

# MINUTES

# A & B

**Shetland Islands Council  
Council Chamber, Town Hall, Lerwick  
Wednesday 7 December 2011 at 10.30 a.m.**

## **Present:**

A J Cluness	L Angus
L F Baisley	J Budge
A T J Cooper	A G L Duncan
E L Fullerton	F B Grains
R S Henderson	J H Henry
A J Hughson	W H Manson
R C Nickerson	F A Robertson
G Robinson	J G Simpson
C L Smith	J W G Wills
A S Wishart	

## **Apologies:**

A T Doull	C H J Miller
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## **In attendance (Officers):**

A Buchan, Chief Executive  
H Budge, Director - Children's Services  
P Crossland, Director - Infrastructure Services  
J Riise, Executive Manager – Governance and Law  
R Sinclair, Executive Manager – Capital Programmes  
H Sutherland, Head of Finance  
J Edwards, Quality Improvement Officer  
K Johnston, Solicitor  
S Schofield, Project Manager  
A Cogle, Service Manager – Administration  
L Adamson, Committee Officer

## **Also In Attendance:**

C Hislop, Audit Scotland  
F Mitchell-Knight, Audit Scotland

## **Chair**

Mr Cluness, Convener of the Council, presided.

## **Circular**

The circular calling the meeting was held as read.

## **Declarations of Interest**

Mr R Nickerson declared an interest in Item 2, [Appointment of Chair of Environment and Transport Committee etc.] in regards to the appointment of a Substantive Member on KIMO, being a Consultant for KIMO.

Mr G Robinson declared an interest in Item 1, [Anderson High School: Feasibility Report], as an employee of Shetland Recreational Trust, and advised that he intended to take part in the discussion.

*(Mr A Cooper and Mr B Manson attended the meeting).*

97/11      **Minutes – 21 September 2011; 27 September 2011 and 3 November 2011**

The Council approved the minutes of the meeting on 21 September, as a true and accurate record, on the motion of Mr Angus.

The Council approved the minutes of the meetings on 27 September and 3 November, as true and accurate records, on the motion of Mr Simpson.

98/11      **Anderson High School: Feasibility Report**

The Council considered a report by the Director of Children's Services [CS-17-F], and the Chair's report from the Special Education and Families Committee on 5 December 2011.

Mrs Fullerton advised that following a full debate at the Education and Families Committee, the consensus reached was to proceed with the build of the new school at the Lower Staney Hill site, to include integrated additional support needs facilities and residential accommodation. She said that the Council would be invited to participate in the national programme to bid for funding for the project to commence in the New Year, and would consider all funding options to deliver the project. Mrs Fullerton moved that the Council approve the recommendations as agreed at the Education and Families Committee meeting, namely to:

- reconfirm the decision of June 2010 to build a new school at the Lower Staney Hill site and to include residential accommodation, subject to a funding package which is in line with the Council's Reserves Policy and Strategic Budget Plans;
- ensure that the project is affordable for Shetland Islands Council by (a) participating in the national building programme for investment in schools estate (which, if successful, may secure up to two-thirds funding of eligible costs); and (b) developing the accommodation schedule to national standards, including provision for secondary young people with complex additional support needs Shetland wide;
- take full advantage of shared facilities with Shetland Recreational Trust; and
- note that participating in the national programme will require Shetland Islands Council to participate in a national partnership arrangement for design, procurement and facilities management probably through the non-distributing profit model.

Dr Wills seconded.

During the discussion, Mr Angus said that the Council had to appraise all funding options for the new school, including the previous agreement with Shetland Charitable Trust (SCT). He welcomed the involvement of the Education and Families Committee as the client for the project, and the Director of Children's Services being the Lead officer, which he said would give confidence that the project would progress. He also commented that the association with the regional hub was a critical part of the project as it would allow the project to access technical and financial assistance. He also referred to the Council decision some years ago,

that in the event that the school site is vacated at the Knab site that the site would be kept for educational purposes and he hoped the Council would reaffirm that decision.

*(With the reference to potential funding from the SCT, Mr Manson declared an interest as Chair of SCT. Mr Henry declared a similar interest, as Vice-Chair of SCT).*

In response to questions from Members, the Chief Executive said that he was confident that the recommended method of progressing the project would provide the greatest likelihood of success, all financial options to deliver the project would be considered to secure the best terms available for the Council, and that additional funding streams might be found to enhance the project or to defray some of the costs. The Head of Finance advised that at this time the funding arrangements for the project were unknown, and she went on to explain that it would be appropriate for the Council to take the decision today on how the project should proceed, and to take decisions on the funding mechanisms at a later date. The Head of Finance referred Members to item 5 on today's agenda, which proposed the development of an Asset Investment Plan, and she highlighted the earlier Council decision that separate consideration would be given when considering the significant capital investment projects of the Anderson High School, Fixed Links and Transport Links projects, which could include setting aside the general debt free status.

In response to a question, the Executive Manager – Governance and Law advised that the Council's Scheme of Administration and Delegations makes it clear that when the Council makes a decision on a project, the project will fall to the relevant Committee to act as the project sponsor, and to the relevant strategic Director through the Chief Executive.

During the discussion, Members acknowledged the need for pupils from the remoter areas of Shetland to be accommodated in quality accommodation, however they questioned whether the inclusion of the residential accommodation in the overall project at this stage would in any way knock the project off track. The Executive Director – Children's Services explained that she had contacted the Scottish Government for advice on this matter following the recommendation at Education and Families Committee. The guidance received was that if the accommodation was seen as an essential part of the school project it could be included in the bid. The inclusion of the accommodation would not harm the bid, however there was no guarantee of funding for the accommodation in addition to the school, or for the school project itself.

*(Mr Budge left the meeting).*

During the discussion, Members thanked the Chair of Education and Families Committee on her initiative to seek Scottish Government support, and advised of their backing for the project to move ahead with the lead of the Chair and Director

### **Decision:**

The Council RESOLVED to:

- reconfirm the decision of June 2010 to build a new school at the Lower Staney Hill site and to include residential accommodation, subject to a funding package which is in line with the Council's Reserves Policy and Strategic Budget Plans;
- ensure that the project is affordable for Shetland Islands Council by (a) participating in the national building programme for investment in schools estate (which, if successful, may secure up to two-thirds funding of eligible costs); and (b) developing the accommodation schedule to national standards, including provision for secondary young people with complex additional support needs Shetland wide;
- take full advantage of shared facilities with Shetland Recreational Trust; and
- note that participating in the national programme will require Shetland Islands Council to participate in a national partnership arrangement for design, procurement and facilities management probably through the non-distributing profit model.

*(Mr Cooper left the meeting).*

99/11

**Appointment of Chair of Environment and Transport Committee etc.**

The Council considered a report by the Executive Manager – Governance and Law [LA-66-11-F], which sought appointments to number of internal Committees and external Groups.

**Decision:**

The Council **RESOLVED** to approve the following appointments:

<b>Committee</b>	<b>Position</b>	<b>Appointee</b>
Environment and Transport Committee	Chair	A Wishart
Environment and Transport Committee  The following persons were nominated for the post of Vice-Chair Environment and Transport Committee:  R Henderson J Henry  Both accepted their nominations and, following a short address by each nominee to the Council, voting took place by a show of hands, and the result was as follows:  R Henderson      8 J Henry              7	Vice-Chair	R Henderson
Executive Committee	Ex Officio	A Wishart

Development Committee	Additional Member	New Member (in absentia)
Harbour Board	Member	New Member (in absentia)
Education and Families Committee	Member	New Member (in absentia)
Planning Board	Member	New Member (in absentia)
CoSLA Convention	Ex Officio	A Wishart
Community Planning Delivery Group	Member	New Member (in absentia)
Community Safety Partnership	Member	New Member (in absentia)
KIMO	Substantive Member	Dr J Wills
NFLA (Nuclear Free Local Authorities)	Substantive Member	R Nickerson
NFLA (Nuclear Free Local Authorities)	Substitute Member	Dr J Wills
Scottish Water Liaison Group	Member	B Fullerton
Sumburgh Airport Consultative Committee	Member	A Wishart
ZetTrans	Substantive Member	A Wishart
Shetland Fisheries Training Centre Trust	Member	New Member (in absentia)

100/11

### **Appointments to Education and Families Committee – Religious Representatives**

The Council considered a report by the Executive Manager – Governance and Law [LA-65-11-F], which addressed the statutory requirements to have religious representation on the Education and Families Committee, and sought agreement on the appointment of two religious representatives to the Committee.

In response to a question, the Executive Manager – Governance and Law advised that he had sought clarification on religious representation with CoSLA, and was awaiting a response from their Executive Officer.

Following comments from Dr Wills, where he expressed his view that the Law in regards to religious representation was anti-democratic, he moved that the decision to appoint two religious representatives on the Council's Education and Families Committee be deferred, to allow the Council to write to the Interfaith Group and the Shetland Council of Churches Trust to ask the representatives not to attend meetings of the Education and Families Committee, pending a meeting with the Education and Families Committee to gauge their opinion on how best religious representation and participation could be achieved. Mr Robinson seconded.

Mrs Fullerton moved, as an amendment, that the Council approve the recommendation in the report. Mr Duncan seconded.

*(Mr Angus gave notice of a further amendment).*

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

Amendment (Mrs Fullerton)	12
Motion (Dr Wills)	2

Mr Angus moved as an amendment, that the Council also write to the Scottish Government to seek clarification on the requirement for three religious representatives. Mr Robinson seconded. However after hearing that the earlier communication between the Executive Manager – Governance and Law and CoSLA had included a request for CoSLA to seek clarification from the Scottish Government on this matter on behalf of all Councils, and that the response was still awaited, Mr Angus withdrew his amendment. This received the consent of his seconder.

**Decision:**

The Council **RESOLVED** to appoint Ms Radina McKay and the Ms Angela Nunn as Religious Representatives on the Council's Education and Families Committee.

*(Dr Wills left the meeting).*

101/11 **Final Audited Accounts 2010/11**

The Council considered a report by the Head of Finance [F-042-F], which presented the final signed and audited accounts for 2010/11 for approval and also received Audit Scotland's Annual Report on the 2010/11 Audit.

Ms Mitchell-Knight provided a summary of Audit Scotland's key findings from the 2010/11 audit, and she drew Members' attention to the Action Plan which pulls together the key area where the Council needs to take action. She said that the Council still has significant challenges ahead, with real pressures on delivering services while reducing the draw on reserves.

*(Mr Robinson left the meeting).*

Mr Simpson thanked the staff in Finance Services, with the assistance of Audit Scotland, in preparing the final accounts, and he said that the Council has taken on board the issues raised, and are aware that these have to be addressed. Mr Simpson moved that the Council approve the recommendations in the report, and Mr Smith seconded.

**Decision:**

The Council **RESOLVED** to:

- a) approve the final signed and audited accounts for 2010/11; and
- b) note Audit Scotland's Annual Report on the 2010/11 Audit and approve the Action Plan.

102/11 **Strategic Budget Plan: Developing the Asset Investment Plan**

The Council considered a report by the Head of Finance [F-045-F], which sought to establish the framework for developing the Asset Investment Plan, following the approval of the preliminary Reserves Policy and the Strategic Budget Plan.

In response to a concern regarding the delay with the report to inform on the condition of all Council properties, the Executive Manager – Capital Programmes confirmed that the Asset Strategy report, which will include an Implementation Plan, was being prepared for Executive Committee on 19 December.

In summarising the main terms of the report, the Head of Finance advised on the addition to recommendation (b) which had been requested at Executive Committee on 28 November pending clarification on the initial use of capital receipts. In response to a question, she confirmed that the project prioritisation system would take cognisance of Shetland's Single Outcome Agreement.

Mr Cluness moved that the Council approve the recommendations as had been agreed at Executive Committee, following clarification on Recommendation (b). Mrs Baisley seconded.

**Decision:**

The Council **RESOLVED** to

- (a) agree to apply capital government grants received to enhance the value of the 5 year programme; and
- (b) agree to apply, in the first instance, any capital receipts generated from the Asset Strategy on disposal to reduce the ongoing running costs of the North Ness Office accommodation, in particular until the ongoing additional cost of the move to the North Ness office accommodation is reduced to a level to equal the cost of the current office accommodation;
- (c) agree to assess each of the uncommitted capital projects against the strategic agendas and financial policy framework set out in the Strategic Budget Plan, as summarised in the prioritisation system at Appendix 1;
- (d) investigate the potential for resources to be applied to Spend to Save schemes, to secure ongoing revenue savings

The Convener called a short recess at 11.45am.

The Council meeting reconvened at 11.55am

**Present:**

A J Cluness	L F Baisley
A T J Cooper	A G L Duncan
E L Fullerton	F B Grains
R S Henderson	J H Henry
A J Hughson	W H Manson
R C Nickerson	F A Robertson
J G Simpson	C L Smith
A S Wishart	

**In Attendance:**

A Buchan, Chief Executive  
H Budge, Director - Children's Services

J Riise, Executive Manager – Governance and Law  
R Sinclair, Executive Manager – Capital Programmes  
H Sutherland, Head of Finance  
A Cogle, Service Manager – Administration  
L Adamson, Committee Officer

**Also**

C Hislop, Audit Scotland  
F Mitchell-Knight, Audit Scotland

103/11 **Housing Revenue Account: Business Plan**

The Council considered a joint report by the Executive Manager -Housing and the Head of Finance [F-046-F], which made recommendations for some principles for the preparation of the estimates on the Housing Revenue Account (HRA), following an external Business Plan Review. It also set out the Council's case on responding to the consultation on the proposed abolition of Housing Support Grant (HSG), from April 2013.

Mr Nickerson advised of his concern with the inclusion of the wording "agree in principle" in recommendation (e)(ii) of the report, as he said the Council should not be seen to accept the proposed removal of the Housing Support Grant, unless an alternative funding method can be put in place.

During the discussion, Members advised of their support for the Head of Finance and Executive Manager - Housing to seek a solution for Shetland from the Scottish Government, however it was acknowledged that if that dialogue was not successful political input may be required.

Mr Cluness moved that the Council approve the recommendation in the report, with an amendment to the wording in recommendation (e)(ii) as raised by Mr Nickerson. Mr Smith seconded.

*(Mr Cooper returned to the meeting).*

**Decision:**

The Council **RESOLVED** to:

- (a) agree the key findings from the Business Plan Review and note that the actions will be taken forward through the Housing and Finance Service Plans;
- (b) agree that the Housing Revenue Account cannot at the moment, afford any new build proposals beyond the 30 units currently committed;
- (c) develop the Housing Revenue Account estimates from an affordable rents for existing tenants perspective (CPI plus 0.5%);
- (d) agree that the Housing Repair and Renewal fund will be used to generate income towards the maintenance programme for existing stock; and
- (e) respond to the Scottish Government consultation on the abolition of Housing Support Grant by 2013 based on the following principles:-
  - (i) to challenge the Scottish Government's assertion that withdrawal of Housing Support Grant would have no significant impact on Shetland Islands council tenants; and



- (ii) to not agree to abolish the Housing Support Grant from 2013, unless and until appropriate one-off or transitional arrangements are in place to secure the long-term sustainability of the Housing Revenue Account.

104/11 **Small Trusts Annual Report and Accounts to 31 March 2011: Zetland Educational Trust, Gilbertson Trust and Samuel Mulla Bequest**

The Council considered a report by the Head of Finance [F-048-F], which presented for approval the Annual Report and Accounts to 31 March 2011 for the three small Trusts administered by Shetland Islands Council.

Mr Smith moved that the Council approve the recommendations in the report. Mr Cooper seconded.

**Decision:**

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The Council **RESOLVED** to approve:

- a) the Annual Report and Accounts for the Zetland Educational Trust for 2010/11;
- b) the Annual Report and Accounts for the Gilbertson Trust for 2010/11; and
- c) the Annual Report and Accounts for the Samuel Mulla Bequest for 2010/11.

*(Mrs Baisley left the meeting).*

105/11 **Blue Badge Scheme Reform – Chair’s Report**

The Council considered the Executive Committee Chair’s Report from the meeting held on 7 November 2011, which sought approval of the introduction of a new charging system for Blue Badges. Mr Wishart moved that the Council adopt the recommendation in the report, Mr Cooper seconded.

**Decision:**

The Council **RESOLVED** to, with effect from 1 January 2012, levy: (a) a charge of £13.50 for each new blue badge; (b) a charge of £5.00 for any replacements issued; and (c) a charge of £15.95 for each fast tracked badge.

106/11 **Autistic Spectrum Disorder Policy for Children and Young People – Chair’s Report**

The Council considered the joint Executive Committee and Education and Families Committee Chairs’ Report, which sought approval of the Autistic Spectrum Disorder Policy for Children and Young People.

Mrs Fullerton moved that the Council adopt the recommendation in the report, seconded by Mr Cluness.

**Decision:**

The Council **RESOLVED** to approve the Autistic Spectrum Disorder Policy for Children and Young People.

107/11 **Policy on Attendance in School – Chairs’ Report**

The Council considered the joint Executive Committee and Education and Families Committee Chairs' Report from the meetings held on 7 November and 9 November 2011. The report sought approval of the Policy on Attendance in School.

Mrs Fullerton moved that the Council adopt the recommendation in the report, seconded by Mr Simpson.

**Decision:**

The Council **RESOLVED** to adopt the Policy on Attendance in School.

108/11

**Homeless Policy – Chairs' Report**

The Council considered the joint Executive Committee and Social Services Committee Chairs' Report from the meetings held on 7 November and 2 November 2011. The report sought approval of the adoption of the Homeless Policy.

Mr Smith moved that the Council adopt the recommendation in the report, seconded by Mr Cluness.

**Decision:**

The Council **RESOLVED** to adopt the Homeless Policy document.

109/11

**Temporary Accommodation Policy – Chairs' Report**

The Council considered the joint Executive Committee and Social Services Committee Chairs' Report from the meetings held on 7 November and 2 November 2011. The report sought approval of the Temporary Accommodation Policy document.

Mr Smith moved that the Council adopt the recommendation in the report, seconded by Mr Cooper.

**Decision:**

The Council **RESOLVED** to adopt the Temporary Accommodation Policy document.

110/11

**Statutory Review of Polling Districts and Places**

The Council considered a report by the Executive Manager – Governance and Law [LA-67-11-F], which advised on the outcome of the statutory review of polling districts and places.

In introducing the report, the Executive Manager – Governance and Law advised on a proposed change to the polling place from the North Unst Hall to the Baltasound Public Hall, and indicated that existing delegated authority would allow any such change to be made, following consultation with the Community Council, and that any such change would apply to all elections.

Mr Cluness moved that the Council approve the recommendation in the report, seconded by Mr Cooper.

**Decision:**

The Council **RESOLVED** to approve the revised Parliamentary Polling Scheme.

111/11 **Amendment to Community Councils' Constitution**

The Council considered a report by the Executive Manager – Governance and Law [LA-51-11-F], which sought approval for an amendment to the Constitution for Community Councils in Shetland, relating to the examination of accounts, and an amendment to the Constitution for Gulberwick, Quarff and Cunningsburgh Community Council in relation to their membership.

Mr Nickerson moved that the Council approve the recommendation in the report, seconded by Mr Duncan.

**Decision:**

The Council **RESOLVED** to approve the amendments to the Constitution for Community Councils in Shetland.

**Mr Cluness moved that in order to avoid the disclosure of Exempt Information, the Council resolve to exclude the public in terms of the relevant legislation during consideration of the following item of business. Mr Smith seconded.**

112/11 **Skerries South Mouth Dredging Tender Report – Chair's Report**

The Council considered the Environment and Transport Committee Vice-Chair's Report from the meeting held on 5 October 2011, which provided details of the latest tendering exercise for the Skerries South Mouth Dredging project. Mr Wishart moved that the Council adopt the recommendation in the report, seconded by Mr Henderson.

**Decision:**

The Council **RESOLVED** that an additional sum of money is allocated to the Skerries South Mouth Dredging project to allow it to proceed, this financial year, and that the second stage ERDF funding application be submitted to reflect and mitigate the increased cost of the project.

The meeting concluded at 12.25 p.m.

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Chair