable energy and a recognition of the significant potential for Shetland;
   - development of a protocol for working arrangements between the key agencies involved in economic development in Shetland namely the Development Trust, the Local Enterprise Company and Shetland Islands Council.

5. <u>Service analysis</u>

   5.1. The specific targets for 2004/05 are:

   - **Marketing**

- **Have in place a style guide, origin device and website + prepared branding operational plan**
- **Skills**
  - **Have in place a system that feeds training needs into the programmes for training provision**
- **Communications**
  - **Exchanges ADSL enabled to 50% of the Shetland public**
- **Economic Diversification**
  - **Full economical production from 1 new or fringe aquaculture species**
  - **Support for 3 added value food production projects**
  - **Support for 1 IT project**
  - **Support development of one new activity to Shetland**
  - **Achieve positive announcement for an electricity interconnector cable to Shetland**
- **Strengthening rural communities**
  - **Completion of 3 community economic development infrastructure projects**
  - **Implementation of Initiative at the Edge in Northern Isles and North Mainland**
  - **Support for 1 value added/product development project in a rural location**
  - **Support 10 grading improvement projects in tourism accommodation**
- **Significant Sectoral Targets**
  - **Support on a commercial basis for 3 new (to Shetland) white fish vessels**
  - **Support 1 value added project in agriculture**
  - **Instigate process to achieve bye laws for testing for EAE, MV and BVD**
  - **Destination Tourism Plan**
  - **Support 2 new value adding enterprises for aquaculture products**
  - **Support for 2 textile expansion projects**
- **Job target**
  - **Creation of 50 jobs and retention of 100 jobs relating to projects supported by the EDU and Shetland Development Trust**

6. <u>Key areas for improvement / main issues</u>

6.1. Main issues for the service include:

- **Implementing the Council decisions on report number CE-04-F Structuring Economic Development Resources to complete the service transitional phase. This should put working procedures in place with Shetland Development Trust and provide clarity on staff roles and responsibilities.**
- **Completion of brand techniques phase and progress towards a co-ordinated approach for promoting Shetland.**
- **Establishment of a full in-house team working on EU matters.**
- **Development of the service's capacity to support/encourage diversification/product development projects.**
- **Working with Shetland Enterprise and Shetland Development Trust to achieve a singe entry point for potential economic developers.**

7. Action plans

   7.1. Detailed action plans to develop the service are contained in the Economic Development Unit Service Plan, as well a number of related documents eg "Developing the Shetland Economy in Partnership" (a protocol on working arrangements).

8. Contact names

   8.1. **Economic Development** reports to the **Executive Committee**

   8.2. Economic Development:
   *   Willie Shannon, Co-ordinator
   *   Economic Development Unit, Greenhead, Lerwick, ZE1 0PY
   *   Tel.: 01595 744935
   *   Fax: 01595 744961
   *   E-mail: willie.shannon @sic.shetland.gov.uk

   8.3. Development Resources:
   *   Alistair Cooper, Service Head
   *   Economic Development Unit, Greenhead, Lerwick, ZE1 0PY
   *   Tel.: 01595 744911
   *   Fax: 01595 744961
   *   E-mail: alastair.cooper @sic.shetland.gov.uk

   8.4. Business Development:
   *   Douglas Irvine, Service Head
   *   Economic Development Unit, Greenhead, Lerwick, ZE1 0PY
   *   Tel.: 01595 744932
   *   Fax: 01595 744961
   *   E-mail: douglas.irvine @sic.shetland.gov.uk

9. Service strengths and weaknesses

   4   **Experienced and able staff**
   4   **Close links with Community Plan and Corporate Plan**
   4   **Long established close working relationship with Shetland Enterprise**
   4   **Co-ordinated service with Shetland Development Trust, Shetland Enterprise, NAFC, Shetland College and Train Shetland**
   4   **Comprehensive framework of guiding strategy and economic policies**
   4   **Access to financial resources for economic development measures**

   X   **perception of investment failures being attributed to performance of department, due to critical media and public comment following the demise of certain local investments**

X impact on motivation resulting from uncertainty and unclear roles & responsibilities; this was during a continued period of structural change the outcome of which is designed to enable clear remits with other support agencies (Development Trust, Colleges, LEC)

Weakness	Action	Lead	Timescale
Continuing period of structural change leading to uncertainty with an impact on staff morale	Retain current working arrangement and structure until a Director of Economic Development is appointed in 2005.	Chief Executive	30 June 2005
Poor public image following failure of some large recent investments	a) Preparation of business audit and visioning paper to better define viable opportunities for economic development in Shetland; and, b) Raising the profile of the Economic Development Unit by arranging and participating in a series of events and engaging with the community together with Shetland Development Trust and Shetland Enterprise Company in a road show during 2004/05.	Douglas Irvine and Willie Shannon	31 March 2005
Unclear roles and responsibilities in certain positions	Define all roles and responsibilities in the service	Willie Shannon	31 March 2005

10. Five-point scale

poor / weak / **FAIR** / strong / excellent

PORTS AND HARBOUR OPERATIONS

1. Introduction and background

   1.1. The Shetland Islands Council is the competent Harbour Authority for Sullom Voe, Scalloway and other council harbour areas and piers and also the competent Pilotage Authority for Sullom Voe and Scalloway pilotage districts.

2. Key activities and customers

   2.1. Ports and Harbours Operations is committed to provide, and improve, port management, vessel traffic service, pilotage, aids to navigation, conservancy, boat work and emergency planning to its customers in conformation with regulatory requirements in the most cost effective, safe and efficient manner. Core activities are:

      2.1.1. Pilotage
      24 hour / 7 days per week pilotage services to ship masters in accordance with the Pilotage Directions for the ports of Sullom Voe and Scalloway. Either compulsory pilotage or on request. Pilots to be licensed, adequately trained provide with all necessary safety and personal protective equipment.

      2.1.2. Vessel Traffic Service
      24 hour / 7 days per week navigation service to ships entering/ leaving the Sullom Voe Harbour Area. Including radar tracking and display, Automatic Identification display system, monitoring of the major aids to navigation, VHF radio watch, recording of all radar returns/ radio traffic/ weather readings, co-ordination of requests for tugs and pilots and provision of emergency services.

      2.1.3. Launch service
      24 hour / 7 days per week service to board and land pilots to/ from shipping and for running moorings from ships to the shore dolphins.

      2.1.4. Aids to navigation
      Provision and the maintenance of navigation lights, buoys, marks and beacons in accordance with the requirements of harbour users and in compliance with the standards set by the Northern Lighthouse Board having an availability of at least 99%.

      2.1.5. Jetties and Piers
      Provision and the maintenance of jetties and piers, gangway systems, mooring equipment and cranes at the Sullom Voe Terminal that meet the needs of visiting tankers and provide a safe working environment for the transfer of oil and gas.

      Provision and the maintenance of piers and jetties at other Council harbours meeting the requirements of users of that area.

Provision, maintenance and cleaning of a fish market in Scalloway harbour.

2.1.6. Safety and Emergency Service
Provision and the maintenance of jetties and piers, gangway systems, mooring equipment and cranes at the Sullom Voe Terminal that meet the needs of visiting tankers and provide a safe working environment for the transfer of oil and gas.

2.1.7. Weather Services / Helicopter Boarding and Landing of Pilots
Make arrangements for detailed weather forecasts to enable a safe and efficient flow of shipping to/ from the Terminal. In the event of high swell conditions in Yell Sound to provide a helicopter service to put on board/ take of pilots required for Sullom Voe.

2.1.8. Pier Assistants
Provision of full or part time pier assistants at the smaller Council piers in order to raise charges and carry out basic maintenance.

2.1.9. Scalloway Harbour
Provision of harbour services to shipping including shift staff.

2.1.10.   Works Licensing
Assist in the Council's marine works licensing process by advising on navigational and other marine issues.

2.2. These services are provided to:

- Owners/ Managers of oil and gas tankers visiting the Sullom Voe Oil Terminal.
- Owners of service craft working for the oil industry
- Skippers of fishing vessels, white fish/ shell fish/ pelagic, calling at any Council pier
- Owners of craft providing services to the aqua culture industry
- The operator of the Sullom Voe Oil Terminal
- Recreation boat owners, within and out with Shetland, calling at any Council pier

3. Key documents, plans and strategies directing the service

3.1. Legislative framework:

- **Port services provided by the Council fall into two categories. These are defined in terms of the Part 1 and Part 2 harbour areas created under the ZCC Act 1974. In practical terms the separation is between the port of Sullom Voe and " other harbours."**

- **The Council is the pilotage authority for the ports of Sullom Voe and Scalloway under the Pilotage Act 1987.**

- **The Port Marine Safety code came into effect January 2001 and, whilst not mandatory, Government expects all ports to conform to it's requirements. The major part of the code was the introduction of a detailed safety management system covering all port operations.**

3.2. Local framework:

- **The Part 2 harbour areas created under the ZCC Act are Scalloway, Hamnavoe, Vaila/ Gruting Voe, West Burrafirth, Balta Sound, Mid Yell, Cullivoe, Symbister, Fair Isle and Skerries. The Council has undertaken statutory powers and duties to provide harbour services and for so long as it chooses to continue to do so. The only choice lies in the level of service provided, the Council provides an appropriate level of service for each area.**

- **There are, in addition, two other harbour areas that were created solely for the provision of ferry services. Papa Stour and Fetlar.**

- **The port of Scalloway has a range of services to meet the needs of the fishing and aqua culture industries and supplements the Council's policy of support to such activities.**

3.3. Corporate framework:

- **The Council's Corporate Policy includes a statement that the port of Sullom Voe will provide cost effective services to the oil industry such that current business will be retained and new customers attracted to use the oil handling facilities at the Terminal.**

4. Recent activities and improvements

4.1. Revenue budget reduced by £600,000 to reflect the downturn in shipping at the Terminal due to reduced oil flowing from the east Shetland basin.

4.2. Cost of weather service in the next financial year to be reduced by approx. £200,000 by use of modern telecommunications technology.

5. Service analysis

5.1. There is a performance scheme in operation in compliance with the BS-EN-ISO 9001:2000 quality assurance scheme. This includes feedback from shipping. Recent reports are available for inspection. Performance indicators have only just been introduced, and there are therefore no trend figures available.

Activity	Target	Actual to Date

Pilot Launch Availability	**100%**	**100%**
Mooring Boat Availability	**100%**	**100%**
Jetty Gangway Availability	**98.0%**	**98.5%**
VTS Downtime	**0 hrs**	**0 hrs**
Absence Management	**98 %**	**97.5 %**
Pilotage Delays	**0 hrs**	**0 hrs**
Nav Aid Availability	**99%**	**100%**
Lost time Injuries	**0**	**0**
Minor Injuries	**3**	**1**
Capital Budget Expenditure	**100%**	**on Target**
Revenue Budget Expenditure	**98%**	**75%**
Tankers Invoiced within 3 days	**100%**	**100%**
Delays due to mooring equipment	**0 hrs**	**0 hrs**

5.2. An annual review is undertaken of charges to shipping at other ports around Europe. Sullom Voe is in the top quartile but cheaper than Mongstadt (Norway), Rotterdam and level with Scapa Flow.

5.3. All documents are available for inspection at Sella Ness; please contact Barry Edwards (ext. 01806 – 244202).

6. Key areas for improvement / main issues

6.1. The following are the key areas:

- The provision and cost of helicopter services will be reviewed in 2004.
- To attract new businesses into Sullom Voe. This will require the close and active co-operation by staff at the oil terminal. Ship-to-Ship transfer of oil, storage of third party crude, blending of crude oil, storage of fuel oil for onward export etc.
- To reduce towage costs by Shetland Towage. These are amongst the highest in the UK. Should the SIC acquire Shetland Towage, then radical changes will be required.
- To reduce our own costs in line with the general decline in shipping calling at Sullom Voe.
- To attract new businesses into Scalloway which has seen reduction in shipping due to declines in the salmon and white fish industries.

7. Action plans

7.1. The first two items are underway and will be completed by 31 December 2004, J T Dickson.

7.2. The third item can not commence until the Council decides if it wants to absorb Shetland Towage into Ports & Harbours Operations. A decision is expected by the end of August 2004. After that it will take at least 6-9 months of

negotiations with the Trade Unions and Staff. Completion date, not before 1 July 2005. J T Dickson.

7.3. The fourth item is ongoing. £600,000 was removed from our revenue budget at 31 March 2004. This was done mainly through reductions in staff. Another review of the budget will be done by 31 December 2004, however we still provide a 24/7 service and have four operation jetties at the Terminal. The "Hours of Work" regulations must be observed which includes staff on "callout" after normal office hours. J T Dickson.

7.4. The fifth item has not begun. However, the Deputy Port Operations Manager (Cpt. Paul Bryant) will be tasked to produce a report to the Harbour Board by 31 December 2004.

8. Contact names

8.1. The **Ports and Harbours Service** reports to the **Harbour Board**

8.2. The contact details for the service are:

- James T Dickson, General Manager / Harbour Master / Pilot Master
- Port Administration Building, Sella Ness, Sullom Voe, ZE2 9QR
- Tel.: 01595 - 744201
- Fax: 01806 – 244291
- Email: james.dickson@sic.shetland.gov.uk

9. Service strengths and weaknesses

4   **Excellent safety record WRT marine pilotage and other sea borne operations.**
4   **Very high environmental standards.**
4   **Worldwide reputation for standards, professionalism and overall handling of large tankers to/from and alongside Sullom Voe Oil Terminal.**
4   **Seen as a "model port" for others to follow. Many have.**
4   **Good staff relationships with Pilots, Engineers and office personnel.**
4   **Keen to adapt to meet changing circumstances at Sullom Voe, e.g. decline in ship numbers.**

X   **Too reliant on BP, as terminal operator, to assist in attracting new business to the port.**
X   **Ports and Harbour Operations are distinct from usual local authority functions, and in the future will perhaps be better dealt with, as a Port Service at arms length from the Council.**
X   **Lack of professional marketing expertise to attract, new businesses to Scalloway whose shipping has declined due to a dip in salmon farming and white fish.**

Weakness	Task	Lead Officer	Completion

			Date
Too reliant on BP, as terminal operator, to assist in attracting new business to the port.	**Promote Sullom Voe as a port for the ship-to-ship transfer of oil, for storage for third party crude ashore, for blending of crude oil ashore and promote the use of the Construction Jetty for use in the support of the Clair Oil Field. To build a new jetty to support a fishmeal plant, the export of stone aggregate and in the decommissioning of offshore structures and modules**	**Alistair Cooper/James Dickson/Alan Bond (BP)**	**Crude Oil Services – on going, complete 31/12/04.** New Jetty – commenced July 2004, complete 30/11/04
Ports and Harbour Operations are distinct from usual local authority functions, and in the future will perhaps be better dealt with, as a Port Service at arms length from the Council	**To continue processes leading to an arms length autonomous organisation**	**James Dickson**	ongoing
Lack of professional marketing expertise to attract, new businesses to Scalloway whose shipping has declined due to a dip in salmon farming and white fish	**Engage with Council's marketing service to find a way to promote and advertise the port services provided by the Council at Scalloway and Sullom Voe Report to the Harbour Board on the above subject**	**Paul Bryant**	28/02/05

10. Five-point scale

poor / weak / fair / **STRONG** / excellent

There is, however, room for improvement and changes will be necessary in the future.

CRITERION 1: COMMITMENT & LEADERSHIP – STRATEGIC DIRECTION

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. The Executive Committee's remit combines responsibility for Best Value and monitoring of the Corporate Plan, with reporting to the public on performance, through SPIs and public performance reports. In addition to receiving regular updates on Best Value and on Corporate Plan implementation, it has responsibility for overseeing the implementation of the Education Best Value Review Plan. The next Best Value Review will provide a test for the new Best Value toolkit, and will concentrate on Support Services, with a timetable for reviewing other services being developed thereafter.

   1.2. Flowing from the Community Plan, the Council's Corporate Plan articulates the vision and sets out its own broad priorities and actions for the period 2004-2008, incorporating all the key elements of Best Value, as a framework for delivery. The Council has nominated roles and responsibilities for each of the Corporate Plan priorities. Elected members are allocated lead roles in the implementation process. The broad priorities are translated into objectives through the Capital Programme and through Service Plans, usually with the latter being presented by lead officers to the relevant Spokespersons.

   1.3. Training in applying Best Value principles, has been provided for elected members, Heads of Service and Service Managers. The principles of Best Value in the Community and Corporate Plans are carried into Service Plans, using the Local Framework pro-forma. Most strategies, including Service Plans, have SMART objectives, eg Joint Health Improvement Plan, Local Housing Strategy, Environmental Health Service Plan.

   1.4. On the formal level of setting strategy, the Council's forum structure is designed to involve stakeholders, with some being core members of a forum, and others being invited to join for specific items of business known to be of interest to them. In general, however, the number of constituents is small, and the prime understanding of community needs come from the councillors, and their interaction with the Community Councils.

   1.5. Elected members have recently been assigned lead roles, for priorities in the Corporate Plan.

2. **POLICIES:**

   2.1. Together – Shetland (Community Plan) - http://www.shetland.gov.uk/communityplanning/documents.asp
   2.2. SIC Corporate Plan 2004-2008 - http://www.shetland.gov.uk/corporateplan/documents.asp
   2.3. roles and responsibilities for the Corporate Plan http://www.sic.gov.uk/resources/documents/policies/organisational/ce20d1a.pdf
   2.4. Best Value Review Programme http://www.sic.gov.uk/resources/documents/policies/organisational/report on BV including BV review TT.pdf
   2.5. Best Value Toolkit http://www.sic.gov.uk/resources/documents/policies/organisational/Best Value Review Toolkit in SIC.pdf
   2.6. Capital Programme monitoring report http://www.sic.gov.uk/resources/documents/policies/finance/report to members on qtrly capital monitoring.pdf and appendix http://www.sic.gov.uk/resources/documents/policies/finance/report to members on qtrly capital monitoring App1.pdf

3. **EVIDENCE OF PERFORMANCE:**

   3.1. committee and forum minutes (contact Anne Cogle ext. 4554)
   3.2. list of forum members - http://coins.sic.gov.uk/committe/_list.htm

3.3. **Local Framework pro-forma http://www.sic.gov.uk/serviceplanning/files/background/Local Framework Pro Forma.doc**

3.4. **Service Plans - http://www.sic.gov.uk/serviceplanning/default.htm**

3.5. **Grant-Aid review (contact Michael Duncan ext. 4048)**

3.6. **review of childcare strategy (contact Sandra Gray tel. 697460)**

3.7. **Public Performance reports - http://www.shetland.gov.uk/performance/documents.asp**

3.8. **feedback from "Your Voice" http://content.shetland.gov.uk/datashare/category.asp?catID=17**

3.9. **feedback from "Youth Voice" (contact Avril Nicol ext. 4049)**

3.10. **Joint Health Improvement Plan http://www.sic.gov.uk/communityplan/hat/documents/JHImP.doc**

3.11. **Local Housing Strategy http://www.shetland.gov.uk/housing/documents/LocalHousingStrategy2ndDraft.pdf**

3.12. **Best Value Update report http://www.sic.gov.uk/resources/documents/policies/organisational/ce28f.pdf**

3.13. **Capital Programme 2004/05 revision, March 2004 report http://www.sic.gov.uk/resources/documents/capitalprogrammereport-March2004.pdf**

3.14. **Capital Programme 2004/05 revision, March 2004 report appendix A http://www.sic.gov.uk/resources/documents/capitalprogrammereportAppendixA.pdf**

3.15. **Capital Programme 2004/05 revision, March 2004 report appendix B http://www.sic.gov.uk/resources/documents/capitalprogrammereportappendixB.pdf**

3.16. **Capital Programme 2004/05 revision, March 2004 report appendix C http://www.sic.gov.uk/resources/documents/capitalprogrammereportappendixC.pdf**

3.17. **Capital Programme 2004/05 revision, March 2004 report appendix D http://www.sic.gov.uk/resources/documents/capitalprogrammereportappendixD.pdf**

3.18. **Performance Management Framework http://www.sic.gov.uk/resources/documents/policies/organisational/ce26f.pdf and http://www.sic.gov.uk/resources/documents/policies/organisational/ce26fappc.pdf**

3.19. **Communications Strategy - http://www.sic.gov.uk/resources/documents/policies/organisational/Communications Strategy.pdf**

3.20. **Consultation guidelines - http://www.sic.gov.uk/resources/documents/policies/organisational/Guidlines for Consultation April 2004.doc**

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
John Smith, Head of Organisational Development, ext. 4513

5. **STRENGTHS AND WEAKNESSES:**

4 **Community Plan and Corporate Plan cover all areas required by statute**

4 **Corporate Plan clearly integrated with Community Plan**

4 **Best Value incorporated into the setting of strategy**

4 **Elected members allocated lead responsibilities for Corporate Plan priorities**

   ✗ **no timetable yet established for Best Value Reviews of all services**

   ✗ **links between Corporate Plan and Capital Programme / Service Plans not always clear - priorities and actions need cascading**

   ✗ **not all Council reports make clear how decisions link into Corporate Plan**

6. **FIVE-POINT SCALE:**

poor / weak / fair / STRONG / excellent

CRITERION 2: COMMITMENT & LEADERSHIP - SCRUTINY

1. **COUNCIL'S ARRANGEMENTS:**

    1.1. **This is an independent Council with no ruling political party, and all members sit on all service committees; there are therefore no back-benchers. The Executive Committee's remit combines responsibility for Best Value and public reporting on performance. Public Performance reports are published, together with Statutory Performance Indicators. There is a need to strengthen the role of the Executive Committee and ensure that it acts in the context of the type of scrutiny now being expected of local government.**

    1.2. **In one sense, the population of Shetland offers the keenest scrutiny, since it is difficult to avoid comment or answerability in a small community. In addition, the media coverage for the size of population is particularly high; there is a weekly newspaper, a news agency dependent on finding stories for mainland newspapers, an e-paper updated daily, a local radio station offering news on the hour every hour, a nightly BBC local radio news programme which includes not only a weekly public platform feature which usually involves two councillors answering phoned-in questions from listeners, but also a weekly feature involving letters from the public frequently raising Council issues - amongst other coverage. The Council is the main topic of comment and discussion in the community.**

    1.3. **Target setting and performance management, by means of Service Plans and performance management reporting, are newly in place and have yet to complete a full year's cycle. In terms of systematic communication, the Service Plan framework was developed throughout the Council, after training in Best Value and Service planning had taken place for elected members and senior managers. A framework is in place for monitoring the Corporate Plan.**

    1.4. **Specific areas which give rise to concern, are scrutinised by the Council as they arise. Recent examples include an examination of numbers of staff employed by Shetland Islands Council as compared with other local authorities and with previous years, and an examination of where budget savings might be made both in administration and in services, for 2004-05 and 2005-06.**

    1.5. **The Council adopted a communications strategy in October 2003; this covered internal and external communication, and also included customer care guidelines. This strategy has yet to be rolled out fully.**

    1.6. **Links between decisions and corporate priorities are not always strong and explicit, and there are unclear links between the Service Plans and Performance Management Framework on the one hand, and staff appraisal on the other.**

2. **POLICIES:**

    2.1. **Communications Strategy**
          http://www.sic.gov.uk/resources/documents/policies/organisational/Communications Strategy.pdf
    2.2. **Performance management regime**
          http://www.sic.gov.uk/resources/documents/policies/organisational/ce26f.pdf and
          http://www.sic.gov.uk/resources/documents/policies/organisational/ce26fappc.pdf
    2.3. **Best Value report – May cycle**
          http://www.sic.gov.uk/resources/documents/policies/organisational/ce28f.pdf

3. **EVIDENCE OF PERFORMANCE:**

    3.1. **Public Performance Reports http://www.shetland.gov.uk/performance/documents.asp**
    3.2. **report on staff numbers http://www.sic.gov.uk/resources/documents/ce01f.pdf**
    3.3. **budget seminar papers http://www.sic.gov.uk/resources/documents/FinanceSeminar2004.pdf**
    3.4. **Statutory Performance Indicator public reports**
          http://www.shetland.gov.uk/performance/documents/PerformanceIndicators0203.pdf

4. USEFUL CONTACTS:

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Jan-Robert Riise, Head of Legal & Administration, ext. 4551
John Smith, Head of Organisational Development, ext. 4513

5. STRENGTHS AND WEAKNESSES:

- 4 **All members sit on all service committees**
- 4 **Small size of community and high local media presence mean proportionately high level of interest in, and discussion of, Council's activities**
- 4 **Performance management regime now in place**
- 4 **Communications Strategy in place**
- ✗ **Performance management reporting does not yet drive service delivery**
- ✗ **Communications strategy not yet implemented in full**
- ✗ **Public information not yet focussed on what the public may want**
- ✗ **Unclear linkage between Performance Management Framework and Service Planning on the one hand, and staff appraisal on the other**
- ✗ **Scrutiny role of Executive Committee still undeveloped**
- ✗ **More overt matching of decisions to corporate priorities is needed**
- ✗ **Scheme of delegation needed for ease of reference by staff and members**

6. FIVE-POINT SCALE:

poor / WEAK **/ fair / strong / excellent**

CRITERION 3: COMMITMENT & LEADERSHIP - CONDUCT

1. **COUNCIL'S ARRANGEMENTS:**

    1.1. At the beginning of the Council's term of office, each member is provided with a copy of the Scottish Executive's Code of Conduct for Councillors, together with a Declaration of Interests form for their completion and return. Any breaches of the code would be referred to the Standards Commission. The Councillors' interests are available for public inspection on the Council's website, together with links to the Scottish Executive's Code and to the Standards Commission for Scotland.

    1.2. Reports are made regularly to the Council to update members on guidance and the development of protocols and other Standards Commission matters.

    1.3. Three employee policies are of particular relevance, namely the Code of Conduct for Employees, the Strategy for the Prevention and Detection of Fraud and Corruption, and the Policy for Reporting Concerns at Work. There is also an Electronic Communications Policy, and internet access is subject to specialised computer audit.

    1.4. Breaches of policy by employees are handled through the Council's disciplinary and related policies. Personnel issue periodic reminders to all staff, concerning the need to update the employees' Register of Interests. Each department maintains its own register, with a duplicate lodged at Administration.

    1.5. The Council does not have a Standards Committee; matters concerned with councillors' ethical standards fall under the remit of the Executive Committee, but there has been little activity in this area so far.

    1.6. There is a high level of interest by the local media in this aspect of the Council's business, with associated comment.

2. **POLICIES:**

    2.1. Councillors' details http://www.shetland.gov.uk/councillors/
    2.2. Code of Conduct for Employees
        http://www.sic.gov.uk/personnel/Pages/documents/codeofconduct_may04.pdf
    2.3. Strategy for the Prevention and Detection of Fraud and Corruption
        http://www.sic.gov.uk/personnel/documents/policies/fraud_prevention_and_detection.pdf
    2.4. Policy for Reporting Concerns at Work
        http://www.sic.gov.uk/personnel/documents/policies/reporting_concerns_at_work.pdf
    2.5. Electronic Communications Policy
        http://www.sic.gov.uk/personnel/Pages/documents/electronic_communication_may04.pdf

3. **EVIDENCE OF PERFORMANCE:**

    3.1. Reports to Council (contact Anne Cogle ext. 4554)
    3.2. audit reports (contact Crawford McIntyre ext. 4546)
    3.3. media reports
(BBC Radio Shetland; Shetland Times, Shetland News, Shetland Post, Shetland Islands Broadcasting Company)

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Jan-Robert Riise, Head of Legal & Administration, ext. 4551

John Smith, Head of Organisational Development, ext. 4513

5.   **STRENGTHS AND WEAKNESSES:**

- 4   **Comprehensive policy and procedural framework for dealing with impropriety**
- 4   **updates and reminders to elected members and to staff**
- 4   **mandatory training for officers in recruitment & selection and in disciplinary procedures**
- 4   **scrutiny by audit and by community**
- X   **the lack of a Standards Committee with a programme of work**
- X   **lack of comprehensive and fully-attended member training**

6.   **FIVE-POINT SCALE:**

poor / weak / FAIR **/ strong / excellent**

CRITERION 4: COMMITMENT & LEADERSHIP - OPENNESS

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. All papers for consideration by Council and its Committees, are presented either as a report or with a covering report. All reports must contain paragraphs describing existing policy and delegated authority covering the subject matter, and setting out conclusions and recommendations.

   1.2. The Council's Administrative Regulations provide that papers for consideration at Council meetings will be available to the public beforehand, and that meetings will be held in public except where confidential or exempt matters are being discussed.

   1.3. Members frequently challenge the need to take "exempt " reports in private. Where the reason for exemption is that a report contains commercially sensitive information, then the Council's habit is to hold over only those paragraphs which contain the sensitive information, and to make the rest of the report public. Discussions of grants to voluntary organisations, which could be exempt, are always taken in public.

   1.4. In spite of this, the Council suffers from the perception in certain quarters, that it is not open.

   1.5. The new COINS committee management software went live at the end of June 2004, and will allow public web-based access to all public agendas, reports and minutes of Council and Committee meetings.

   1.6. Modern agenda management arrangements handled through COINS will be used for the first time in the September 2004 cycle of meetings.

   1.7. The requirements of the new Freedom of Information Acts are being addressed. The Council's Publication Scheme is complete, and a records management board has been established. A timetable is in place for implementation of the remaining framework for 1st January 2005. The scattered nature of the Council's locations and offices is recognised as a specific challenge in meeting FOI requirements.

2. **POLICIES:**

   2.1. Administrative Regulations
   http://www.sic.gov.uk/departments/committeeservices/documents/SIC-AR-2003.pdf
   2.2. Corporate Styles and Standards
   http://www.sic.gov.uk/resources/documents/policies/organisational/corporate styles_Standards.pdf
   2.3. Council's Publication Scheme (contact Anne Cogle, ext. 4554)

3. **EVIDENCE OF PERFORMANCE:**

   3.1. minutes of the Council and its Committees (contact Anne Cogle, ext. 4554)
   3.2. timetable for FOI implementation (contact Anne Cogle, ext. 4554)
   3.3. minutes of the Records Management Board (contact Anne Cogle, ext. 4554)

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Jan-Robert Riise, Head of Legal & Administration, ext. 4551
John Smith, Head of Organisational Development, ext. 4513

5. **STRENGTHS AND WEAKNESSES:**

4   **track record of members taking discussions in public**

4   **imminent e-management of committee papers**

X   **culture change required amongst staff regarding the implementation of Freedom of Information**

X   **more publicity needed on what is available**

6. **FIVE-POINT SCALE:**

poor / weak / FAIR **/ strong / excellent**

CRITERION 5: RESPONSIVENESS & CONSULTATION

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **Different kinds of consultation are used to reach different groups. The forum structure is available for more formal consultation, and includes representatives from local business, voluntary associations and special interest groups. Similarly, the Community Planning Board framework includes a set of strategic groups with wide representation from a range of bodies. Community Councils are consulted as a matter of course. Training is available for any organisation, to assist them in engaging and consulting with communities.**

   1.2. **The Council uses public meetings in a locality to discuss either local issues, eg planning zones (evenings), area regeneration (full-day), or Shetland-wide issues eg education. There is a citizen's panel, Your Voice, which is run as a Community Planning initiative. A separate framework, Youth Voice, is used to reach young people over the age of eight. Other standing groups include tenants' forums for Council house tenants.**

   1.3. **Where the delivery of individual services is being re-assessed, then these are subject to separate consultation exercises, tailored to the needs of the relevant stakeholders eg recent reviews of grant aid and childcare. There are also specific community events eg Aith Re-generation event, annual Youth Conference. This kind of consultation also extends to capital projects eg proposed Bressay Bridge, ferries and terminals replacement programme, construction of the new Anderson High School.**

   1.4. **Complaints direct to departments are usually handled direct by the service providers. The Council also has an official complaints procedure, run through the Chief Executive's office.**

   1.5. **There are consultation guidelines to assist officers in designing appropriate consultation, including the need to clarify the objective of the exercise, the target population, and the timing of the consultation. In addition there is a data-sharing website for the use of an increasing number of organisations across Shetland, including Community Planning Board partners, to allow the results of consultation to be shared.**

   1.6. **The links from the results of consultation exercises back into planning, designing and improving services, are less robust. Improvements are beginning to be made, for example the agenda of deliverables developed at this year's Youth Conference.**

   1.7. **Notwithstanding the wide range of consultation initiatives, there has been no systematic review of the process, or feedback to the groups consulted. On occasion, members of the voluntary sector have expressed the feeing that they are not fully consulted, and that their contribution is not valued, but there has been no systematic investigation of this. Securing representative views across the small Shetland community is a great challenge. Identifying hard-to-reach groups in a small community can often mean identifying individuals.**

2. **POLICIES:**

   2.1. **Council structure, and list of forum members http://coins.sic.gov.uk/committe/_list.htm**
   2.2. **Communications Strategy http://www.sic.gov.uk/resources/documents/policies/organisational/Communications%20Strategy.pdf**
   2.3. **Consultation guidelines http://www.sic.gov.uk/resources/documents/policies/organisational/Guidlines for Consultation April 2004.doc**
   2.4. **Complaints procedure http://www.sic.gov.uk/resources/documents/policies/organisational/Complaints Procedure.doc**
   2.5. **datashare website http://content.shetland.gov.uk/datashare/default.asp**

3. **EVIDENCE OF PERFORMANCE:**

   3.1. **programme of meetings to discuss planning zones (contact Bessie Barron ext. 4837)**
   3.2. **Aith regeneration event (contact Fiona Stirling ext. 4060)**
   3.3. **Yell conference (contact Julie Christie tel. 01957 - 702040)**
   3.4. **programme of meetings to discuss education BV review also questionnaires to parents and others (contact Alex Jamieson ext. 4014)**
   3.5. **Your Voice information http://content.shetland.gov.uk/datashare/category.asp?catID=17**
   3.6. **Youth Voice information and annual Youth Conference 25th June 2004 (contact Avril Nicol ext. 4049)**
   3.7. **review of grant aid (contact Michael Duncan ext. 4048)**
   3.8. **review of childcare strategy (contact Sandra Gray tel.: 697460)**
   3.9. **Bressay bridge, ferries & terminals (contact Michael Craigie ext. 4160)**
   3.10. **new Anderson High School (contact Mike Finnie ext. 4162)**
   3.11. **tenants forums (contact Joann Johnson tel. 01595 - 695197)**
   3.12. **files of complaints received, and follow-up correspondence (contact Anita Arthur ext. 4502)**
   3.13. **community profile development work (contact Fiona Stirling ext. 4060)**

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Jan-Robert Riise, Head of Legal & Administration, ext. 4551
John Smith, Head of Organisational Development, ext. 4513

5. **STRENGTHS AND WEAKNESSES:**

   4 **Wide range of consultation methods and exercises used**
   4 **The opportunities presented by "Your Voice" and "Youth Voice"**
   X **Need to review consultation processes and extend good practice**
   X **Need to co-ordinate consultation exercises to ensure standard and avoid consultation fatigue**
   X **Links back between consultation and design of services not always clear**
   X **More work needed on hard-to-reach groups**

6. **FIVE-POINT SCALE:**

poor / weak / FAIR / strong / excellent

CRITERION 6: SOUND GOVERNANCE – PLANNING AND BUDGETING

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **The Council's Corporate Plan follows on from the Community Plan, and begins by setting out and identifying with the priorities shared with its Community Planning partners. The Council's Service Plans are in their first cycle, and links are therefore not yet firmly established between the Community and Corporate plans, and specific aspects of service delivery. Service Plans are treated as live management documents, and are not presented to Council for once-only approval, but are made available to members on the intranet in their current form.**

   1.2. **Historically, the Council has concentrated on placing its financial position on a sound footing. Its financial planning regime has been the best developed aspect of its resource management, with human and physical resources and the delivery of services, all being tailored according to what was affordable.**

   1.3. **The annual budget cycle begins in the autumn with a report to members setting out a five to ten year financial plan. The report asks members to decide on their approach to their financial reserves and future expenditure. The report is also an opportunity for the members to reconsider their policy on these matters, eg the continued maintenance of debt-free status, the desirability of maintaining the real value of reserves.**

   1.4. **Decisions around the long-term financial plan, set the strategy for drawing up the revenue and capital budgets for the following financial year, and start the cycle of work associated with setting the budget. All service managers are involved in this exercise, and have the opportunity to shape their plans for resourcing, staffing and service provision, in the light of the budget strategy set by the Council.**

   1.5. **Consideration of the delivery of financial services to the Council's departments, forms part of the Support Services Best Value review currently being undertaken.**

   1.6. **Service Plans have been drawn up in various sectors of the Council for a number of years, but this is the first year when all services have been required to produce comprehensive plans for approval by members. These include performance indicators. The plan is to run the service planning cycle in tandem with the budget setting cycle, and use feedback from the service planning framework to inform succeeding cycles.**

2. **POLICIES:**

   2.1. **Together – Shetland (Community Plan)**
   http://www.sic.gov.uk/resources/documents/policies/organisational/Together%20Shetland.pdf
   2.2. **Corporate Plan http://www.sic.gov.uk/resources/documents/policies/organisational/Corporate Plan.pdf**
   2.3. **Long Term Financial Planning reports (annual)**
   http://www.sic.gov.uk/resources/documents/policies/finance/report%20on%20long%20term%20financial%20planning.pdf and
   http://www.sic.gov.uk/resources/documents/policies/finance/report%20on%20long%20term%20financial%20planning%20appendix.pdf
   2.4. **Annual budgets**
   http://www.sic.gov.uk/resources/documents/policies/finance/report%20on%20budget%20shortfall.pdf and
   http://www.sic.gov.uk/resources/documents/policies/finance/report%20on%20budget%20shortfall%20appendix.pdf
   2.5. **Service Plans http://www.sic.gov.uk/serviceplanning/**
   2.6. **Capital Programme 2004/05 revision, March 2004 report**
   http://www.sic.gov.uk/resources/documents/capitalprogrammereport-March2004.pdf

2.7. **Capital Programme 2004/05 revision, March 2004 report appendix A**
   http://www.sic.gov.uk/resources/documents/capitalprogrammereportAppendixA.pdf
2.8. **Capital Programme 2004/05 revision, March 2004 report appendix B**
   http://www.sic.gov.uk/resources/documents/capitalprogrammereportappendixB.pdf
2.9. **Capital Programme 2004/05 revision, March 2004 report appendix C**
   http://www.sic.gov.uk/resources/documents/capitalprogrammereportappendixC.pdf
2.10. **Capital Programme 2004/05 revision, March 2004 report appendix D**
   http://www.sic.gov.uk/resources/documents/capitalprogrammereportappendixD.pdf
2.11. **recent report on restructuring reserves**
   http://www.sic.gov.uk/resources/documents/policies/finance/F031-F.pdf

3.   EVIDENCE OF PERFORMANCE:

   3.1. **Council's accounts for past five years (contact Graham Johnston, ext. 4607)**
   3.2. **Papers relating to setting the budget, as circulated to departments and service managers (contact Graham Johnston, ext. 4607)**
   3.3. **Service Plans** http://www.sic.gov.uk/serviceplanning/default.htm

4.   USEFUL CONTACTS:

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Graham Johnston, Head of Finance, ext. 4607
John Smith, Head of Organisational Development, ext. 4513

5.   STRENGTHS AND WEAKNESSES:

   4   **good long-term financial vision**
   4   **early and thorough involvement of service managers in budget process**
   4   **modern service planning framework now initiated**
   X   **weak links between Corporate Plan and Service Plans on the one hand, and budgets on the other**
   X   **as yet there is no feedback into the budget cycle from the service planning framework**
   X   **little progress on three-year budgetting**

6.   FIVE-POINT SCALE:

poor / weak / fair / STRONG / excellent

CRITERION 7: SOUND GOVERNANCE – PERFORMANCE MANAGEMENT SYSTEM

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **Performance management is a new development in the Council, but the service analysis behind the service plans should tie in to customer-focussed delivery. The Council does not have a comprehensive model of key processes, or a business process engineering approach to its business, but service managers do know their own key processes.**

   1.2. **Monitoring on budgets is regular and comprehensive, but less robust on service information. The main monitoring of services is carried out through statutory performance indicators and service plans.**

   1.3. **The Council's approach to under-performance is low-key, bearing in mind the small size of the community. The emphasis is on putting the matter right and training for improvement, rather than on publicly identifying individual officers. The new performance management system should assist in developing systematic scrutiny, and identifying potential areas of difficulty before they become problematic.**

   1.4. **Ad hoc use has been made of inter-organisational comparisons eg staffing levels report and Education BV review. Comparisons should form part of the service planning process, although this appears to be an area of weakness in this first year of comprehensive service planning. Comparisons are, however, expected to form a major part of BV reviews, as are performance trends to show continuous improvement.**

   1.5. **Revenue accounts and the capital programme are inspected monthly by senior management, and quarterly by elected members. Statutory performance indicators are seen annually. The new performance management regime should provide a regular system for monitoring these more frequently.**

   1.6. **Financial accounts and SPIs are published in accordance with statutory requirements, but no research has been conducted on whether the public is receiving information which is meaningful to them.**

2. **POLICIES:**

   2.1. **Performance Management Framework**
   http://www.sic.gov.uk/resources/documents/policies/organisational/ce26f.pdf and
   http://www.sic.gov.uk/resources/documents/policies/organisational/ce26fappc.pdf
   2.2. **Service Planning arrangements http://www.sic.gov.uk/serviceplanning/**
   2.3. **Capital Programme method http://www.sic.gov.uk/departments/finance/capitalprogramme/**

3. **EVIDENCE OF PERFORMANCE:**

   3.1. **Service Plans http://www.sic.gov.uk/serviceplanning/default.htm**
   3.2. **arrangements for monthly management accounts**
   http://www.sic.gov.uk/resources/documents/policies/finance/memo to officers on Monthly Financial Monitoring.pdf
   3.3. **samples of monthly management accounts (contact Graham Johnston, ext. 4607)**
   3.4. **reports to members on revenue budgets**
   http://www.sic.gov.uk/resources/documents/policies/finance/report to members on qtrly revenue monitoring.pdf and http://www.sic.gov.uk/resources/documents/policies/finance/report to members on qtrly revenue monitoring App1.pdf
   3.5. **reports to members on capital budgets**
   http://www.sic.gov.uk/resources/documents/policies/finance/report to members on qtrly capital monitoring.pdf and http://www.sic.gov.uk/resources/documents/policies/finance/report to members on qtrly capital monitoring App1.pdf

3.6. staffing levels report, Executive Committee, February 2004
   http://www.sic.gov.uk/resources/documents/ce01f.pdf
3.7. Education BV review process (contact Alex Jamieson, ext. 4014)
3.8. Public Performance report and Statutory Performance Indicators report
   http://www.shetland.gov.uk/performance/documents.asp
3.9. Absence Management reports to Executive Management Team (contact Anita Arthur, ext. 4502)

4.   USEFUL CONTACTS:

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
John Smith, Head of Organisational Development, ext. 4513

5.   STRENGTHS AND WEAKNESSES:

4   **Performance management system now initiated**
4   **Good monitoring of budgets**
X   **No comprehensive model of key business processes**
X   **Little use of inter-organisational comparisons**
X   **No research conducted on what information the public wants, or on format and frequency**
X   **New processes therefore little track record**

6.   FIVE-POINT SCALE:

poor / WEAK / fair / strong / excellent

CRITERION 8: SOUND MANAGEMENT – RISK MANAGEMENT

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **The Council has a systematic framework for the management of risk, including economic, social, environmental, management and technological risk as well as health and safety. This is managed through the Safety & Risk Unit, which reports to the Head of Legal and Administration.**

   1.2. **All services were required to complete a risk register in the new format covering all these areas, by 31 March 2004; only three did so. The new format asks Heads of Service to identify operational risks which are specific to their service, and broader strategic risks which are likely to stretch across more than one service.**

   1.3. **Service-specific risk is to be examined on a rolling programme of inspections, carried out by the Safety and Risk Unit. Corporate risk is addressed through the Risk Management Board, which comprises all Service Heads and is chaired by the Head of Legal and Administration. Corporate risk is ultimately to be the responsibility of the Executive Management Team, to whom the Risk Management Board reports. The Board has so far met twice.**

   1.4. **Risks connected with capital projects are assessed in terms of the Capital Programme Method and associated guidance.**

   1.5. **The management of financial resources is reviewe d annually each autumn, and seminars on specific aspects are held as required eg recent work on budget savings, all in addition to regular reporting. There is no comparable periodic reporting on personnel or physical assets.**

2. **POLICIES:**

   2.1. **Risk Management Policy, Risk Management Board - New Terms of Reference, Explanation of Rolling Programme, Risk Register Flow Chart, Risk Control Path flowchart, Risk Register with explanatory notes on how to complete all available on http://www.sic.gov.uk/departments/safety-risk/DocandPDFfiles.htm**
   2.2. **Health & Safety Policy http://www.sic.gov.uk/departments/safety-risk/documents/managingriskHSpolicy.pdf**

3. **EVIDENCE OF PERFORMANCE:**

   3.1. **minutes of Risk Management Board (contact Sandra Pearson, ext. 4556)**
   3.2. **completed Risk Registers (contact Sandra Pearson, ext. 4556)**

4. **USEFUL CONTACTS:**

   Sandy Cluness, Convener, ext. 4500
   Morgan Goodlad, Chief Executive, ext. 4500
   Jan-Robert Riise, Head of Legal & Administration, ext. 4551

5. **STRENGTHS AND WEAKNESSES:**

   - 4 **good framework in line with best practice**
   - 4 **comprehensive assessment of different kinds of risk**
   - X **frontline staff dealing with risk daily on a practical basis, may not identify with central and process-led approach to risk**
   - X **only three service risk registers had been received by set deadline – new deadline required**
   - X **no periodic reporting on human or physical resources**

6. FIVE-POINT SCALE:

poor / weak / FAIR / strong / excellent

CRITERION 9: SOUND MANAGEMENT - EMPLOYEES

1. **COUNCIL'S ARRANGEMENTS:**

    1.1. **Considerations of staffing requirements are contained in reports on service changes. There is no centralised staff planning, although the service planning system may change this approach. Succession planning is not structured, but there are individual initiatives in response to perceived skill shortages eg the development of a locally-delivered primary teaching qualification, local encouragement to consider a career in social work, Graduate Scheme to promote careers in local government.**

    1.2. **Following on the expectations set out in the Corporate Plan, the Council's requirements of its employees are contained in each employee's job description and in a range of personnel policies, all available on the intranet. Annual appraisal has been conducted at a senior level for some years, and is now being rolled out to middle management across the Council.**

    1.3. **There is widespread use of secondments and special projects, as a means of enhancing an individual's expertise. Professional training and continuous development is catered for in the relevant departments, and a range of short courses of a more corporate nature is provided locally, but much learning is on-the-job and informally from colleagues. Induction training is delivered centrally and also in the departments. There is no systematic Council-wide approach to equipping actual and potential managers with management skills, although individuals have negotiated arrangements with their managers eg to study with the Open University for a MBA.**

    1.4. **No Council-wide survey has been carried out asking staff how they feel about working for the Council, although surveys have been piloted in the Housing Service. Various individual employees have raised concerns about the numbers of employees on "temporary" contracts, and the length of time they have been so employed.**

    1.5. **Risks in relation to workforce matters are handled through the risk management system, which takes a holistic approach to matters of safety and risk.**

    1.6. **Various flexible arrangements are available for those returning to work after illness, or those redeployed to a new post. The Council has a full-time Welfare Officer. It has also been successful in obtaining a Bronze Award from the Scotland Health At Work Scheme (SHAW).**

2. **POLICIES:**

    2.1. **Human Resources Strategy**
          http://www.sic.gov.uk/personnel/documents/introduction/hr_strategy.pdf
    2.2. **Numerous personnel policies http://www.sic.gov.uk/personnel/Pages/policies.htm#R**
    2.3. **report introducing staff appraisal for executive directors and service heads**
          http://www.sic.gov.uk/resources/documents/staffappraisalschemeseniormanagement.pdf
    2.4. **form for use in appraisal**
          http://www.sic.gov.uk/resources/documents/staffappraisalschemeseniormanagement-appendix.pdf
    2.5. **report extending staff appraisal**
          http://www.sic.gov.uk/resources/documents/staffappraisalschemeextension.pdf
    2.6. **Internal Secondment policy**
          http://www.sic.gov.uk/personnel/documents/policies/internal_secondment.pdf
    2.7. **phased return to work policy**
          http://www.sic.gov.uk/personnel/documents/policies/phased_return_to_work_policy.pdf
    2.8. **redeployment policy http://www.sic.gov.uk/personnel/documents/policies/redundancy.pdf**

3. **EVIDENCE OF PERFORMANCE:**

3.1. various reports on service change eg economic development, social care in March 2004 (contact Anne Cogle, ext. 4554)

3.2. local primary teaching qualification (contact Helen Budge, ext. 4064)

3.3. raising awareness of social work careers (contact Jean Aaron Walker ext. 4420)

3.4. staff appraisal documents (contact Graham Spall, ext. 4851 or Jacqui Watt, ext. 4001)

3.5. induction checklist http://www.sic.gov.uk/personnel/documents/forms/induction_checklist.pdf

3.6. sample corporate induction session http://www.sic.gov.uk/personnel/documents/Corporate Induction Session.doc

3.7. additional induction material (contact Denise Bell, ext. 4577)

3.8. continuous professional development programme for Education staff (contact Alex Jamieson ext. 4014)

3.9. risk management material http://www.sic.gov.uk/departments/safety-risk/default.htm

3.10. staff working on special projects eg Single Status (contact Melanie Flaws, ext. 4671 or Jim MacLeod, ext. 4672)

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
John Smith, Head of Organisational Development, ext. 4513

5. **STRENGTHS AND WEAKNESSES:**

- 4 **Staff and succession planning is service centred**
- 4 **Comprehensive package of modern personnel policies**
- X **No Council-wide human resource planning**
- X **No integrated staff handbook setting out the Council's expectations of its employees**
- X **No systematic approach to developing employees' skills**
- X **No co-ordinated scheme of management development in place**
- X **Staff satisfaction survey needed**
- X **No Council-wide guidance for managers on the use of "temporary" employment contracts**
- X **Appraisal scheme covers senior staff but is not yet in operation for all staff in all departments**

6. **FIVE-POINT SCALE:**

poor / weak / FAIR / strong / excellent

CRITERION 10: SOUND MANAGEMENT – FIXED ASSETS

1. **COUNCIL'S ARRANGEMENTS:**

    1.1. **Fixed assets are procured in terms of the Capital Programme Method and associated Guidance, and the relevant Service Plan / Best Value Review. It is a requirement of the Council's Capital Programme Method that issues such as suitability and sustainability be considered as part of the decision-making process required before a project or purchase is included in the programme. The method also provides that overall analysis of any proposed solution should be based on whole-life cost, including future running costs.**

    1.2. **Land and property assets are to be included in a set of asset management plans; the schools plan has been completed, and there is a timetable for production of the rest. The management plan is drawn up from the Capital Programme and the relevant Service Plan / Best Value Review, and is based around considerations of condition, suitability and sufficiency for intended purpose. It also forms the basis of the annual maintenance plans prepared by Building Services.**

    1.3. **Expenditure on ferries and terminals, on plant and vehicles and on information and communications technology, is all included in the Capital Programme management framework.**

    1.4. **A comprehensive fixed assets register is retained by Finance.**

    1.5. **Alternative approaches to be considered, with regard to fulfilling service requirements and with regard to how the capital asset might be procured, include consideration of in-house provision.**

2. **POLICIES:**

    2.1. **capital programme method http://www.sic.gov.uk/departments/finance/capitalprogramme/**
    2.2. **ICT Strategy   http://www.sic.gov.uk/departments/ict_unit/documents/ICT Strategy 2003 version 1.doc**
    2.3. **Education ICT Strategy Implementation http://www.sic.gov.uk/departments/ict_unit/documents/Education ICT Strategy Implementation vJan 03.doc**
    2.4. **Delegated powers – property transactions http://www.sic.gov.uk/resources/documents/Delegatedpowers-propertytransactions.pdf**
    2.5. **Disposal of surplus assets http://www.sic.gov.uk/resources/documents/Reportondisposalofsurplusassets.pdf**

3. **EVIDENCE OF PERFORMANCE:**

    3.1. **estates management plan – schools (contact Andrew Drummond-Hunt ext. 4598)**
    3.2. **timetable for roll-out of estates management plans (contact Andrew Drummond-Hunt ext. 4598)**
    3.3. **capital programme management team minutes (contact Ian Millar, ext. 4686)**
    3.4. **Fixed Asset register (contact Danae Fiedler, ext. 4608)**
    3.5. **buildings information on intranet (audit access to be arranged) http://www.sic.gov.uk/buildingservices/**
    3.6. **annual maintenance plans (contact David Williamson, ext. 4103)**
    3.7. **rolling programmes eg ferries & terminals, fleet management (contact Graham Spall, ext. 4851)**

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Graham Johnston, Head of Finance, ext. 4607
Jan-Robert Riise, Head of Legal & Administration, ext. 4551

5.   **STRENGTHS AND WEAKNESSES:**

4   **Thorough management framework for procurement and maintenance of fixed assets**
4   **Option appraisal considers relevant factors**
X   **links between Corporate Plan and capital programme are not always clear**
X   **implementation of sustainability issues**

6.   **FIVE-POINT SCALE:**

poor / weak / fair / STRONG **/ excellent**

CRITERION 11: SOUND MANAGEMENT - PROCUREMENT

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **All goods, works and services estimated to cost over £50,000 are covered by the Council's Standing Orders Relating to Tenders and Contracts, and are administered through the Council's Contract Compliance Unit. This unit also administers all contracts over the EU thresholds, and keeps managers informed of major changes.**

   1.2. **The two service departments each have their own Capital Project Team, consisting of construction professionals. They also liaise with, and receive advice from, the Contract Compliance Unit, and Legal Services.**

   1.3. **The key documents of reference for managers are the Council's Standing Orders Relating to Tenders and Contracts, Capital Programme Method (CPM) and associated Guidance, Financial Regulations and the relevant Service Plan / Best Value Review. The CPM requires alternative approaches to be considered, with regard firstly to fulfilling service requirements and secondly to how the capital asset might be procured. This includes consideration of in-house provision.**

   1.4. **Specifications are developed by working groups with stakeholder involvement and, where appropriate, partnership working with other public bodies. Contracts are usually based on the various standard industry conditions in use or as amended. Several service contracts are based on standard documents generally in use usually agreed with Legal and Administration. Some modernisation is required in standard conditions eg on sustainability and equal opportunities.**

   1.5. **Financial assessment of all suppliers and contractors is conducted by Finance, who also maintain a Financial Register of approved contractors. Technical vetting is carried out as part of the Capital Programme Method and where otherwise necessary, by the Capital Projects Units and Service Units. This includes EU contracts, and usually involves the completion of a questionnaire and the taking up of references.**

   1.6. **Purchases of goods, works and services with an estimated value below £50,000 are covered by the Council's Financial Regulations. These are managed in the separate Council departments acting, in EU terms, as 'Distinct Operating Units'. The lack of centralised information on these purchases means that opportunities are being missed for making savings by co-ordinated purchasing, and for picking up activity which, in aggregation, may exceed Standing Orders or EU thresholds. There is negligible e-procurement.**

   1.7. **Procurement of commissioned services, such as care and welfare, is is being strengthened with the use of Service Level Agreements and the recent work on examining the use of Council-created organisations. It is an area in need of more work.**

   1.8. **The Corporate Plan sets out the Council's aspirations for local sourcing where possible, but this has not been translated into appropriate procedures for council-wide use. Likewise, there is an uneven approach to the tendering process where in-house bids are involved, and this area needs clarification in view of the increased emphasis likely to be given to it, with the introduction of the Local Government in Scotland Act 2003.**

   1.9. **There is a move towards looking at wider criteria, rather than simple lowest price; the precedent was set in a report concerning the purchase of a piece of heavy plant (a mechanical loading shovel).**

2. **POLICIES:**

   2.1. **Standing Orders http://www.sic.gov.uk/departments/legal-admin/standingorders/documents/StandingOrders.pdf**
   2.2. **report amending Standing Orders http://www.sic.gov.uk/departments/legal-admin/documents/StandingOrdersamendingreport.pdf**

2.3. **amendment to Standing Orders** http://www.sic.gov.uk/departments/legal-admin/documents/StandingOrdersamendment.pdf

2.4. **Capital Programme Method and associated documents** http://www.sic.gov.uk/departments/capitalprojects/

2.5. **Financial Regulations** http://www.sic.gov.uk/resources/documents/policies/finance/financial_regulations.pdf

2.6. **Financial procedures; various – see appropriate heading on** http://www.sic.gov.uk/resources/policies_index.htm

2.7. **Financial Assessment Register report** http://www.sic.gov.uk/resources/documents/reportonFinancialAssessmentregister.pdf

2.8. **"loading shovel report"** http://www.sic.gov.uk/departments/legal-admin/standingorders/documents/reportonloadingshovel.pdf

3. **EVIDENCE OF PERFORMANCE:**

3.1. **EU threshold memorandum** http://www.sic.gov.uk/departments/legal-admin/standingorders/documents/EUthreshholdscoveringmemo.pdf

3.2. **EU threshold Circular sent with above memorandum** http://www.sic.gov.uk/departments/legal-admin/standingorders/documents/EUthreshholdsLocalAuthorityCircularNO2004-RevisionofThresholds.pdf

3.3. **Best Value Review of Education (contact Alex Jamieson, ext. 4014)**

3.4. **recent work on the Museum / Archives project (contact Mike Finnie, ext. 4162)**

3.5. **recent work on the Bressay Bridge Feasibility study (contact Michael Craigie, ext. 4160)**

3.6. **Ferries and Terminals Replacement Programme eg Yell crossing provision of service (contact Michael Craigie, ext. 4160)**

3.7. **Service Level Agreements with voluntary organisations (contat Jacqui Watt, ext. 4001)**

3.8. **review of Council-created organisations** http://www.sic.gov.uk/resources/documents/council-createdorganisationsreport.pdf

3.9. **quality/price - Lerwick Internals Phase I, Cruden House Pilot Scheme (contact Anita Jamieson, ext. 4363 OR Ewen Balfour ext. 4336)**

3.10. **quality/price – Nesting School (contact Mike Finnie, ext. 4162)**

3.11. **quality/price - recent ferries (contact Michael Craigie, ext. 4160)**

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Graham Johnston, Head of Finance, ext. 4607
Jan-Robert Riise, Head of Legal & Administration, ext. 4551

5. **STRENGTHS AND WEAKNESSES:**

- 4 **Thorough capital programme method with stakeholder involvement**
- 4 **Professional contract and legal expertise readily available**
- X **Lack of Council-wide information on purchasing under £50,000**
- X **Procurement strategy needed for purchases under £50,000**
- X **Care and commissioning models in Community Services need strengthening**
- X **More transparency needed with regard to in-house bids**
- X **Contractors not routinely required to comply with Council policies**

6. **FIVE-POINT SCALE:**

poor / weak / fair / STRONG / excellent

CRITERION 12: SOUND MANAGEMENT – FINANCIAL STEWARDSHIP

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. The Council's Financial Regulations and authorised Budget Responsible Officer / signatory lists are maintained by the Head of Finance and his staff. He also manages the Internal Audit service, which reports to the Council's Executive Committee. Internal Audit work is performed in accordance with an annual audit plan, which is a prioritised schedule of assignments to be performed during the course of the financial year within the framework of a five-year risk-based Strategic Audit Plan.

   1.2. The Council prepares and publishes accounts in accordance with statute. Recent annual accounts show a clean audit report.

   1.3. Internally, revenue and capital expenditure is reported to senior managers monthly and elected members quarterly, showing performance against budget. Virement between budget heads is regulated in terms of paragraph 7.10 in the Financial Regulations.

   1.4. There are difficulties with the flexibility and retrievability of information.

   1.5. The standard format of reports on all subjects to Council includes a paragraph on "Financial Implications", and the agenda management process requires reports to be circulated as drafts to the Head of Finance, amongst others. The Capital Programme Method requires thorough prior financial assessment of capital expenditure decisions, and expenditure is monitored through the Capital Programme Management Team.

   1.6. Financial administration is in large measure devolved to departments, in order to be close to services.

   1.7. The Capital Programme Method Guidance provides for post-project reviews which cover all aspects of the project including financial. Revenue expenditure on service delivery is not subject to systematic review.

   1.8. Support and guidance on financial matters is available to departments from the Finance Section and dedicated management accountants. Some training has been carried out to prepare Head Teachers for Devolved School Management, but otherwise there is no comprehensive training programme to ensure that financial staff in the departments have a consistent level of knowledge.

   1.9. The Payments section keeps records of how quickly suppliers are paid, and by what method; in 2003/04, 82% were paid within thirty days. Over 76% of regular suppliers, amounting to 86% of purchases by value, are paid through BACS.

   1.10. The Council applies the Prudential Code. In accordance with its then-long term plans, the Council went debt-free in 1992, and has continued a policy of remaining debt-free, whilst endeavouring to maintain reserves.

2. **POLICIES:**

   2.1. Financial Regulations
   http://www.sic.gov.uk/resources/documents/policies/finance/financial_regulations.pdf
   2.2. Standard format of reports includes "Financial Implications" paragraph (contact Anne Cogle, ext. 4554)
   2.3. Five Year Strategic Audit Plan http://www.sic.gov.uk/departments/internal-audit/documents/5Yearauditplan.pdf
   2.4. annual audit plan http://www.sic.gov.uk/departments/internal-audit/documents/auditplan0405.pdf
   2.5. Capital Programme Monitoring Team minutes (contact Ian Millar, ext. 4686)

3. **EVIDENCE OF PERFORMANCE:**

    3.1. **memo to senior management on monthly revenue management accounts**
        http://www.sic.gov.uk/resources/documents/policies/finance/memo%20to%20officers%20on%20Monthly%20Financial%20Monitoring.pdf

    3.2. **monthly revenue management accounts to managers and Executive Management Team (contact Graham Johnston, ext. 4607)**

    3.3. **quarterly revenue management accounts to members**
        http://www.sic.gov.uk/resources/documents/policies/finance/report%20to%20members%20on%20qtrly%20revenue%20monitoring.pdf and
        http://www.sic.gov.uk/resources/documents/policies/finance/report%20to%20members%20on%20qtrly%20revenue%20monitoring%20App1.pdf

    3.4. **monthly capital management accounts to managers and Executive Management Team (contact Graham Johnston, ext. 4607)**

    3.5. **quarterly capital management accounts to members**
        http://www.sic.gov.uk/resources/documents/policies/finance/report%20to%20members%20on%20qtrly%20capital%20monitoring.pdf and
        http://www.sic.gov.uk/resources/documents/policies/finance/report%20to%20members%20on%20qtrly%20capital%20monitoring%20App1.pdf

    3.6. **financial procedures http://www.sic.gov.uk/resources/policies_index.htm**

    3.7. **authorised list of Budget Responsible Officers**
        http://www.sic.gov.uk/resources/documents/BudgetResponsibleOfficerlist.xls

    3.8. **internal audit reports (contact Crawford McIntyre, ext. 4546)**

    3.9. **external audit reports (contact Graham Johnston, ext. 4607)**

    3.10. **annual accounts (contact Graham Johnston, ext. 4607)**

    3.11. **Jubilee Park pavilion post-project review (contact Lawson Bisset, ext. 4168)**

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Graham Johnston, Head of Finance, ext. 4607

5. **STRENGTHS AND WEAKNESSES:**

    4   **Authority has sound financial position**
    4   **Thorough financial regulatory framework**
    4   **Audit coverage good**
    4   **Systematic before-the-event financial assessments**
    X   **No system in place to conduct regular value-for-money reviews of past performance of services, other than BV reviews**
    X   **Scope for improvement in making prompt payment to suppliers**
    X   **Lack of organized training for staff handling financial matters in departments**

6. **FIVE-POINT SCALE:**

poor / weak / fair / STRONG / excellent

CRITERION 13: REVIEW & OPTION APPRAISAL

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. Option appraisal forms part of the Council's BV regime, and a method for deciding between options was adopted by Executive Committee in February 2004. Education is the most recent BV review to be conducted; owing to its size, and the challenge it has presented to current policies and approaches, it has proved difficult to draw to a conclusion. Members decided to examine Support Services next, at Executive Committee in March 2004. A comprehensive review timetable is to be developed on a systematic basis during the time of that review. Both performance management reports and the feedback from Your Voice will guide the drawing up of a timetable for reviewing other services.

   1.2. The BV toolkit sets out how services should ascertain stakeholder preferences, and look to future trends in society, as well as setting out how they should systematically prioritise areas of concern to stakeholders. The Education BV report offers clear options for improvement.

   1.3. The BVR regime may be new, but other reviews are conducted as a normal activity in improving current services and planning to meet future needs, eg capital project feasibility studies, grant aid review, development of the childcare strategy. In the recent past, other reviews built on experience gained with the PMP audit; these included reviews of the inter-island air services and of the development department.

   1.4. Cross-cutting agendas are covered in the BV toolkit, and were addressed in some previous studies such as the Bressay Bridge feasibility study, which considered impact on the environment and sought the views of local businesses as part of its assessment.

   1.5. Partnership working with the community and the voluntary sector is seen in the approach to the new museum and archives project and the new Anderson High School project; this latter also involves pupil participation. These bodies are active in the option and review process as work proceeds.

   1.6. Consistency of appraisal is more readily demonstrated in capital projects, which have an established method, than in services where the BV approach has only been applied to one area so far, namely Education.

   1.7. The Council consistently gives paramount importance to the views of stakeholders, as may be seen in the closure of the Quarff school, and in recent debates on making savings. The quality of factual analysis and wider considerations in BV decision making has yet to be tested in the Education BV report, although it is seen in decisions regarding capital projects and the recent review of Council-created organisations.

   1.8. Member / officer working groups have been used in the Education BV review, the review of Council-created organisations and the AHS task force.

   1.9. Corporate plan monitoring and the performance management regime should ensure systematic high-level monitoring.

2. **POLICIES:**

   2.1. Best Value Update report, February 2004
   http://www.sic.gov.uk/resources/documents/policies/organisational/report%20on%20BV%20including%20option%20appraisal.pdf
   2.2. appendix to Best Value Update report, February 2004
   http://www.sic.gov.uk/resources/documents/policies/organisational/report%20on%20BV%20including%20option%20appraisal%20-%20appendix.pdf
   2.3. Best Value Update report, March 2004 (including Best Value Review timetable
   http://www.sic.gov.uk/resources/documents/policies/organisational/report%20on%20BV%20including%20BV%20review%20TT.pdf

2.4. Best Value Update report, May 2004
http://www.sic.gov.uk/resources/documents/policies/organisational/ce20d1.pdf
2.5. appendix A to Best Value Update report, May 2004
http://www.sic.gov.uk/resources/documents/policies/organisational/ce20d1a.pdf
2.6. appendix B to Best Value Update report, May 2004
http://www.sic.gov.uk/resources/documents/policies/organisational/ce20d1b.pdf
2.7. Best Value Update report, June 2004
http://www.sic.gov.uk/resources/documents/policies/organisational/ce28f.pdf
2.8. Best Value toolkit
http://www.sic.gov.uk/resources/documents/policies/organisational/Best%20Value%20Review%20Toolkit%20in%20SIC.pdf
2.9. corporate plan monitoring
http://www.sic.gov.uk/resources/documents/policies/organisational/ce26fappc.pdf

3. EVIDENCE OF PERFORMANCE:

3.1. Best Value Review of Education - report
http://www.sic.gov.uk/resources/documents/EducationBVRreport.pdf
3.2. Best Value Review of Education – executive summary
http://www.sic.gov.uk/resources/documents/EducationBVRreportexecsummary.pdf
3.3. Best Value Review of Education - report Appendix A
http://www.sic.gov.uk/resources/documents/EducationBVRreportappendixA.pdf
3.4. Best Value Review of Education - report Appendix B
http://www.sic.gov.uk/resources/documents/EducationBVRreportappendixB.pdf
3.5. Bressay Bridge feasibility study (contact Michael Craigie, ext. 4160)
3.6. new AHS project (contact Mike Finnie, ext. 4162)
3.7. grant aid review (contact Michael Duncan, ext. 4048)
3.8. development of "Shetland Childcare 2012" (contact Sandra Gray, tel. 01595 – 697460)
3.9. Quarff school consultation exercises (contact Alex Jamieson, ext. 4014)
3.10. seminar on budget cuts http://www.sic.gov.uk/resources/documents/FinanceSeminar2004.pdf
3.11. review of Council-created organisations http://www.sic.gov.uk/resources/documents/council-createdorganisationsreport.pdf

4. USEFUL CONTACTS:

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
John Smith, Head of Organisational Development, ext. 4513

5. STRENGTHS AND WEAKNESSES:

4 **Toolkits and monitoring systems in place**
4 **Good community-wide consultation on options**
4 **Well-researched options offered for decision**
X **Basis for decisions taken not always clear**
X **Customer priorities do not determine priorities for review**
X **Service plans do not uniformly provide appraisal and review**

6. FIVE-POINT SCALE:

poor / WEAK / fair / strong / excellent

CRITERION 14: COMPETITIVENESS & TRADING

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **Although not formalised in a code of guidance, it is common practice for officers to obtain legal advice before entering into any new area of trading, and, where not already in place, to seek Council approval for the business proposed, justifying the nature and scale of the work eg various roads-related work, bus contracts. In the absence of clear guidance, the separation of pre-contract duties is not always observed, except in the case of acti vities where trading accounts are maintained.**

   1.2. **The need for a healthy economy is central to the Council's Corporate Plan. The small size of the business community and associated sectors, means that particular consideration is given to ensuring on the one hand that the Council does not dominate the market, but on the other that it does supply goods and services where there is no other supplier in Shetland eg quarry products and services such as tarring and chipping private driveways. At the same time, the Council is also interested in ensuring that there is sufficient competition to create a realistic pricing regime, and to this end may draw up an internal bid in competition with external firms eg bus contracts, building maintenance works.**

   1.3. **Involvement with local business takes place not only on the Economic Development Forum but also through professional associations such as the Shetland Association of Construction Professionals, the Shetland Building & Allied Trades Association and the Shetland Construction Training Group.**

   1.4. **Trading accounts are kept in respect of material trading activities, with the definition of materiality being approved by the Council. The line-management of "client" and "contractor" functions has been drawn together under a single Executive Director, but below that level, separate management structures exist. The accounts show that a reasonable margin is achieved.**

   1.5. **Recharges to trading operations are subject to the same rules as other recharges; understanding of the mechanism of recharges is patchy, and there is a need to ensure a more comprehensive level of knowledge.**

2. **POLICIES:**

   2.1. **Corporate Plan http://www.shetland.gov.uk/corporateplan/documents/CorporatePlan.pdf**
   2.2. **Standing Orders http://www.sic.gov.uk/departments/legal-admin/standingorders/documents/StandingOrders.pdf**
   2.3. **Report amending Standing Orders http://www.sic.gov.uk/departments/legal-admin/documents/StandingOrdersamendingreport.pdf**
   2.4. **Amendment to Standing Orders http://www.sic.gov.uk/departments/legal-admin/documents/StandingOrdersamendment.pdf**
   2.5. **report on Significant Trading Operations http://www.sic.gov.uk/resources/documents/reportonsignificanttradingactivities.doc**
   2.6. **Best Value toolkit http://www.sic.gov.uk/resources/documents/policies/organisational/Best%20Value%20Review%20Toolkit%20in%20SIC.pdf**

3. **EVIDENCE OF PERFORMANCE:**

   3.1. **internal memoranda and papers in Buildings Section and Roads Section (contact David Williamson, ext. 4103 OR Ron Beardsley, ext. 4110)**
   3.2. **Bus Contracts reports http://www.sic.gov.uk/departments/transport/default.htm**
   3.3. **report on Local Purchasing proposals http://www.sic.gov.uk/resources/documents/localpurchasingreport.pdf**

3.4. extract minute on Local Purchasing proposals
   http://www.sic.gov.uk/resources/documents/localpurchasing-extractminutes.pdf

4. USEFUL CONTACTS:

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
Graham Johnston, Head of Finance, ext. 4607
Jan-Robert Riise, Head of Legal & Administration, ext. 4551

5. STRENGTHS AND WEAKNESSES:

4   **Awareness of impact of Council business on private sector**
X   **Need guidance and procedures for officers on when, and how, to prepare in-house bids**
X   **Training required in understanding the recharge mechanism**

6. FIVE-POINT SCALE:

poor / weak / fair / STRONG **/ excellent**

CRITERION 15: SUSTAINABLE DEVELOPMENT

1. **COUNCIL'S ARRANGEMENTS:**

    1.1. A commitment to sustainable economic development, a vibrant society, and protecting and enhancing the environment is shown in both Community and Corporate Plans, and a checklist and toolkit is provided in the form of a local framework pro forma, to support managers in implementing these aims when writing strategies, policies or service plans.

    1.2. Although training has been provide d for writing Service Plans, which should have been drawn up with reference to Community Plan objectives as part of the Service Plan process, an express commitment to sustainable development does not appear as often as might have been expected in Plans, strategies or policies.

    1.3. Formal and informal consultation takes place between Council, communities and partners on plans, priorities and issues (see Criterion 5) but sustainable development is principally discussed in the Environment Forum.

    1.4. "Quality of Life " indicators are not in place, but there are commitments to sustainability contained in the Capital Programme Method, and a separate strategy for recycling building materials. The Area Waste Plan, developed in partnership with SEPA and with Orkney Islands Council, also covers recycling strategies.

    1.5. The Council's policy on the disposal of fixed assets includes a requirement to recycle assets between departments.

2. **POLICIES:**

    2.1. Community Plan http://www.shetland.gov.uk/communityplanning/documents.asp
    2.2. Corporate Plan http://www.shetland.gov.uk/corporateplan/documents/CorporatePlan.pdf
    2.3. local framework pro forma (supporting document for service plans) http://www.sic.gov.uk/serviceplanning/files/background/Local%20Framework%20Pro%20Forma.doc
    2.4. Council Policy on the Salvaging of Building Components / Materials http://www.sic.gov.uk/departments/asset-management/documents/reportonrecyclingbuildingmaterials.doc
    2.5. report on procedures for the Disposal of Movable Assets http://www.sic.gov.uk/departments/asset-management/documents/Reportondisposalofsurplusassets.DOC
    2.6. Area Waste Plan http://www.sic.gov.uk/departments/waste-mangement/documents/areawasteplan.pdf

3. **EVIDENCE OF PERFORMANCE:**

    3.1. service plans http://www.sic.gov.uk/serviceplanning/default.htm
    3.2. strategies – see relevant section in service plans

4. **USEFUL CONTACTS:**

Drew Ratter, Councillor, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
John Smith, Head of Organisational Development, ext. 4513

5. **STRENGTHS AND WEAKNESSES:**

4 **High-level commitment to sustainable development evidenced in Community and Corporate Plans**

X **Commitment to sustainable development as a working principle not evident**

X **"Quality of Life" indicators not in place**

X **sustainability considerations not a standard requirement in Council contracts**

6. FIVE-POINT SCALE:

poor / WEAK **/ fair / strong / excellent**

CRITERION 16: EQUAL OPPORTUNITIES

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. **Community and Corporate Plans contain a commitment to equality, and one of the supporting documents to assist managers in preparing their Service Plans, is an Equality Impact Assessment. The Community Planning Board has established an equalities group, to take forward equalities on a multi-agency basis.**

   1.2. **In relation to all equalities, the Council has written a Statement of Intent with its Community Planning partners, with a framework and action plan. Current work is focussed on the small, but growing, numbers of ethnic minorities within Shetland, and in the absence of the minority communities' own framework, informal consultation is carried out through the course on English as an Additional Language run at Shetland College. Food hygiene courses have been run in minority languages, such as Cantonese.**

   1.3. **The Commission for Racial Equality has expressed reservations about the steps taken in Scotland so far, in fulfilment of the new statutory duties. The Council has received notification that its arrangements for meeting statutory requirements are not adequate.**

   1.4. **Recognition of diversity in the community is patchy, as may be seen from Service Plans and strategies for consultation (see Criterion 5). As with sustainable development, an express commitment to equalities is seldom stated explicitly. In order to improve this situation, an Equalities Impact Assessment toolkit has been developed with Community Planning partners; this is intended to assist officers in auditing their strategies, policies and functions for equality issues. The toolkit is at present being piloted.**

   1.5. **The Council has an Equal Opportunities Policy, as well as separate employment policies covering other equality issues; an introduction to these forms part of the Council's induction course. Equal opportunities are covered in two of the Statutory Performance Indicators reported on annually by the Council; other performance measures are not yet in place.**

   1.6. **As regards disability, there is a Policy on the Employment of Disabled People, and awareness training has been run in the past for all staff; attendance, however, was voluntary. A programme of access audits is being carried out, to ensure that all Council premises are easy to use, and Service Heads whose premises are subject to audit, are kept informed of progress.**

   1.7. **Although not yet in legislation, the Council has anticipated concern about ageism, and has a policy allowing for the employment of staff over the usual retirement age.**

   1.8. **The introduction of Single Status should address any remaining gender inequalities in pay.**

2. **POLICIES:**

   2.1. **employment of staff over retirement age policy**
   http://www.sic.gov.uk/personnel/documents/policies/employment_of_staff_over_retirement_age.pdf

   2.2. **employment of disabled people policy**
   http://www.sic.gov.uk/personnel/Pages/documents/disabled_policy_sept03_008.pdf

   2.3. **equal opportunities policy**
   http://www.sic.gov.uk/personnel/documents/policies/equal_opportunities.pdf

   2.4. **Statement of Intent**
   http://www.shetland.gov.uk/corporateplan/documents/EqualitiesActionPlanupdate0404Final.pdf

3. **EVIDENCE OF PERFORMANCE:**

3.1. **Progress report to Heads of Service with premises on timetable on preparations for Disability Discrimination Act 1995, March 2004** http://www.sic.gov.uk/departments/asset-management/documents/timetablefordisabledaccesswork.doc

3.2. **equal pay in Single Status implementation (contact John Smith, ext. 4513)**

3.3. **equal opportunities recruitment information sheet** http://www.sic.gov.uk/personnel/documents/policies/equal_ops_recruit_sht.pdf

3.4. **Service Plans** http://www.sic.gov.uk/serviceplanning/default.htm

3.5. **induction course material (contact Denise Bell, ext. 4577)**

3.6. **training manual** http://www.trainshetland.com/index_sc.php

3.7. **Equality Impact Assessment resources** http://www.sic.gov.uk/serviceplanning/EqualOpps.htm

3.8. **Equality Impact Assessment pro-forma** http://www.sic.gov.uk/serviceplanning/documents/ShetlandEIA.doc

3.9. **Equality Impact Assessment guidance 1 of 2** http://www.sic.gov.uk/resources/documents/policies/organisational/EQIA%20Guidance1.pdf

3.10. **Equality Impact Assessment guidance 2 of 2** http://www.sic.gov.uk/resources/documents/policies/organisational/EQIAGuidance2.pdf

3.11. **Protocol for engaging with the English as an Additional Language class** http://www.sic.gov.uk/resources/documents/ProtocolreEnglishclass.pdf

4. USEFUL CONTACTS:

Billy Stove, Councillor, ext. 4500
Jacqui Watt, Executive Director, ext. 4001
John Smith, Head of Organisational Development, ext. 4513

5. STRENGTHS AND WEAKNESSES:

- 4 **Range of policies in place**
- 4 **Toolkit to assist officers now developed and being implemented**
- X **Need to raise awareness throughout Council**
- X **Need a roll-out timetable for the Equalities Impact Assessment toolkit**
- X **Not fulfilling statutory requirements under Race Relations Act 1976, as amended**

6. FIVE-POINT SCALE:

poor / WEAK **/ fair / strong / excellent**

CRITERION 17: COMMUNITY PLANNING AND JOINT WORKING

1. **COUNCIL'S ARRANGEMENTS:**

    1.1. **The community planning partnership, working through a Board and a supporting framework of strategic groups, forms the official structure for overall joint working. There are other service-based examples of effective working together, notably with the local trusts and NHS Shetland, and on capital projects. Other examples are the Regeneration Partnership, which is working on location-specific case studies, and the North Isles Community Learning Action Group.**

    1.2. **Shared funding and integrated management and services are already in place in some areas, with new funding initiatives being a standing item on Community Planning Board agendas, and with two key Social Care posts being funded partly by the Council and partly by NHS Shetland. In addition, all strategic groups report to the Board six-monthly on performance against Community Planning priorities, problems and successes experienced, and making suggestions as to the role which could be played by the Community Planning Board.**

    1.3. **On 3rd June 2004, the partners on the Community Planning Board, and in the strategic groups, attended an awayday entitled "Time for Effective Partnerships", designed to assess how effectively the partnerships were working, and to draw up an action plan for improvement for each strategic group. This was delivered by the Community Planning Support Team, nine cross-agency staff who have been trained in engaging and consulting with communities, effective partnership working and action planning.**

    1.4. **The visions and priorities of the Community Plan and the Corporate Plan, are translated into practical action in the Council's Service Plans.**

    1.5. **The Community Plan is a public document, but the Community Planning Board at present does not meet in public; this has been a matter of debate at the Board.**

    1.6. **Information of mutual interest, such as the results of surveys and other statistical data, is placed on a datashare website, which can be accessed by all Community Planning partners. The Council is installing new Anite SWIFT software for the Social Work service, and part of the project brief is to arrange for access by NHS Shetland to certain of the modules, thus allowing data to be shared at a practical level.**

    1.7. **There is no systematic joint procurement by the Council with other bodies.**

2. **POLICIES:**

    2.1. **Community Plan and community planning framework**
        http://www.shetland.gov.uk/communityplanning/documents.asp
    2.2. **community planning resources http://www.sic.gov.uk/communityplan/index.htm**

3. **EVIDENCE OF PERFORMANCE:**

    3.1. **Health Action Team minutes (contact Anne Reynolds, ext. 4538)**
    3.2. **Joint Futures Implementation Group minutes (contact Ann Nicolson, ext. 4309)**
    3.3. **Community Learning Development draft strategy (contact Fiona Stirling, ext. 4060)**
    3.4. **Local Economic forum minutes (contact Stuart Nickerson, Shetland Enterprise, tel.: 01595 – 693177)**
    3.5. **environment group minutes (contact Mick Clifton, Shetland Amenity Trust, tel.: -1595 – 694688)**
    3.6. **Community Planning Support projects (contact Emma Perring, ext. 4537)**
    3.7. **Community Planning Board six-monthly report pro-forma**
        http://www.sic.gov.uk/resources/documents/policies/organisational/Six-mthly%20report%20to%20CP%20Board.pdf
    3.8. **Service Plans http://www.sic.gov.uk/serviceplanning/default.htm**

3.9. **Recreational Trust – capital projects (contact George Smith, ext. 4039)**
3.10. **Amenity Trust – museum & archives (contact Mike Finnie, ext. 4162)**
3.11. **Welfare Trust – maintenance programme (contact David Williamson, ext. 4103)**
3.12. **draft information sharing protocol**
   http://www.sic.gov.uk/resources/documents/draftinformationsharingprotocol.pdf
3.13. **Regeneration partnership minutes (contact Linda Coutts, ext. 4943)**
3.14. **North Isles Community Learning Plan Group (contact Julie Christie, tel. 01957 – 702040)**
3.15. **report from "Time for Effective Partnerships" awayday**
   http://www.sic.gov.uk/resources/documents/EffectivePartnershipWorking-evaluationreport.pdf
3.16. **Community Planning Support Team draft booklet (contact Fiona Stirling, ext. 4060)**

4. USEFUL CONTACTS:

Sandy Cluness, Convener, ext. 4500
Jacqui Watt, Executive Director, ext. 4001
John Smith, Head of Organisational Development, ext. 4513

5. STRENGTHS AND WEAKNESSES:

- 4 **Active community planning framework**
- 4 **Strong links between Community Planning and Community Learning & Development Section of Council**
- 4 **Community Planning Support Team available as Shetland-wide resource**
- 4 **Integration a reality in some areas**
- X **Need to be more publicly accountable**
- X **Scope for more joined-up back-office activities**

6. FIVE-POINT SCALE:

poor / weak / fair / STRONG **/ excellent**

CRITERION 18: ACCOUNTABILITY

1. **COUNCIL'S ARRANGEMENTS:**

   1.1. Feedback from "Your Voice" should assist the Council with identifying what information is of interest and useful to the public. General public interest in the performance of the Council is reflected in the level of local radio and newspaper stories on Council business. The Council particularly uses BBC Radio Shetland to provide information to the public, and elected members make continual appearances on phone-in items such as the weekly "Public Platform". In general, officers and members are very accessible to the media.

   1.2. The small size of constituencies makes access to their elected member easier for members of the public, and for the Community Councils. There is, however, a lack of formalised structures for seeking the representative views of people in the community particularly the hard-to-reach and excluded groups.

   1.3. The most recent Public Performance Report was mailed to all households in October 2003, and versions in large type or translation were also offered. Public Performance Reports and Statutory Performance Indicators are also available on the Council website.

   1.4. The Public Performance report was prepared ahead of the Service Planning regime, but mirrored elements such as reporting on joint-working, self-assessment, pledges and targets, all on a service-by-service basis. The report was couched in clear language, and invited feedback.

   1.5. Unaudited accounts are made available through formal public inspection as specified by the Accounts Commission, and audited accounts are placed in the public library; these are the minimum obligations. Copies are also available to the public on demand, but this service is not advertised. Glossy printed copies of the annual accounts used to be published, but the feedback was negligible and in view of the cost of production, they were stopped.

2. **POLICIES:**

   2.1. Communications Strategy
   http://www.sic.gov.uk/resources/documents/policies/organisational/Communications Strategy.pdf

3. **EVIDENCE OF PERFORMANCE:**

   3.1. Public Performance reports http://www.shetland.gov.uk/performance/documents.asp
   3.2. "Your Voice" feedback http://content.shetland.gov.uk/datashare/category.asp?catID=17
   3.3. local media coverage (contact John Smith, ext. 4513 or local library tel.: 693868)
   3.4. specific information leaflets and advertisements eg ferries information, winter road safety, summer leisure activities (contact library tel. 693868)
   3.5. website – www.shetland.gov.uk
   3.6. service publications eg Education improvement plan
   http://www.sic.gov.uk/serviceplanning/documents/EducationServicePlan2004-05.doc

4. **USEFUL CONTACTS:**

Sandy Cluness, Convener, ext. 4500
Morgan Goodlad, Chief Executive, ext. 4500
John Smith, Head of Organisational Development, ext. 4513

5. **STRENGTHS AND WEAKNESSES:**

   4 Clear Public Performance reporting

X **Need to ask the public what information they want, and in what format**

X **Minimal financial information made available**

X **Need to raise Council-wide commitment to public accountability**

6. **FIVE-POINT SCALE:**

poor / weak / FAIR / strong / excellent

	Weakness	Action	Lead Officer	By when
COMMUNITY DEVELOPMENT	Targeting	Focus on targeting issues in all areas of service development. E.g. Sport & Leisure for Young People with special needs, CLD strategy and over 50's internet access.	George Smith	Ongoing
	Professional staff recruitment	Community Services business support review. Support Services BV review Promote flexibility in service delivery to be able to react to recruitment difficulties through service redesign	Shona Thompson John Smith George Smith	Jan 2005 Jan 2005 Ongoing
	Overall service profile	Improved integration and marketing of service. Specific actions in service plans e.g. summer activities for young people. Better co-ordinated overall marketing through web and other media.	George Smith Neil Watt Fiona Stirling George Smith	Ongoing Summer 2005 March 2005
	Performance measures	Develop and implement relevant local performance measures	Service managers	April 2005
	Corporate and national Workload	Continue to seek to improve own workload planning through development of Community Development service plans. Have corporate workload planned	CD Service managers Executive Services Service managers.	April 2005. April 2005 Ongoing

	Weakness	Action	Lead Officer	By when
		and communicated more effectively through development of Support Services Service plans. Have national workload planned and communicated more effectively through Service and Corporate engagement with national bodies. Monitor, communicate and resolve workload issues earlier and more effectively through performance management	Service and Corporate Management Executive Management Team.	April 2005
EDUCATION	Community Schools implementation	A Joint project in revitalising integrated community schools development is being undertaken between the Education Service and Community Development.	Alex Jamieson	March 2005
	Education Best Value Service Review	Best Value Review recommendations out for public consultation. Lead Alex Jamieson	Alex Jamieson	October 2004
	Devolved School Management roll-out	A revised implementation plan for the accelerated roll-out of devolved school management is being developed.	Jim Reyner	Various monitoring checkpoints
HOUSING	High Rents / Housing Debt	Stock transfer or similar fundamental activity deferred for two years, the to	Chris Medley	October 2006

	Weakness	Action	Lead Officer	By when
		be reviewed		
	Reducing Housing Stock / Right to Buy	Seek to increase Housing stock where possible through acquisition and/or new build	Chris Medley	Ongoing
	Complaints Closure	Provide a monitoring framework and review procedure to promote satisfactory closure of complaints against service	Keith Lobban	March 2005
SOCIAL WORK	Sustainability of high cost models of care delivery – quality and quantity.	All proposed service developments assessed for sustainability. Specific service developments in service plans include:- • New respite facility for people with learning disabilities • New supported accommodation at Quoys. • Care @ Home redesign.	Head of Social Work	On-going
	Limitations on networking opportunities with other Local Authorities, Scottish Executive, ADSW.	• Promoting video-conferencing with partner agencies; Scottish Executive and other nationally based organisations. • Reviewing all travel requests to ensure best use of any business trips off Shetland.	Head of Social Work	On-going
	Protracted	Review of all	Strategy &	Jan'05

	Weakness	Action	Lead Officer	By when
	recruitment processes. Issues with length of time for Disclosure Scotland checks.	recruitment processes and central support facilities for Community Services.	Support Manager	
	Problems recruiting qualified social workers.	• Review recruitment procedures. • Promote trainee posts.	Head of Social Work	On-going
	Gaps in specialist service provision for people with disabilities.	Multi-agency Disability Strategy and detailed action plans being prepared.	Executive Director Community Services (SIC) Director of Patient Services (NHS)	Jan '05
ENVIRONMENT SERVICE	**Service Plans should be driven by Corporate Plan and should be linked to the delivery of Corporate Objectives;**	**In preparing service plans for 2005/6 use Corporate Plan to set direction**	**Service Head and Service Managers**	**April 2005**
	Staff communication processes need improvement to motivate staff and improve staff satisfaction;	**Review existing system of cascading meetings in light of results of staff satisfaction survey**	**Service Head**	**When results available and before April 2005**
	More rigorous approach to staff training and development required, including management training.	**Create staff training and development plans and keep up to date, to be reviewed as part of One to One or appraisal.**	**Service Head and Service Managers**	**To be applied in appraisals from April 2005**
	Achievement against service	**Service Plans from 2005/6 to show**	**Service Head and Service**	**April 2005**

	Weakness	Action	Lead Officer	By when
	pledges should be recorded and reported in all service plans;	**achievement against Service Pledges**	**Managers**	
	Development of Performance Indicators is not Customer Driven;	**Undertake survey of Customer expectations and create PIs to measure delivery against expectations**	**Service Head**	**PIs to be included in Service Plans from April 2005**
	Benchmarking and Peer Review with other Organisations should be instituted to gather best practice and extend comparisons.	**Identify suitable partners and set parameters for benchmarking and Peer Review Process**	**Service Head and Service Managers**	**April 2005**
PLANNING	**Inadequate feedback on stakeholder needs and opinions**	**Review Service & Structure Plans. Identify current partnerships, describe their aims, define our role in them and consider whether or not they are cost-effective**	**Alistair Hamilton**	**March 2005**
	Inconsistency in communication with public	**Develop a draft customer charter and evaluate it through survey. Consider how best to manage, develop, expand content, control quality and monitor use of planning website. Introduce stakeholder newsletter. Continue and refine Training Programme for Councillors and Community Councillors**	**Alistair Hamilton**	**March 2005**
	Insufficient time	**Consider ways of**	**Alistair**	**March 2005**

	Weakness	Action	Lead Officer	By when
	devoted to management	increasing delegation Adopt a more structured approach to team and management meetings	Hamiltion – Service Heads	
	Skills gaps in specific areas	Devise ways of guaranteeing inclusion of all relevant disciplines in policy development and implementation Consider in what ways further partnerships could assist in service delivery	Alistair Hamilton	March 2005
	Professional staff spending excessive time on administrative duties	Review needs of Service on a section-by section basis and dedicate staff to meet those needs. Conside r how to maximise effectiveness of IT systems	Alistair Hamilton	March 2005
	Lack of structure in staff development, notably in management training	Offer satisfactory management training. Incorporate 360 degree appraisals Staff survey to assess current attitudes and concerns	Alistair Hamilton	March 2005
	Lack of mechanisms for assessing and documenting procedures and performance	Identify all key operational processes. Begin review of Scheme of Delegation. Consider and if appropriate propose revised cycle for Planning	Alistair Hamilton	March 2005

	Weakness	Action	Lead Officer	By when
		Sub-Committee. Review methods of monitoring and preparing budgets		
ROADS	Inventory of assets	Collect or check information on all street lights and update database to update street lighting inventory	Network Manager	May 2004
		Arrange company to survey 40% of road network; ensure results are added to database to update general inventory items	Maintenance Manager	October 2004
		Identify changes to road network; ensure records are updated to reflect those changes to ensure that RMMS database is kept up to date	Network Manager	January, for previous years changes
	Safety inspections	Carry out all safety inspections in accordance with timetable to improve safety of public using roads	Network Manager	September 2004
	Road maintenance	Investigate sections of road identified as possibly requiring treatment or repairs, and where appropriate carry out such treatment as would be most appropriate to improve standard of the road network	Maintenance Manager	March 2005
	Pelican crossings and street lights	To ensure that faults affecting pelican crossings or street lights are fixed in an appropriate time	Network Manager	March 2005

	Weakness	Action	Lead Officer	By when
		scale to improve response time to faults		
	Road Safety	To provide information to the Road Safety Officer, and other assistance as appropriate, to help her produce a Road Safety Plan to identify further targets and priorities to reduce road crashes in Shetland	Traffic Engineer	March 2005
	Staff training	For 95% of machine operators, 90% of other road workers and 75% of office based staff to achieve an industry recognised card to indicate their competence in Health and Safety awareness relevant to their work to demonstrate staff competence	All Managers	March 2005
TRANSPORT	**Do not have a complete bus network covered by ticketing system**	**Extend current system to include feeder services**	**Ian Bruce**	**Dec 2004**
	Fleet Management System is incomplete	**Utilise current systems capability by progressing training programme**	**Ian Bruce**	**Dec 2004**
FERRIES	Full integration between Corporate policies and standards and marine legislative controls	**Review sea staff agreement**	BMacT	09/04

	Weakness	Action	Lead Officer	By when
	Full compliance of all service staff with Call of procedures	**Instil SMS culture by producing sms system, crew skill assessments and coaching**	BMacT	12/04
	Willingness to change and devolution of responsibility.	Update Service specification Develop structure enabling customer focus in route management	KMD	09/04
	Age of aspects of fleet / terminals	Develop 20 year plan	KMD / CPMT	2006
	Shortage of certificated personnel in key areas	Develop and recruit to cadetship programme	KMD / WJC	12/04
ECONOMIC DEVELOPMENT	Continuing period of structural change leading to uncertainty with an impact on staff morale	Retain current working arrangement and structure until a Director of Economic Development is appointed in 2005.	Chief Executive	30 June 2005
	Poor public image following failure of some large recent investments	a) Preparation of business audit and visioning paper to better define viable opportunities for economic development in Shetland; and, b) Raising the profile of the Economic Development Unit by arranging and participating in a series of events and engaging with the community together with Shetland Development Trust and Shetland Enterprise Company in a road	Douglas Irvine and Willie Shannon	31 March 2005

	Weakness	Action	Lead Officer	By when
		show during 2004/05.		
	Unclear roles and responsibilities in certain positions	Define all roles and responsibilities in the service	Willie Shannon	31 March 2005
PORTS AND HARBOUR OPERATIONS	**Too reliant on BP, as terminal operator, to assist in attracting new business to the port.**	Promote Sullom Voe as a port for the ship-to-ship transfer of oil, for storage for third party crude ashore, for blending of crude oil ashore and promote the use of the Construction Jetty for use in the support of the Clair Oil Field. To build a new jetty to support a fishmeal plant, the export of stone aggregate and in the decommissioning of offshore structures and modules	**Alistair Cooper/James Dickson/Alan Bond (BP)**	**Crude Oil Services – on going, complete 31/12/04.** New Jetty – commenced July 2004, complete 30/11/04
	Ports and Harbour Operations are distinct from usual local authority functions, and in the future will perhaps be better dealt with, as a Port Service at arms length from the Council	**To continue processes leading to an arms length autonomous organisation**	**James Dickson**	**ongoing**

	Weakness	Action	Lead Officer	By when
	Lack of professional marketing expertise to attract, new businesses to Scalloway whose shipping has declined due to a dip in salmon farming and white fish	**Engage with Council's marketing service to find a way to promote and advertise the port services provided by the Council at Scalloway and Sullom Voe Report to the Harbour Board on the above subject**	**Paul Bryant**	**28/02/05**

	Weakness	Action
CRITERION 1: Commitment & leadership – strategic direction	no timetable yet established for Best Value Reviews of all services	establish Best Value Review Timetable
	links between Corporate Plan and Capital Programme / Service Plans not always clear - priorities and actions need cascading	link priorities in Corporate Plan to actions in Capital Programme
		link priorities in Corporate Plan to actions in Service Plans
	not all Council reports make clear how decisions link into Corporate Plan	enable adequate coverage of Corporate Plan aspects in existing standard "Policy & Delegated Authority" paragraph (includes equal opportunities, sustainability etc.)
CRITERION 2: Commitment & leadership - scrutiny	Performance management reporting does not yet drive service delivery	link performance management reporting into service planning
	Communications strategy not yet implemented in full	progress implementation of communications strategy
	Public information not yet focussed on what the public may want	find out what information the public wants on the Council and its service performance
	Unclear linkage between Performance Management Framework and Service Planning on the one hand, and staff appraisal on the other	link staff appraisal into performance management and service planning
	Scrutiny role of Executive Committee still undeveloped	consider development of scrutiny role of Executive Committee
	More overt matching of decisions to corporate priorities is needed	training and awareness programme for staff & members regarding writing reports for clarity of decision-making
	Scheme of delegation needed for ease of reference by staff and members	draw up scheme of delegation and seek final approval
CRITERION 3: Commitment & leadership – conduct	the lack of a Standards Committee with a programme of work	establish Executive Committee or new committee to undertake standards role
		establish programme of work for standards function
	lack of comprehensive and fully-attended member training	draw up comprehensive scheme of training for members

	Weakness	Action
		propose keeping and publishing record of attendance at training
CRITERION 4: Commitment & leadership – openness	culture change required amongst staff regarding the implementation of Freedom of Information	complete training and awareness programme for staff & members regarding Freedom of Information
	more publicity needed on what is available	complete training and awareness programme for staff & members regarding Freedom of Information
CRITERION 5: Responsiveness & consultation	Need to review consultation processes and extend good practice	review consultation processes and extend good practice
		validate quality of consultation exercises
	Need to co-ordinate consultation exercises to ensure standard and avoid consultation fatigue	co-ordinate consultation exercises
	Links back between consultation and design of services not always clear	link each consultation finding to service design or to reason for not adopting
	More work needed on hard-to-reach groups	use more creative processes to consult hard-to-reach groups
	weak links between Corporate Plan and Service Plans on the one hand, and budgets on the other	link priorities in Corporate Plan to actions in revenue budget estimates
CRITERION 6: Sound governance – planning and budgeting		
	as yet there is no feedback into the budget cycle from the service planning framework	link service planning into budget setting
	little progress on three-year budgetting	plan services three years ahead
	No comprehensive model of key business processes	establish toolkit for use in modelling key business processes
CRITERION 7: Sound governance – performance management system		
		key business processes to be modelled service by service
	Little use of inter-organisational comparisons	use inter-organisational comparisons

	Weakness	Action
	No research conducted on what information the public wants, or on format and frequency	**identify what public want to know, how often they want to know it, and in what format**
	New processes therefore little track record	**review service-planning and performance management processes after three complete annual cycles**
CRITERION 8: Sound management – risk management	**frontline staff dealing with risk daily o a practical basis, may not identify with central and process-led approach to risk**	**training and awareness programme for staff and members regarding corporate issues eg equal opportunities, risk management, sustainability**
	only three service risk registers had been received by set deadline; new deadline required	**full set of service risk registers to be established; set new deadline**
	no periodic reporting on human or physical resources	**establish regular reporting on human and physical resources in appropriate format and frequency**
CRITERION 9: Sound management - employees	**No Council-wide human resource planning**	**draw up Council-wide human resource plan**
	No integrated staff handbook setting out the Council's expectations of its employees	**draw up on-line staff handbook**
	No systematic approach to developing employees' skills	**establish Council-wide database of staff qualification: and training history**
		conduct training needs analysis to identify skills gaps
	No co-ordinated scheme of management development in place	**establish Council-wide management development programme**
	Staff satisfaction survey needed	**carry out staff satisfaction survey**
	No Council-wide guidance for managers on the use of "temporary" employment contracts	**establish Council-wide guidance for managers on use of "temporary" employment contracts**
	Appraisal scheme covers senior staff but is not yet in operation for all staff in all departments	**roll-out appraisal scheme to all staff**
CRITERION 10: Sound management – fixed assets	**links between Corporate Plan and capital programme are not always clear**	**link priorities in Corporate Plan to actions in Capital Programme**

	Weakness	Action
	implementation of sustainability issues	**training and awareness programme for staff and members regarding corporate issues eg equal opportunities, risk management, sustainability**
		enable adequate coverage of Corporate Plan aspects in existing standard "Policy & Delegated Authority" paragraph (includes equal opportunities, sustainability etc.)
CRITERION 11: Sound management – procurement	**Lack of Council-wide information on purchasing under £50,000**	**gather comprehensive information on Council's under £50,000 purchasing**
	Procurement strategy needed for purchases under £50,000	**draw up procurement strategy for Council's under £50,000 purchasing**
	Care and commissioning models in Community Services need strengthening	**Establish and implement system for strengthening care and commissioning**
	More transparency needed with regard to in-house bids	**draw up code of practice for in-house bids**
	Contractors not routinely required to comply with Council policies	**consider standard requirement for all contracts that suppliers comply with named Council policies**
	No system in place to conduct regular value-for-money reviews of past performance of services, other than BV reviews	**establish toolkit for reviewing services and service changes, and assessing value-for-money**
CRITERION 12: Sound management – financial stewardship		**establish post-service reviews to assess value-for-money**
	Scope for improvement in making prompt payment to suppliers	**improve prompt payment to suppliers**
	Lack of organized training for staff handling financial matters in departments	**systematic training programme for staff working with financial systems and procedures**
CRITERION 13: Review & option appraisal	**Basis for decisions taken not always clear**	**training and awareness programme for staff & members regarding writing reports for clarity of decision-making**
	Customer priorities do not determine priorities for review	**priorities for review to be determined by customer priorities**
	Service plans do not uniformly provide appraisal and review	**establish toolkit for use in appraising and reviewing services**

Weakness	Action
	establish toolkit for reviewing services and service changes, and assessing value-for-money
CRITERION 14: Competitiveness and trading	**Need guidance and procedures for officers on when, and how, to prepare in-house bids** draw up code of practice for in-house bids
	Training required in understanding the recharge mechanism	**systematic training programme for staff working with financial systems and procedures**
CRITERION 15: Sustainable development	**Commitment to sustainable development as a working principle not evident**	**enable adequate coverage of Corporate Plan aspects in existing standard "Policy & Delegated Authority" paragraph (includes equal opportunities, sustainability etc.)**
	"Quality of Life" indicators not in place	**put "quality of life" indicators in place**
	sustainability considerations not a standard requirement in Council contracts	**consider standard requirement for all contracts that suppliers comply with named Council policies**
CRITERION 16: Equal Opportunities	**Need to raise awareness throughout Council**	**training and awareness programme for staff and members regarding corporate issues eg equal opportunities, risk management, sustainability**
	Need a roll-out timetable for the Equalities Impact Assessment toolkit	**establish roll-out timetable for implementing Equalities Impact Assessment toolkit**
		enable adequate coverage of Corporate Plan aspects in existing standard "Policy & Delegated Authority" paragraph (includes equal opportunities, sustainability etc.)
	Not fulfilling statutory requirements under Race Relations Act 1976, as amended	**fulfil statutory requirements under Race Relations Act 1976, as amended**
CRITERION 17: Community Planning and Joint Working	**Need to be more publicly accountable**	**establish systematic exchange of Council forum / committee minutes with CP Board, and vice versa**
	Scope for more joined-up back-office activities	**examine scope for more joined-up back-office activities**

	Weakness	Action
CRITERION 18: Accountability	**Need to ask the public what information they want, and in what format**	**identify what public want to know, how often they want to know it, and in what format**
	Minimal financial information made available	**identify what public want to know, how often they want to know it, and in what format**
	Need to raise Council-wide commitment to public accountability	**training and awareness programme for staff & members regarding writing reports for clarity of decision-making**
		complete training and awareness programme for staff & members regarding Freedom of Information

Shetland
Islands Council

REPORT

To: **Shetland Islands Council**   **15 September 2004**

From: **Head of Finance**

The Capital Programme – September 2004
Report No: F-038-F

1.   Introduction

    1.1   Minor adjustment to the Capital Programme and proposals by the Capital Programme Management Team (CPMT) since the previous report in June 2004 (min ref 108/04) are discussed in this report.

2.   Individual Projects

    2.1 Those projects/proposals submitted for consideration, together with CPMT's recommendations are given in Appendix A.

3.   Financial Implications

    3.1   The implications in 2004/05 are as follows: -

	£
Out Skerries Harbour Development	**0**
Scord Quarry Plant Replacement	**174,000**
Uyeasound Harbour Development	**0**
HRA Budget Revision	**(143,000)**
Housing Grants Corrections	**(31,000)**
Mid Yell Pier – Storage Area	**37,450**
ICT Garthspool HVAC	**19,000**
Future Road Schemes – Feasibility	**100,000**
Yell Terminals – Overspend	**112,000**
Yell Terminals – Additional Works	**245,000**
WAN Upgrade	**(35,000)**
ICT (PC/LAN) Upgrade	**35,000**
	513,450

4.   Delegated Authority

    4.1   All matters regarding the Capital Programme are referred to Council, however CPMT has delegated authority to regulate and adjust the programme from time to time as it considers necessary to accommodate minor additions and fluctuations (min ref 122/03)

5.   Recommendations

5.1 I recommend that Members note the contents of this report.

5.2 I recommend that Members approve Section 3 of the report and Appendix A.

Date: 6 September 2004   **Report No: F-038-F**
Ref: ICM/AG

THE CAPITAL PROGRAMME – SEPTEMBER 2004
APPENDIX A TO REPORT NO: F-038-F

1.   Out Skerries Harbour Development

1.1   A business case was submitted to CPMT for consideration on 19 July 2004 that sought approval of £50,000 to complete a feasibility study into:
- Rock dredging of the South Mouth Harbour Entrance (no estimate given)
- The provision of a mooring dolphin at an estimated cost of £400,000.

1.2   The new MV Filla cannot normally use the South Mouth entrance and in certain conditions of tide and wind is denied access via the North East channel, thus restricting the service. Improved access through the South Mouth by dredging could allow access at tides down to 50% full. No estimate of cost was presented.

1.3   Again, under certain circumstances of wind and tide, the bow of the new vessel tends to yaw when moored at the linkspan. Two options were promoted.
- A substantial permanent mooring dolphin at a cost of £400,000.
- A wire hawser costing £12,000 that would require replacement from time to time.

1.4   It was noted that at least part of the limitation to access had been known at the time the new vessel was commissioned but had not been reported then.

1.5   CPMT took the view that the restrictions should have been declared and costed at that time. They further noted that there was no ferry service, on, or to and from Shetland, that did not suffer curtailment from time to time, due to poor weather. This was true of air travel also.

1.6   CPMT noted that the frequency of disruption to the service to Skerries seemed to be no more severe than that elsewhere on the islands.

1.7   Consequently CPMT was unable to support the request and suggested that if Members wished to pursue this proposal then they should disclose the economic or other benefits that would accrue, while bearing in mind the demand from other communities for support in various projects.

1.8   The Ferry Service agreed to bear the cost of the mooring hawser at £12,000.

2.   Scord Quarry Plant Replacement

2.1   A business case was presented to CPMT on 19 July 2004 seeking £174,000 for the following items in 2004/05.
- Replacement and Enclosure of the Primary Screens (£160,000)
- Purchase of a Water Bowsen for dowsing stockpiles and haul roads in dry conditions to reduce dust nuisance to adjacent properties (£14,000).

2.2   The present equipment has required significant major maintenance over the last few years and is now at the end of its economic life. Given that the quarry will have to remain in service for many years to come, replacement is the only realistic option.

2.3   The same is true of the environmental need to restrain airborne dust.

2.4   CPMT recommend approval of this application but also asked the quarry manager to prepare a longer-term maintenance/replacement programme for plant and equipment used at the quarry.

3.   Uyeasound Harbour Development

3.1   A comprehensive Feasibility Study and Socio Economic analysis regarding the development of new harbour facilities and associated industrial sites at Uyeasound was presented to CMPT for consideration on 19 July 2004. This was in response to CPMT's request for further details following an earlier proposal. (A copy has been placed in the Members Room).

3.2   The existing pier at Uyeasound is in poor condition and is of very shallow draught.

3.3   The proposal is likely to cost in the region of £2,500,000 however the economic benefits (NPV) over a 50-year lifespan ranger from a pessimistic £6.5M to optimistic £15.7M. However it should be noted that these positive benefits are highly dependent upon two salmon farming companies and their forecast benefits from new waterfront development. When the benefits arising from the salmon farms are excluded from the economic analysis the NPV becomes -£1.5M

3.4   However, it was reported that the present salmon farming sites would be of equal value in farming other species thus the locations are not entirely dependent on the present industry.

3.5   CPMT is minded to support this initiative and has asked that detailed proposals covering budget, cash flow, timing etc be developed and re-presented. Thereafter CPMT will submit further recommendations to Council.

4.   HRA Budget Revisions

4.1   HRA Budgets have been reviewed to reflect:

- Current year expected internal recharges
- **Provision of £113k for Council House Sales – Administration**
- **Deferment of projects unlikely to proceed in 2004/05**

4.2   Overall, the effect is a reduction in total budget from £2,396k to £2,253k (£143k).

4.3   The changes are mostly minor, but significant ones are noted below.

4.4 HCH3707 Midlea Demolition: Increased in 2004/05 from £133k to £190k to reflect the added cost and delay in coping with the unforeseen asbestos in the structures.

4.5 HCH3709 Landward Crudens: Reduced in 2004/05 from £338k to £62k, for fees only and to await the outcome of the Scalloway pilot scheme.

4.6 HCH3800 Council House Sales – Administration: Added in 2004/05 at £113k to cover probable charges to HRA capital not previously allowed for.

4.7 It is within CPMT's remit to make these changes and to report to Council at a later date.

5.   Infrastructure Services – Housing Grants

5.1 In previous years three categories of grant were funded:

   GCY9001   Housing Improvement Grants
   GCY9011   Reserve Fund Property Grants
   GCY9012   Housing Repair Grants

5.2 With the advent of the Scottish Executive Private Sector Housing Grant Scheme starting this year GCY9001 and GCY9012 were closed to new applicants from 1 April 2004. There remain, however, residual commitments to be honoured.

5.3 GCY9011 continues as before.

5.4 At the year-end 31 March 2004, there was an error in distributing the required carry forwards. CPMT approved adjustments which will allow GCY9011 to continue as before and provide sufficient in GCY9001 and 9012 to meet residual obligations. Overall this results in a saving of £31k in 2004/05.

6.   Mid Yell Pier – Storage Area

6.1 In July 2004 a proposal was submitted to CPMT for the conversion of waste land to the west of Mid Yell Pier into a working and storage area for local fishermen using the pier.

6.2 At an estimated cost of £150,000 that proposal was considered to be not value for money for the anticipated benefit and CPMT suggested that a more basic option could provide much of the benefits sought but at considerably less cost.

6.3 A further proposal was submitted to CPMT on 30 August 2004 costed at £37,450 that comprised:
*   **Stabilising the waste land by reinforcing the armouring on the seaward face**
*   **Levelling, hardcore and a bitmac surfacing**
*   **The provision of lighting to the area**

6.4 The proposal will allow the area to be used for net/gear storage and relocation of the waste skip. In addition it will allow clearance of the existing pier of surplus gear and open up that area for productive work.

6.5 CPMT therefore recommends acceptance of this proposal for completion in 2004/05. It will provide much of the additional facilities sought by local pier users at considerably less cost than the original estimate.

7.   ICT Gremista – Air Conditioning/Ventilation/Climate Control

7.1   The existing HVAC system at Garthspool is obsolete and prone to failure resulting in data loss from the Council's IT Systems.

7.2   **Failures in the system result in significant rises in ambient temperature and humidity in the service rooms to unacceptable levels despite the use of all natural and mechanical means of ventilation. The situation is exacerbated by close proximity to the sea with the consequent ingress of salt laden air. Without appropriate filtration electrolytic action has resulted in significant build of salt on printed circuit boards on the uninterupted power supply (UPS) which was rendered completely inoperable and had to be replaced. (This due to a combination of obsolesence, age and lack of availability of space)**

7.3   **A report submitted to CPMT on 30 August 2004 proposed:**
   - **A feasibility study at a cost of £7,000 (from GCF4700) to determine the most appropriate and cost effective long-term solution**
   - **An interim temporary installation of air-conditioning split units to regulate environmental conditions internally, at a cost of £12,000**

   This latter cost can be met from GRB6003 – District Heating, as there is likely to be no other call against that budget this year.

   It should be noted that these units will regulate temperature, and to some extent humidity, but will not provide the filtration to tackle the airborne salt problem.

7.4   Doing nothing, even in the interim until a long-term solution is devised, will put the Council's IT and data storage at risk. Failure, or even short-term downtime would, inevitably, have serious consequences to the Council and its ability to conduct essential business in this electronic age.

7.5   **CPMT recommends that the feasibility study and the installation of the temporary solution proceed apace and will report further when that study is complete and fully costed proposals are available. However, at present it is estimated that the long-term solution could cost in the order to £75,000 - £100,000.**

7.6   **A copy of the business case is available for study in the Members' room.**

8.   Future Road Improvement Schemes

8.1   A business case was presented to CPMT on 30 August seeking funding in 2004/05 of £100,000 to develop preliminary studies for future road improvements schemes through to feasibility studies for later selection, prioritisation and presentation to Council for inclusion in the Capital Programme.

8.2   A total of 20 schemes have been considered at length by the Member/Officers Working Group for the Management of Road Schemes and of those 11 have been selected by them for further study at this stage. These are:

   B 9174 Trondra Phase 2B
   A971 West Burrafirth Junction to Sandness Junction
   Walls, Germatwatt Footways

> B 9071 Parkhall to Sand Junction
> Hillswick via Ronas Voe to Swinister
> Gulberwick Loop
> Symbister to Brough
> B 9082 Gutcher Junction to Garth & Voehead
> B 9081 Mid Yell Link
> A 970 Oversund Junction (Part 1 Study)
> Bressay, Voehead to Heogan (Part 1 Study)

8.3   The proposal is now to examine the feasibility and most appropriate solution for each project and to present them from time to time for prioritisation and eventual inclusion in the Capital Programme.

8.4   The design resources are available to progress these studies and designs over the next 18 months or so and to have in place a programme thereafter to maintain continuity in the road building (civil engineering) sector of the local construction economy.

8.5   CPMT recommends that £100,000 be allocated in 2004/05 to progress these studies and notes that further allocation will probably be required to continue the process in 2005/06.

8.6   A copy of the business case is available for study in the Members' room.

9.   Yell Sound Ferry Terminals - Overspend

9.1   The budget for 2004/05 of £162,000 has been exceeded at the end of period 4 (July) by some £112,000 as a result of ongoing payments to the contractor, pending ongoing discussions with the contractor. These discussions continue and may do so for some time to come. However, it is prudent to provide for this additional cost at this stage hence it is proposed to increase the 2004/05 budget to £274,000. (See also Section 10 below).

10.   Yell Sound Ferry Terminals – Additional Works

10.1   A report to CPMT on 30 August 2004 detailed a range of additional items extra to the main contract amounting to some £245,000. These are detailed in the attachment.

10.2   These works have been instructed to comply with additional safety and operational requirements and provision for the costs should be made. Added to the £274,000 proposed in 9.1 above the resultant budget for 2004/05 will be £519,000.

11.   **ICT Revision**

11.1   Transfer £35,000 from WAN upgrade GCX1002 to ICT (PC/LAN) upgrade GCX1001.

Shetland
Islands Council

Shetland
Charitable Trust

JOINT REPORT

To: **Shetland Islands Council**   **15 September 2004**
        Shetland Charitable Trust   **22 September 2004**

From: **General Manager, Shetland Charitable Trust**

Council Created Organisations Working Group: Progress Report

1   Introduction and Key Decisions

    1.1   In July 2004, the Council agreed to a set of outline proposals from the Working Group set up to review organisations which the Council helped to create or fund.   This Progress Report explains the work done to date and asks that the timescale for detailed discussion, consultation and reporting back the detail be extended by one Council cycle.

2   Background

    2.1   The Working Group has identified a way of reorganising the management arrangements of a range of services which will protect services but save money.

    2.2   The Working Group make the following proposals to take to consultation with interested parties.

        Care Homes
- **All care homes in Shetland should be managed by one organisation.**
- **To save money on organisational costs, care homes should be managed by the Council's Social Work service.**
- **The Charitable Trust would continue to support the costs of having small care homes in rural areas by paying for the property costs and diseconomies of scale in running the small units.**

        Youth Work / Community Learning
- **Youth work and community learning should be managed by one organisation.**

- **To save money on organisational costs, youth work and community learning should be managed by the Council's Community Development service**

Arts Development
- **All arts development and programming should be amalgamated into one organisation to develop arts and cultural activities within Shetland**

Buildings
- **All community development facilities (funded by the Charitable Trust) should be managed by the Shetland Recreational Trust**

2.3 The consultation period, which was to last until the end of September 2004, is to:

- **explain the proposals in detail to all interested parties;**
- **identify and discuss alternative proposals to meet the objective of the working group; and**
- **provide an environment for any interested parties to discuss issues of particular concern, not already addressed by the Working Group**

3 Progress Report

3.1 **Work has progressed well with Shetland Welfare Trust on working up the detailed implications and costs of the Working Group proposal for the management of care homes. Meetings in each area served by care centres will be planned soon.**

3.2 **Good progress has been made on discussing in detail the purpose and scope of a new arts/culture development agency but a few more meetings will be required to understand fully what a new organisation might look like and what organisational and staffing structures would be needed.**

3.3 **Preliminary meetings have been held on the proposals for facilities management and single management arrangements for community learning and youth work. These meetings have mainly concentrated on explaining the proposals and more work needs to be done on the detailed implications and costs of the proposals.**

3.4 **As a result, the Working Group would like to extend the consultation and reporting timescale by one Council cycle. Originally, it was intended to report the detail of the options to the Council meeting on 3 November and the Shetland Charitable Trust meeting on 4 November. I would propose to now delay that report until the December cycle (Council - 15 December and Shetland Charitable Trust - 16 December).**

4   Financial Implications

    4.1   It is estimated that the Working Group proposals will save in the region of £0.5m per annum.

    4.2   The estimated cost of the Independent Assessor for Care Standards is £11,000. The Shetland Charitable Trust will pay for this work. There is no specific budget for this work but the costs can be met from savings on staffing costs in the current year.

5   Policy and Delegated Authority

    5.1   The organisations which are the subject of this review are those which the Council helped to create or were re-formed to provide services previously delivered by the Council.   The Council agreed the form and timescale of this consultation exercise so a decision to extend the reporting period requires a decision of the Council.

6   Recommendations

    6.1   I recommend that the Council:

        (a)   agree to extend the timescale of the consultation process by 6 weeks, which means the detailed report on the costs and implications of the proposals will be presented to the December cycle of meetings; and

        (b)   note the progress made on working up the detail of each of the proposals.

    6.2   I recommend that Shetland Charitable Trust:

        (a)   note that a report setting out the detailed implications and costs of the Working Group's proposals will, subject to Council approval, be put forward one cycle to December 2004; and

        (b)   note the progress made on working up the detail of each of the proposals; and

        (c)   approve the virement of £11,000 from savings on salary costs to create a budget to pay for the Independent Assessor for Care's consultancy costs.

General Manager   **Report No: CT-87-F**

Shetland Charitable Trust   **Date: 7 September 2004**

Shetland
Islands Council

REPORT

To: Shetland Islands Council   15 September 2004

From: Head of Business Development

DV063-F
DEVELOPING AN AQUACULTURE STRATEGY

1.0   Introduction

    1.1   This report has been prepared to keep the Council informed about the progress being made to prepare an Aquaculture Strategy for Shetland.

2.0   Background

    2.1   At the Special meeting of Shetland Islands Council on 3 August 2004 members called for a report on the preparation of an Aquaculture Strategy to be presented at the next Council meeting (Min Ref 121/04).

    2.2   Staff from the Economic Development Unit and the Shetland Development Trust have begun a project to identify future value adding prospects throughout Shetland's fisheries sectors, including aquaculture. This work, entitled the Seafood Development Project, involves a detailed analysis of every stage of production in all sectors and will take about 10 months to complete. The study will then be available to inform seafood investment policies for all the Economic Development agencies in Shetland.

    2.3   As the work to prepare the Seafood Development Project will take several months to complete, a draft interim Aquaculture Strategy has been prepared to aid investment decision making in the meantime. This paper will be presented to the Economic Development Forum on 28 September 2004 and will also be debated at the following Executive Committee.

3.0   Proposals

3.1   The Council is invited to note
progress being made to prepare Aquaculture Strategies.

4.0   Financial Implications

4.1   There are no financial
implications arising from this report.

5.0   Policy and Delegated Authority

5.1   Policy 3.4.1 of the Council's
Economic Policy Statement approved by the Executive Committee on 09
December 2003 (Min Ref 34/03) and by Shetland Islands Council on 17
December 2003 (Min Ref 161/03) states: -

                                                       "Preparation of a detailed
strategy for guiding the industry to a sustainable future"

5.2   The work to prepare the draft
Aquaculture Strategy and to investigate future opportunities in the
aquaculture sector is being done under established policy. This report
also observes that policy and the Council therefore has authority to make
a decision on the recommendation.

6.0   Conclusion

6.1   At a time when much of the
aquaculture industry in Shetland is struggling to make headway in
adverse trading circumstances it is essential for the Council to consider
ways in which public investment in aquaculture can be targeted for
maximum benefit.

7.0   Recommendations

7.1   I recommend that the Council
notes the information presented in this report.

Date: 08 September 2004   Report No: DV063-F
Our Ref: DI/KS

Shetland
Islands Council

REPORT

To: Employees JCC   10 August 2004
        Shetland Islands Council   15 September 2004

From: Personnel Manager

Report No: CE-31-F

Review of Absence Management Policy

1   Introduction

1.1 The following report seeks Council approval for a revised Absence Management Policy to be adopted. The revised policy has been developed in line with ' best practice ' and encompasses the changes required which have become apparent since the implementation of this policy on 31 March 1997.

2   Background

2.1   The Council's present policy has been in place since March 1997 (SIC min ref 84/99). The impact of this policy on the performance of the Council can now be reviewed with the benefit of nearly six years of application.

2.2   **Statistics and evidence since the implementation of this policy show a mixed picture of its effectiveness. This may be due to different supervisors and managers applying the policy more vigorously than others, or some frequently absent employees having now left the Council through natural turnover, or other unknown factors.**

2.3   **The focus of the proposed revision to this policy is to include in the policy the significant body of ` best practice ' information, which has been collated by COSLA, DTI and the Chartered Institute of Personnel and Development. All three professional bodies have completed extensive and repeated surveys and research on this key area of management over the past decade. Feedback from the Executive Management Team on an earlier draft has also been included.**

2.4   **The current policy requires monitoring and analysis to be carried out in a way that enable sickness absence trends to be identified and allow statistical comparisons from sources within and external to the Council. With reference to the sources named in 2.3, it is timely to adjust the presentation of these statistics and improve the effectiveness of this management information.**

2.5   **Consultation has taken place with managers and trade unions. It should be noted that there has been a time delay in producing this policy from point of consultation. However comments have been accommodated and the delay has allowed recognition of changes to legislation.**

3   Financial Implications

3.1   There are no financial implications arising from this report.

3.2   The purpose of these revisions to the policy and how they are applied will result in earlier and more frequent intervention in incidents of sickness absence. This in turn should reduce costs to the Council and improve performance.

4   Policy and Delegated Authority

4.1   Corporate personnel matters stand referred to the Council (minute ref: SIC 70/03) and accordingly a decision of the Council is sought on this matter.

5   Conclusion

5.1   The present policy has been in place for nearly six years. During that time statistics from within the Council and from relevant professional bodies would suggest the proposals outlined above would bring the policy in line with current best practice and enable the Council to improve the overall attendance rates of its employees.

6   Recommendations

6.1   It is recommended the Council agree to the proposed amendments to the present policy, and that it be monitored over the next two years in order to review its effectiveness, with a view to revisiting the policy within 3 years.

Our Ref: DB/DH   **Report No: CE-31-F**

Date: 30 July 2004

SHETLAND ISLANDS COUNCIL

ABSENCE
MANAGEMENT
POLICY

Applying to:
Effective from:

Shetland Islands Council

- 228 -

ABSENCE MANAGEMENT POLICY

Operational Date:
Review Date:

Appendix A – Monitoring Procedure
Appendix B – Guidance Notes
Appendix C – Details of Return to Work Meeting Form A
Appendix D – Form A Notes

1   INTRODUCTION

1.1 Effective management of absence is crucial to the effective and efficient delivery of Council Services.   High levels of sickness within the Council may have a detrimental effect on the quality of service provided and place an added burden on employees remaining at work, with additional costs faced by the Council through increased overtime working, higher duties payments and other hidden costs.

2   POLICY STATEMENT

2.1 Best attendance results are likely to be achieved where employees, unions and local management are committed to promoting the wellbeing of all employees and occupational health.

2.2 Employees are entitled to expect fair treatment; managers and supervisors are equally entitled to take appropriate action in respect of unacceptable levels of absence and be firm in dealing with abuse of the system.

2.3 The basis for good management practice is prompt and comprehensive information about actual absence levels, trends and problem areas and a thorough understanding by employees of the Council's policies and procedures.

2.4 Once new procedures are in place, have been tested and have the commitment of all concerned, managers and supervisors must be allowed to monitor their staff absence levels and allow for targeted responses and solutions to be applied on a consistent basis.   All managers will receive training in dealing with sickness absence and return to work interviews.

2.5 The achievement of the aim of full attendance and the use of procedures to ensure that goal.

Advice on the terms of this policy and procedure is available from Personnel.

3   LEGISLATION

3.1   This policy and procedure aims to achieve a consistent approach in order to comply with employment legislation and recognised best practice.

The main pieces of legislation that impinge on this policy and procedure are:

- Data Protection Act 1998 as amended
- Data Protection Order 2000
- Disability Discrimination Act 1995
- Human Rights Act 1998

Legislation is pending which relates to the Code of Practice – information about workers' health, which is due July 2004.

4   LINKS TO OTHER POLICIES

4.1 There are a number of existing Council policies which impact on the absence management policy. These are:-

- Recruitment and Selection Policy
- Annual Leave Policy
- Adoption Leave Policy
- Substance Misuse Policy
- Compassionate Leave Policy
- Code of Conduct Policy
- Strategy for the Prevention and Detection of Fraud and Corruption
- Data Protection Policy
- Disciplinary Procedures Policy
- Employment of Disabled People Policy
- Ill Health Retirement Policy
- Parental Leave and Time Off for Dependents Policy
- Special Leave Policy
- Phased Return to Work Policy

Copies of these policies are available from your departmental administration staff, the Personnel intranet site and are available in booklet form from Personnel.

It is important that advice is sought from Personnel at the earliest stage of possible action as a result of sickness absence.

5   MONITORING

5.1 To ensure that the Council's policy is applied effectively it is essential that effective monitoring procedures exist. The Council's monitoring procedure is outlined in Appendix A.

5.2 Any analysis should provide usable information which will enable trends to be identified and can be used to establish internal or external comparisons. Information collected should demonstrate not only the total extent of absence but also individual patterns of absence. Statistics by themselves do not achieve anything, and action needs to be taken to assess what the problems are and how best to rectify them. Council-wide monitoring procedures will be established to provide regular absence information, analysis and targeted action at service and/or departmental level. As part of the Occupational Health Service, advice can be provided on how to reduce absence.

5.3 It will be important to ensure individual confidentiality when processing the information provided through monitoring procedures, communicating and acting upon its contents.

5.4 Heads of Department will be responsible for maximising attendance in areas of the Council's operation under their control.   In this respect a system of proper

documentation and absence statistics must be maintained by departmental administrative staff.

5.5 There is a statutory requirement for ill health monitoring through the Health and Safety at Work etc Act 1974 (H&SAWA) and the Reporting on Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR).

6 RECRUITMENT

6.1 When recruiting new staff the Council will seek information during the normal reference process on their sickness record from work. Any offer of employment may be conditional upon medical information if the references indicate a poor absence record. This is in line with the Recruitment and Selection policy that refers to medical screening where, if deemed necessary, appointments will be subject to pre-employment medical screening through the Council's Occupational Health Service. All information is provided in confidence to Occupational Health.

7 OCCUPATIONAL HEALTH PHYSICIAN

7.1 The Council has a contract with an Occupational Health Service Provider, which seeks to promote a sense of caring and well being between the Council and its employees to assist in managing absence and deter excessive or frequent sickness absence.

> The Occupational Health Service provides a range of services to assist managers and employees to do their job. Managers should be made aware of the Occupational Health Service and the benefits in referring employees at an early stage in their absence, further details on the Occupational Health Service can be gained from Personnel. Information on the Occupational Health Service, including the Council's Occupational Health Guidance Note and Procedures, is available on the Personnel Intranet site. There are legal obligations through the Disability Discrimination Act and national Conditions of Service.

8 SICKNESS ABSENCE MANAGEMENT PROCEDURES

8.1 The initial stage of any procedure dealing with absence should be the notification by employees that they will be absent from their place of employment.

> The notification procedure must be clearly defined and understood by employees and management. Advice on the procedure is available from Personnel.

8.2 Entitlement and Notification

> In accordance with the Schemes of Pay and Conditions of Service an employee will be entitled to Statutory Sick Pay (SSP) and sickness allowance (unless otherwise specified).

To receive that entitlement an employee <u>must</u> fulfil <u>all</u> of the stipulated requirements as follows:

<u>Stage 1</u>

The employee must notify their employing department within 1 hour of expected start time of day/shift (it may be appropriate for staff who are not office based to contact their line manager directly). However, this practice can vary across service areas according to the needs of the business. Each employee is responsible for making sure they know what the notification procedure is for their place of work, for example 2 hours before a scheduled start time in areas where relief staff are needed to provide cover. It is the responsibility of the employee to contact the department, however, if this is not possible, some other person acting on the employee's behalf shall notify the Council immediately, for example spouse, partner, relative or friend.

It is appreciated that special circumstances may arise where it is not possible to meet this deadline, eg emergency admission to hospital.

<u>Stage 2</u>

Where the absence continues to a fourth day, at that time the employee or some other person acting on the employee's behalf shall notify the employing department within 1 hour of expected start time of day/shift, of the continuing absence and whether the period of absence is likely to continue beyond a seventh day. Where this is the case the self-certificate should be sent to the employee by the Council for completion in accordance with Stage 4.

<u>Stage 3</u>

The employee should telephone absence to the employing department if still unfit on day 7 of the sickness episode as per the above time limit.

Where the absence is for 7 days or less of incapacity for work or 7 days or less of sickness, the employee shall on his/her return to work complete a self-certificate form.

<u>Stage 4</u>

Where the absence extends beyond 7 days of incapacity for work or 7 days of sickness, the employee must submit to his/her employing department, the National Insurance doctors' statements to cover the period of absence beyond 7 days.

Where an employee has been absent for more than 7 days, the first doctor's statement shall be submitted as well as a self-certificate to cover the first 7 days of absence.

The Doctors statement must be received within 2 working days of day 8 of the sickness episode.

The employee must additionally notify the line manager at intervals of no more than 7 days of the position where the absence extends beyond 7 days unless certification covering a longer period provided by a doctor has been submitted to the authority. Medical certification should be sent to the employing department.

8.2.1 It should be noted that where an employee fails to comply with the requirements of the Scheme in respect of any day of sickness or a day of incapacity for work, entitlement in respect of that day to either SSP or sickness allowance may cease. Failure to adhere to this could be considered as misconduct and may also result in incorrect payment.

8.3 Maintaining Contact with Sick Employees

8.3.1 Managers have a clear obligation placed on them to identify and address problems in the work environment, which may be contributing to employee absence. As part of good management practice it is essential that contact be maintained with absent employees whether on short or long term sickness absence. In respect of cases of long-term sick leave this will enable up to date decisions to be made in the best interests of the employee and the service, which the authority is providing. In the case of persistent short-term absence this may act as a reminder of the procedures and the priority placed on good attendance.

8.3.2 Maintaining contact with employees away from their place of work must be handled sensitively and with due consideration for the nature of the employee's illness. A mutual understanding of the reason for absence should be identified and, where possible, assistance offered to the individual, including referral to Occupational Health.

8.3.3 The Council's Welfare Officer monitors sickness absence and will liaise with managers and Personnel to ensure appropriate contact is maintained (see also Appendix B).

8.4 Measures to Deal With Frequent and Persistent Sickness Absence

8.4.1 As part of the general absence management mechanisms the Council will apply the following arrangements when an employee's frequent and persistent short-term absences give cause for concern:-

In any 6 month period, frequent and persistent short-term absence will normally be defined as:

- 3 or more periods of self certificated absence or
- a total of 10 days absence or more.

Where appropriate, Personnel advice should be sought.

8.4.2 This attendance standard is recognised as good practice and is designed to be used as a trigger point that initiates a formal return to work interview. This should be held in the form of a discussion aimed at facilitating the employees' resumption of duties and clarifying any outstanding aspects of his/her sickness absence. See Form A, Appendix C.

8.4.3 The main purposes served by the return-to–work interview are:

- ➢ to welcome the employee back to work and provide an update about any developments which have occurred during the absence;

- ➢ to check that employees are fully recovered and capable of performing their duties;

- ➢ to see whether the organisation can provide any additional support – e.g. counselling – to help the rehabilitation; Occupational Health referral;

- ➢ to review the employee's absence record and discuss any patterns of absence which are apparent and which cause concern;

- ➢ to remind employees about the effects of absence on the organisation, and that their attendance is important.
- ➢ to confirm the manager's role in operating the absence management policy and welfare of the employee.

- ➢ to raise the profile of the absence management policy and procedures, highlighting the section/service view regarding good attendance.

8.4.4 The return to work interview should be conducted sensitively and in private by an appropriate supervisor/line manager. Where the immediate supervisor/line manager is unavailable, a more senior manager or nominated person will carry out the interview.

8.4.5 Where an employee raises any concern about the interview, advice should be sought from Personnel before the interview proceeds.

8.4.6 The line manager will, taking account of all the circumstances, discuss with the employee the acceptable level of attendance at work, the employee's level of sickness absence and the reasons for the absence. The line manager should indicate clearly to the employee the improvement in attendance required and set targets accordingly to assist the employee in making a satisfactory improvement with a review date.

8.4.7 At each stage in the procedures the employee shall be reminded that he/she may choose to be accompanied by a Trade Union representative or colleague, also Personnel if requested by the employee and/or line manager.

8.4.8 In the circumstances where there is an identifiable health problem or a decision is made for the employee to be referred to the Occupational Health Physician refer to section (10) - Medical Examinations.

8.4.9 Following the review of the absence record at the end of the monitoring period, if the employee is unable to achieve and maintain the agreed acceptable level of attendance at work the matter may be dealt with in accordance with the Council's disciplinary procedure (for further guidance see sections 11 – 13)

8.4.10 Where an employee achieves and maintains an acceptable level of attendance at work for a period of six months following this interview normal monitoring will apply.

9 MEASURES TO DEAL WITH PROLONGED/LONG TERM SICKNESS ABSENCE

9.1 Long term sickness absence will normally be regarded as a continuous absence from work for ill health of at least four weeks, when applying these measures.

9.2 Whenever a case of long term absence is identified through sickness absence monitoring, the circumstances of the case must be reviewed by the line manager. It is the responsibility of the immediate or line manager to ensure communication is maintained with the employee and they are contacted within four weeks of their absence. Where it is considered that the absence is likely to continue for an uncertain period of time, the supervisor/line manager or an appropriate person agreed by the manager, must arrange a meeting with the employee concerned within the four-week stage.

9.3 On some occasions the appropriate method of contact will be to either visit the employee at home or at some other mutually agreed place with her/his prior agreement. Two individuals with at least one being known to the employee should normally undertake this home visit. Where a home visit is arranged, the employee should be informed that he/she can be accompanied by his/her trade union representative or other person.

9.4 The purpose of this meeting is to consider:-

   ➢ the employee's current state of health;

   ➢ the likely duration of the sickness absence;

   ➢ the employee's expectations concerning her/his future fitness to return to work;

   ➢ any potential impediments to an early return to work.

It is also to:-

- provide an update about any developments which have occurred during their absence;

- remind the employee about the effect of absence on the department, confirming that their attendance is important;

- inform the employee of additional support available e.g. Phased Return to Work Policy, counselling services, etc – to help the rehabilitation.

9.5 A record should be made of the meeting incorporating the substance of the discussion and confirmed in writing to the employee by the line manager, a copy will be retained on the employee's personal file.

Advice and support on this meeting is available from Personnel.

10   MEDICAL EXAMINATIONS

10.1   In accordance with SIC Conditions of Service an employee may be required, as and when the line manager considers it necessary or advisable, to submit a referral to a medical officer appointed by the Council for the purpose of a medical examination.   In such circumstances the employee must be advised of his/her rights under the Access to Medical Reports Act, 1988. Advice must be sought from Personnel to discuss this before any action is taken.

10.2   The examination will allow management to determine, in the best interests of the employee and having regard to the operational requirements of the service, what further course of action, if any, is considered necessary in the circumstances. Where the examination reveals an inherent medical problem the issue should be dealt with as a capability issue as outlined in section 11 below.   Where no underlying health problem is identified and the employee's level of attendance gives cause for concern the matter should be treated as an attendance issue and dealt with in accordance with sections 12 and 13.

11   CAPABILITY ON GROUNDS OF ILL-HEALTH

11.1   Where the Medical Examiner's report confirms an underlying illness or medical complaint an employee is entitled to sympathetic consideration by the Council. In many cases an employee who suffers such ill-health will receive the medical treatment, remedial surgery etc. that will result in an acceptable rate of recovery being achieved. Where the prognosis is such that frequent or prolonged absence will be a continuing feature then the case would require to be treated in terms of the Disability Discrimination Act 1995.

11.2   An employee will satisfy the definition of disabled under the act if he or she has a "physical or mental impairment which has a substantial and long term adverse effect on his or her ability to carry out normal day to day activities". At this point the matter should be fully discussed with the individual in the presence of his/her representative where appropriate and the various options identified.

> These options could include, continuation on sickness absence, unpaid leave of absence, redeployment, part-time working, ill-health retirement if the employee is a member of the Local Government Pension Scheme or, where no other option is available, termination of the contract on the grounds of capability.

11.3   In cases where ill-health retiral or dismissal on the grounds of capability are being considered and the Occupational Health professional judgement is contradictory to that of the employee's own GP then, as part of good management practice, it is expected that an independent medical examination should be carried out and a decision taken on the basis of that report, and would be dealt with in accordance with the Council's Ill Health Retirement policy.

12   CONDUCT

12.1   Where the Medical Adviser's report confirms no underlying health disorder or where the individual's level of attendance at work gives serious cause for concern the issue may be one of conduct rather than capability and should be dealt with in accordance with the Council's Disciplinary Procedure.

13   ABUSE OF THE SYSTEM

13.1   Abuse of the system will be regarded as misconduct. In accordance with sickness provisions, an employee is excluded from entitlement to sickness allowance, except at the discretion of the Council, where the absence is on account of sickness, due or attributed to:

- the employee's own misconduct or negligence; or

- active participation in sport for payment; or

- injury whilst working in the employee's time for private gain, or for another employer.

13.2   If an employee is found to be guilty of conduct which hinders recovery, the payment of sickness allowance may be suspended by the Council, provided that before doing so, the employee shall be advised of this intention and afforded an opportunity of submitting observations and making representations thereon. If the Council decides that the employee has been guilty of conduct, which hinders recovery, then the employee shall forfeit the right to any further payment of allowance in respect of that period of absence.

13.3   Additionally, misconduct should be dealt with as a disciplinary matter and the disciplinary procedures invoked.

14   EXCLUSION FROM STATUTORY SICK PAY (SSP) ENTITLEMENT

14.1   Statutory Sick Pay, SSP, cannot be paid if the employee falls into one of the categories specified within national conditions, which include employees:

- who are over pensionable age;
- who have been taken on by an employer for three months or less;
- who are involved in, or affected by, a trade dispute at work, unless they can prove that they did not take part in the strike or did not have a direct interest in it;
- who have not yet done any work for a new employer;
- who have been claiming incapacity benefit, maternity allowance or severe disablement allowance within 8 weeks before going sick. (But may qualify for other benefits);
- have already had 28 weeks of SSP, gone back to work, but have gone sick again within 8 weeks.   (But may qualify for other benefits);
- who on the first day of sickness has already exhausted or subsequently exhausts sickness allowance entitlement;
- who on the first day of sickness is in legal custody or is subsequently taken into legal custody;
- fails to satisfy or to continue to satisfy the notification or certificate requirements;
- terminates or has their contract of employment terminated;
- who are outside the European Economic Area.

Details of an employee's entitlement to SSP are outlined in their Written Statement.

15   SICKNESS OR DISABLEMENT DUE TO AN ACCIDENT IN THE COURSE OF EMPLOYMENT

15.1   Where an employee is absent due to sickness or disablement as a result of an accident arising out of and in the course of employment or due to an industrial disease the employee will be entitled to a separate allowance calculated on the same basis as the sickness allowance.   The allowances in respect of normal sickness, and industrial injury or disease are entirely separate and periods of absence in respect of one shall not count against the period of entitlement for the other.

15.2   An absence due to an accident shall only qualify for payment when an entry has been made in the relevant accident book and the subsequent investigation has found the recorded facts to be accurate.

16   UNAUTHORISED ABSENCES

16.1   Unauthorised absences should be investigated and may be treated as misconduct and consequently should be dealt with in accordance with the disciplinary procedures.

MONITORING PROCEDURE

1. Service responsibility will be to ensure that all procedures are carried out with a positive approach to monitoring absence.

2. Each Department will be responsible for recording and monitoring absence, supplying absence statistics to Executive Services monthly.

3. Each department will maintain a rolling twelve month record of employee absence.

4. Statistics will be collated by Personnel to provide a corporate information base.

5. Supervisors will be responsible for monitoring the frequency of absences and, where appropriate, reporting these to the Head of Service or Head of Department.

6. In any 6 month period, if three or more periods of self certification absence events occur or there is a total of 10 days absence, a formal return to work interview will be held by the appropriate line manager in order to ascertain the reasons for the absences and ways to improve the situation and discuss any capability issues. See Form A.

7. If further action is required, a meeting with the Head of Department or nominee will assess what steps should be taken to improve the attendance record of the employee. This assessment will include reference to the Council's policies on Absence Management, Counselling, Occupational Health, Training, and where appropriate the disciplinary procedure.

8. Each department will be responsible for placing agreed notes of Return to Work interviews in the employee's Personal File.

9. Personnel will be responsible for monitoring, and when necessary initiating a review of this procedure.

10. Personnel will provide advice on this procedure.

11. Consideration will be given to use of the Occupational Health Physician where appropriate.

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Absence Management Policy and Procedures

What are Absence Management Policy and Procedures?

Absence Management Policy and Procedures are the tools which the Council wishes its Managers to use to maximise productive output and minimise time lost through absences. This is explained in the introduction to the Policy.

Advice on the Policy, Procedure or this guidance is available from Personnel.

Monitoring Procedures

Monitoring absence is important in order for managers to take appropriate timely action to improve the situation for both employees and the Council.

Absence Management Procedures

<u>Notification</u>

The employee has certain obligations placed upon him or her on notification of sickness.

Each department will have to define standards to suit their own circumstances but it is recommended that:

<u>Stage 1</u>   **The employee must notify their employing department (or line manager) within 1 hour of expected start time of day/shift.**

<u>Stage 2</u>   **The above time limit will also apply to the 4 day notification.**

<u>Stage 3</u>   **The employee should telephone absence if still unfit on day 7 of sickness episode.**

<u>Stage 4</u>   **The Doctors statement should be received within 2 working days of day 8 of the sickness episode.**

Maintaining contact will usually be achieved by phone however, particularly on long term sickness episodes it may be appropriate to visit the employee at home or at some other mutually agreed place. This is a matter of judgement taking all the factors into account.

Return to Work Interviews

The Council will adopt return to work interviews with all employees**. In general this should include a discussion of the circumstances of the absence and where appropriate the general attendance record of the employee. There are occasions when it will be necessary to telephone the employee as an alternative to the return to work interview.**

The return to work interview (See Form A) should be used for long term or frequent absences over a rolling 6 month period where there are:

i)   3 or more periods of self certificated absence or
ii)   a total of 10 days absence or more.

The return to work interview shoul d always include the following:

1   Duration of absence.

2   Reasons for absence.

3   Links to any other episode of absence.

4   Agreed improvements to be made by employee (if any).

5   Agreed improvements to be made by employer (if any).

6   Agreed steps to be taken jointly.

If any of the above categories are not applicable the note of the interview should include that. The note should also include any information/steps required which are unique to the individual case.

Prolonged Sickness Absence

Prolonged Sickness absence is defined as a period of sickness longer than 4 weeks.

It is the responsibility of the immediate or line manager to ensure communication is maintained with the employee and that they are contacted within four weeks of their absence. At this stage contact should be made with the employee in order to establish a likely return date, any assistance the employee needs and any prognosis of the illness, which is available.

Where the absence is likely to continue for an uncertain period of time, the appropriate line manager/supervisor or appropriate person agreed by the manager, must arrange a meeting with the employee concerned. The employee should be informed that he/she has the right to be accompanied by a Trade Union representative or colleague.

A medical examination will not normally take place until the illness is a prolonged sickness absence. When a prolonged sickness absence is established it will be the circumstances of the case, which lead to a medical, being required.

Advice shoul d be sought, where appropriate, from Personnel.

FORM A

DETAILS OF RETURN TO WORK INTERVIEW

Date of Interview	--
Employee Name	--
Post Title	--
Employee's Representative	--
Relationship to Employee	--
Interview Conducted by (Name)	--
Post Title	--

	PERIODS OF ABSENCE	REASON FOR ABSENCE
1	--	--
2	--	--
3	--	--

	MATTERS DISCUSSED	COMMENTS
1	**Reason for absence(s)**	
2	**Duration of absence(s)**	
3	**Links to any other episode of absence**	
4	**Agreed improvements to be made by employee (if any)**	
5	**Agreed improvements to be made by employer (if any)**	
6	**Agreed actions to be taken jointly**	

Other comments / information:-

FORM A NOTES

Procedure

Return to work interviews following sickness absence can have a number of important effects. They can:

- **Establish the cause of absence;**

- **Indicate the employer's interest in the welfare of individual employees;**

- **Discuss any capability issues;**

- **Allow discussion of the general attendance record of the individual;**

- **Influence the attitudes of the individual and other employees;**

- **Raise the profile of the absence policy and procedures;**

- **Reinforce the local view regarding good attendance;**

- **Confirm the manger's role in the control procedure and welfare of employees;**

These interviews should be conducted sympathetically and in private by the line manager. It is important to ensure consistency and uniformity of approach. Advice on this is available from Personnel. There will be a need in certain individual cases for other professional counselling. *Where an employee raises any concern about the interview, advice should be sought from Personnel before the interview proceeds.*

- 2 -

Produced by:
Personnel
Organisational Development
Executive Services
4 Market Street
Lerwick

Shetland
Islands Council

REPORT

To: ICT Management Board   14 September 2004
      Shetland Island Council   15 September 2004

From: ICT Unit Manager

Report No: CE-38-F

Highlands and Islands Broadband Project

1   Introduction

1.1   The Scottish Executive Highlands and Islands project seeks to secure broadband connectivity for public services. The project was one of two "pathfinder" projects to secure broadband in areas where the market would otherwise find it difficult. The project is based on the principle that aggregation of public sector demand will provide the scale of market that would secure broadband investment. The project involved a range of public bodies in the Highlands and Islands with NHS Boards and Local Authorities being the main partners with the Scottish Executive. A formal ITN (Invitation to Negotiate) procurement process was followed to the stage of interim bids from four potential service providers.

1.2   A number of changes in circumstances had taken place in the interim which have led to reconsideration of responsibility for the procurement. NHS Boards have withdrawn from the project leaving Local Authorities as the public bodies involved in the procurement. Developments in technology and market provision by telecommunications providers (for example BT enabling a significant number of exchanges with DSL broadband) mean that the levels of connectivity and opportunities presented by technology have changed significantly during the procurement. There have also been complementary government initiatives such as the Enterprise, Transport and Life Long Learning "supply side initiative" aimed at resolving market difficulties as well as developments by local authorities themselves, including the Western Isles "connected communities" project.

2   Transfer of procurement to Local Authority control

2.1   In the light of these changes discussions have taken place with the Scottish Executive on the transfer of responsibility for the project to Local Authority partners in the Highlands and Islands. Ministers have now agreed high level conditions which would allow that to take place. The main high level conditions are:

- Scottish Executive funding of up to £63m will be made available to meet the cost of broadband services to schools and other Local Authority sites;
- The key priority from the procurement is to ensure scalable 4Mbps to all schools subject to an appraisal of costs and benefits;
- Procurement should be subject to open competition, be technology neutral, may provide resources for other public bodies and the business sector and should comply with State Aid requirements if needed;

- **Additional Scottish Executive funding will be made available to take the procurement forward up to a maximum of £850,000 for the cost of a procurement team and external advisers.**

2.2 **The Scottish Executive letter containing full details of the conditions is appended to this report.**

2.3 **Informal discussions have taken place between the Conveners and Chief Executives of the 6 Highlands and Islands Councils and all are minded to recommend to their Councils to agree to the Scottish Executive proposals and to take forward this procurement as a partnership between the Highlands and Islands Councils. The partner Council's are Highland, Moray, Argyle and Bute, Western Isles, Orkney and Shetland.**

3 **Procurement programme**

3.1 **This is a major procurement programme which requires to be conducted through EU procedures and which is also likely to require EC State Aids approval. The quite different scope of the procurement from the previous Scottish Executive procurement means that it needs to be rerun from the start including the setting up of a new Highlands and Islands Procurement Team. However, it may be possible to fast track some elements in the programme because of the work that has already been carried out by the Scottish Executive on the original procurement and rescoping of the ITN.**

3.2 **Taking these issues into account an initial estimate of a fast track timescale for the procurement is anticipated as follows:**

- **Formal Council's agreements to transfer**   **end 09/2004**
- **Agree revised scope ITN**   **end 09/2004**
- **Appoint advisers/recruit project team**   **end 10/2004**
- **Revised ITN and State Aids application**   **end12/2004**
- **OJEU notice procedure**   **end 03/2005**
- **Prequalification**   **end 05/2005**
- **State Aids approval**   **end 05/2005**
- **Bids**   **mid 08/2005**
- **Evaluation**   **end 10/2005**
- **Preferred bidder negotiation**   **end 12/2005**
- **Contract award**   **01/2006**

3.3 **This is an indicative programme only at this stage. Slippage on key stages has the potential to extend the programme from 18 months to 24 months or more.**

4 **Project management and governance arrangements**

4.1 **Discussions with the Scottish Executive and partner local authorities have been based on project management comprising of a small procurement team co-ordinating the procurement supported by external advisers, reporting to a project board of the Chief Executives (or their representatives) of the partner Councils. Each Council would also have a nominated liaison officer who would liaise between the project team and their Council. Council's ICT Managers are most likely to fill this role.**

4.2 **Partner Councils have agreed informally that The Highland Council will act as the lead authority in terms of project management. This means that the Highland Council will act as the employer for the procurement team and engage the external advisers on behalf of the partners. Costs will be met from the additional sum agreed by the Scottish Executive for this purpose. The Highland Council Chief Executive will also chair the project board. Contracting and procurement arrangements have still to be agreed between the partners.**

5 Policy and Delegated Authority

5.1 As with other SIC ICT projects, reporting is via the ICT Management Board to full Shetland Islands Council. Members on the ICT Sounding Board are also fully briefed at their regular meetings. In addition, for this project, informal soundings are taken at the Highlands and Islands Convener's Group.

5.2 **The deliverables of this project will complement the ICT Network Policy agreed by Council on 30th June 2004.**

6 Immediate Actions

6.1 The Scottish Executive has agreed to the immediate release of advance funding of £50,000 to meet costs which are seen as key to driving the project forward in the short-term. The two issues which are key to making progress are commissioning work to re-scope the ITN and progressing the recruitment of the procurement team.

6.2 **The most important early action in progressing this procurement is to re-scope the ITN previously prepared by the Scottish Executive to take account of the changed circumstances set out in paragraph 2 and the conditions set out in paragraph 3 above. There are strong advantages in seeking the advice of the external advisers, Mason Communications Ltd, who have been involved in the project to date, to carry out this re-scoping on behalf of the local authority partners. Their detailed knowledge of the process and suppliers' bids to date will be invaluable and very difficult to replicate with the appointment of a new firm of consultants. This would involve direct appointment for this specific piece of work only without going to competitive tender. Competitive tendering in accordance with the Council's Standing Orders would be applied to the appointment of external advisers for all other aspects of the procurement. This course of action has been agreed with the Chief Executives of the partner authorities.**

7 Financial Implications

7.1 The overall impact of this project will be cost neutral to the Council. All schools currently have connection to the Internet. When this project improves the broadband connection for schools to the 4Mb minimum, the Scottish Executive funding will pay for any increased costs for the duration of the project. The actual amounts will not be known until the negotiation phase of the tender evaluation is completed.

8 Recommendations

8.1 **It is recommended that the Council agrees:-**

a) To the transfer of control of the Highlands and Islands Broadband Aggregated Procurement Project from the Scottish Executive to a partnership of the six Highlands and Islands Councils in terms of the conditions and funding set out in the Scottish Executive letter of 10 August 2004;

b)   The Highland Council will act as the lead partner in terms of engaging external advisers; acting as employer for a project team and administering any joint governance arrangements between the member Councils

c)   In Shetland, the project will be reported and monitored through the ICT Management Board which, as with other ICT projects, will subsequently be reported to SIC.

d)   That, pending agreement on formal joint member governance arrangements, the Highlands and Islands Convener's Group will form the partnership group overseeing this procurement;

e)   In principle to progress the project subject to contracting and procurement arrangements being agreed with the partners.

Our Ref: SM/AMA   Report No. CE-38-F
Date: 9 September 2004

Shetland
Islands Council

REPORT

To: Shetland Islands Council   15 September 2004

From: Head of Finance
        Executive Services Department

BANKING SERVICES CONTRACT – 2005/06 TO 2009/10
Report No: F-040-F

1. Introduction

    1.1 The purpose of this report is to seek approval to conduct a bank tender exercise locally within Shetland. The new bank contract will be for a five-year period from 1 April 2005 to 31 March 2010 and will cover all bank accounts administered by Finance.

2. Background

    2.1 The current banking services contract with the Bank of Scotland was originally for the five-year period up to 31 March 2004.

    2.2 The Council agreed (Min Ref 175/03) that a one-year extension of the existing bank contract could be negotiated with the Bank of Scotland, to cover the period up to 31 March 2005. This extension has subsequently been agreed with the Bank. This has allowed us to prepare a tender exercise for a new contract at a more convenient time for the Council.

    2.3 The bank service provided by the Bank of Scotland has been to a good standard and value.

    2.4 Any changes to the banking arrangements needs to be carefully considered as the provision of an effective banking service is essential for the daily operations of many of the Council's services.

    2.5 We are in a fortunate position where the local banks are all branches of large UK wide banks, so there would be no compromise on risk, security, service, or capability. The volume of business generated by the Council combined with the number of local banks should ensure that a competitive tender is achieved.

3. Proposal

    3.1 It is important that the Council maintains a close working relationship with its bankers, both at managerial level and in the daily dealings between the Council's bank and the Council's relevant clients (Council Tax Payers, Rent Payers, Local Businesses etc). It would not be reasonable to expect all of the Council's clients to conduct their transactions with the Council via a bank without a presence in Shetland.

    3.2 Since 1982 the Council has ensured that a close working relationship with its bankers has been possible by only inviting banks with branches in Shetland to tender for the banking services contract. I

propose that this practice should continue with the Bank of Scotland, the Clydesdale Bank, the Royal Bank of Scotland, Lloyds TSB and the Alliance and Leicester all being invited to submit to tender for this contract, for the five year period commencing 1 April 2005.

4.   Financial Implications

4.1 This can be met from within existing resources so there are no financial implications.

5.   Policy and Delegated Authority

5.1 The Council's Standing Orders Relating To Tenders And Contracts under H5(a) requires that all contracts shall be advertised for selective competitive tendering, except for as provided for in Standing Order H2 (exemptions). Also at H5 (b) there is a requirement that at least ten days notice shall be given in one or more newspapers circulating in Shetland, and also in such trade or other journals as the appropriate Director may consider necessary setting out particulars of the contract into which the Council wish to enter and inviting persons interested to apply within such period as may be specified for permission to tender.

5.2 H2(e) allows the Council to exempt any contract from the requirement to advertise when that exemption is justified by special circumstances. My proposal, if accepted, would require the contract to be exempted by the Council from the requirement for advertisement H5(a), and the requirement to give notice in local newspapers or trade journals H5(b), due to special circumstances, as the provision of banking services necessitates a requirement for any Bank wishing to tender for the contract to have a branch office in Shetland, and that all five eligible banks will be directly invited to tender.

5.3   The estimated cost of the bank services contract is below the current EU threshold, therefore a decision of the Council only is required.

6.   Conclusion

6.1 I believe that the Council and its clients will receive a better service from a bank with a local branch. I propose to invite the five banks that have a branch in Shetland to tender for the banking services contract. This proposal requires an exemption by the Council from the requirement to advertise the contract, or give notice in local newspapers or trade journals.

7.   Recommendation

7.1 I recommend that the Council applies Standing Order H2(e) to exempt this bank contract from Standing Order H5(a) the requirement to advertise, and Standing Order H5(b) to give notice in a local or trade journal, and that the five banks listed in paragraph 3.2 above be invited to tender for this contract.

Date: 7 September 2004
Ref: CAB/DMC   **Report: F-040-F**

Shetland
Islands Council

REPORT

To: ICT Management Board, Shetland Island Council
        Shetland Island Council – 15th September 2004

From: ICT Unit Manager

Disposal of redundant computer equipment/Computers for South Africa

Report No: CE-39-F

1. Introduction

1.1. The Council disposes of a significant amount of computer equipment as a result of upgrades carried out under the PC and LAN Upgrade Project, and the replacement of computers in schools. Currently this is done through a company called RDC, who remarket redundant units, and return 75% of the profit to the Council; or environmentally dispose of units deemed too old to be remarketed.

1.2. At a meeting of the ICT Management Board on 20th July it was agreed to seek approval to use this profit to make donations to appropriate causes, for example to enable schools in South Africa to purchase computers to enable them to participate in the Global Classroom programme.

2. Background

2.1. Some of the Council's partner schools in South Africa are so poor that they cannot afford computers.

2.2. Over the summer, the computers and network in Anderson High School have been completed upgraded. In order to take the upgrades, over 100 computers had to be replaced. It was originally proposed that these computers be given to the partner schools in South Africa; rather than disposed of.

2.3. The costs of purchasing Microsoft licences for these old computers (around £250 per computer) compared against the current purchase cost of new computer packages, plus shipping costs, plus ongoing support issues for such old computers does not make this a viable option.

2.4. The other option which was looked at was, rather than give the schools in South Africa the old computers, the Council could donate the profits of the disposal of the computers from the Anderson High School to the partner schools.

2.5. This would enable these schools to purchase computers, peripherals and software locally, which would better meet their needs and could be supported locally.

2.6. There would be a very strong case of reciprocal benefit for schoolchildren in Shetland. An objective of the "global classroom" project is to use ICT to communicate with partner schools across the globe and thereby improve the Education of children here in Shetland. Obviously, this is difficult if the partner schools cannot afford computers.

2.7. Appropriate conditions will be imposed to ensure that the purpose will be achieved. Safeguards such as production of receipts would be put in place to take reasonable steps to ensure the partner schools use the money for the purpose intended.

3. Policy and Delegated Authority

3.1. This proposal is in accordance with the Council's policy on Disposal of Moveable Assets.   The Asset and Properties Manager has confirmed and supports this.

3.2. The reserve fund may be applied in terms of section 67(3)(e) of the ZCC Act for any purpose "which in the opinion of the Council is solely in the interests of the County or its inhabitants."

4. Financial Implications

4.1. The income from the disposal of the old computers would go into the general fund (GCX 1001 1200). It is proposed that money is donated from the reserve fund (RRX 1090 4971 to be set up as "Computers for Africa") up to the value of the profit from the disposal of the computers from schools.

4.2. The value of the disposal of the computers from the AHS is not yet known but is esitimated to be in the order of several thousand pounds.

5. Conclusion

5.1. It is proposed that the profit made from the disposal of computers from the AHS be used to donate money to partner schools who cannot afford computer equipment.

5.2. The amount donated should not exceed £10,000.

5.3. There are other projects to upgrade other schools computers and networks (eg. Whalsay School in the October holidays).   If the disposals from AHS upgrade do not come to £10,000, the money from the disposal of other schools equipment could be added to make up the £10,000 suggested.

6. Recommendation

6.1. Approval be granted to use profit from the sale of redundant computer equipment for donation to partner schools in South Africa for the purpose of enabling the Shetland schoolchildren involved to participate in the "global classroom" project with those partner schools, and subject to imposing appropriate safeguards to ensure that that purpose is achieved.

3rd September 2004