

MINUTES

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**Special Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Wednesday 28 March 2012 at 10.00 a.m.**

Present:

A J Cluness	L F Baisley
J Budge	A T Doull
A G L Duncan	E L Fullerton
F B Grains	R S Henderson
J H Henry	A J Hughson
W H Manson	C H J Miller
F A Robertson	G Robinson
D A Sandison	J G Simpson
C L Smith	

Apologies:

L Angus	A T J Cooper
R C Nickerson	J W G Wills
A S Wishart	

In attendance (Officers):

A Buchan, Chief Executive
P Crossland, Director of Infrastructure Services
R Moore, Executive Manager - Harbour Master and Port Operations
J Riise, Executive Manager – Governance and Law
V Simpson, Executive Manager – Community Planning and Development
J Smith, Executive Manager – Improvement and Performance
P Peterson, Executive Manager – Executive Services
L Gair, Committee Officer

Chair

Mr Cluness, Convener of the Council, presided.

Circular

The circular calling the meeting was held as read.

The Convener ruled that due to special circumstances, namely that due to the timescales involved, the following item of business would be considered at this meeting as a matter of urgency in terms of paragraph 3.2.2 of the Council's Standing Orders for Meetings.

New Agenda item 1 : Emergency Towing Vessel

Declarations of Interest

Mr Henry declared an interest in the last two agenda items namely: "Shetland Fishermen's Trust – Future Role" and "Hjaltland Housing Association: Bridging Finance" and advised that he would leave the meeting.

33/12 Emergency Towing Vessel

The Council considered a report by the Executive Manager – Harbour Master and Port Operations (PH-12-12-F), which provided information on issues pertaining to the provision of an Emergency Towing Vessel (ETV) in the waters surrounding Shetland.

The Executive Manager - Harbour Master and Port Operations explained that the vessel might be situated in the vicinity of the Schiehallion field. He said that there was no indication of cost to the Council at this time but it was anticipated that there would be a break in service as the current service was due to end on 31 March 2012. He said that the Government were keen to get the industry to pay for the cover and at present it was suggested that there would be only one vessel. The Executive Manager - Harbour Master and Port Operations informed Members that BP is company most proactive in arranging cover, with other organisations involved in trying to make the system work.

The Executive Manager - Harbour Master and Port Operations reported that some work would be required to ensure that the vessel is fitted with the necessary equipment to allow it to tow any kind of vessel that would be in our waters. He advised that there would be a tabletop exercise to validate whether the proposed system would work, with a representative from Orkney and from Shetland in attendance.

Members expressed their disappointment with regard to the position that the Government had taken on this matter particularly at a time when there is a significant increase in shipping and oil activities from Russia and to the West of Shetland. Members commented that the Government's decision went against Lord Donaldson's report following the Braer incident and following the grounding of a ship in The Minch.

Members strongly supported the view that the Government should return to a system of insuring against disaster by retaining the ETV, rather than leaving the four island communities to their own devices. Members unanimously agreed that the protection of lives, welfare and the environment was the responsibility of the Government and not anyone else. It was acknowledged that the experience and knowledge that existed with the current crews on the ETVs would be lost and the Executive Manager - Harbour Master and Port Operations noted that the level of training and coastline familiarisation was an important question that he would raise at the table top exercise.

In response to questions, the Executive Manager - Harbour Master and Port Operations advised that the break in service could be a matter of days or months, but there was a commitment by those involved to continue the service as long as possible. Members expressed their concern regarding the 12 hour response time, and the Executive Manager - Harbour Master and Port Operations explained that the vessel would work within a 12 hour operating radius and Schiehallion was located in the most central area to allow cover to Shetland and Orkney.

Following further discussion, the Council unanimously agreed that the Convener write in strong terms to the Government to seek an extension to the current service until a suitable alternative is in place.

The Executive Manager - Harbour Master and Port Operations provided some clarity to the operation of the ETV in an emergency and explained that the vessel would be on charter to an oil company who would pay for that service. If the vessel is required to leave the field to attend as an ETV the vessel would come off charter and the cost would fall to someone else for the period when it is off charter. He said that the detail was yet to be resolved and the issue of insurance and liability were part of the current discussions taking place.

Decision:

The Council **RESOLVED** that:-

The Convener will write to the Scottish Government expressing the strong view of the Council that the Government extend the current Emergency Towing Vessel operation until a suitable alternative is in place.

34/12 **Improvement Plan Progress Report**

The Council considered a joint report by the Chief Executive and the Executive Manager - Improvement and Performance (Report No: IP-006-12-F), which presented the Accounts Commission's follow up report on the Council's improvement work. In addition, the report presented an update on the latest progress in relation to the implementation of the Council's Improvement Plan and proposals for continued improvement activity for the next Council.

The Chief Executive introduced the main terms of the report and advised that 24 of the 29 Actions were substantially complete. He advised that there were some areas of slippage but that would not impinge on progress. In referring to Appendix 3, the Chief Executive said that the new Council would want to put their stamp on the proposed framework for 2102-2017 but he sought Members endorsement of the approach taken. The Chief Executive offered his thanks to those involved for the substantial effort put into the implementation of the improvement plan.

In response to a question, the Chief Executive explained that he did not have figures to hand in respect of the cost of progressing the Improvement Plan to date, as this covered a wide range of activities, however he advised that the £250,000 budget underspend had been carried forward to 2012/13. He advised that this would be carried forward in the event that expenditure is necessary in the next financial year and that spend to save budgets might also be accessed if necessary and appropriate.

The importance of training and development for Officers and Members was highlighted, and it was noted that Train Shetland was an integral part of that process.

Mr Smith moved the recommendations contained in the report, seconded by Mrs Miller.

Members discussed the importance of job dispersal and for implementation within the next 5 years. The Executive Management – Improvement and Performance explained that job dispersal was a specific objective in the whole social, economic and development strategy for Shetland and would be implemented to improve, sustain and build on self-sufficiency to allow people to develop their work within their community. However job dispersal had not been delivered as there were still some elements to be addressed, such as broadband. The Chief Executive advised that an update had been provided at Management Team and he would ask the Director of Development Services to circulate that to Members.

The Executive Manager - Governance and Law referred to Appendix 2 on page 43, item LV13 and explained that the Council had not sought a substitute Member on the Appointments Panel following the resignation of Councillor Hawkins. He explained that it was necessary to ensure that a quorum could be achieved at the forthcoming recruitment process and sought nominations for two substitute members to the Panel.

Mr Henderson and Mr Robertson were nominated and both duly accepted the appointment as substitute members of the Appointments Panel.

(Mr Manson left the Chamber).

In referring to Page 53, Members expressed concern regarding the insistence by Audit Scotland and OSCR to have consolidated accounts, when the law did not require this.

Decision:

The Council **RESOLVED** to:-

- Note the Accounts Commission's follow up report and noted that the Commissioners have asked the Controller of Audit to prepare a further progress report in approximately 12 months time;
- Note the latest progress reported in the March Improvement Plan Progress Report;
- Approve the framework for a new Improvement Plan;
- Delegate authority to the Chief Executive to agree with the Accounts Commission the terms of the statutory notice to be given by the Council; and
- Appoint Mr Henderson and Mr Robertson as substitute Members to the Appointment Panel.

35/12 Revenue Budget 2012-13 Onwards

The Council considered a report by the Director of Corporate Services (Report No: COR-01-12-F), which provided additional background information in relation to the approved 2012-13 revenue budget and identified opportunities to use the framework created to support future planning. The report also suggested that the opportunity be taken to extend the financial planning period to coincide with the period of the next Council until 2017.

Mrs Baisley moved that the Council approve the recommendations contained in the report, seconded by Mr Robinson.

Decision:

The Council **RESOLVED** to approve that a future report be submitted by no later than 30 September, ideally during August and once the annual accounts for 2011-12 are completed, in relation to the development of a medium-term financial strategy covering the period to the 2017-18 financial year, i.e. 5 years.

36/12 Community Plan and Governance Review

The Council considered a report by the Executive Manager – Community Planning and Development (Report No: DV027-F), which presented the new Community Plan, the draft Single Outcome Agreement and the proposed new Community Planning Governance Arrangements.

The Executive Manager – Community Planning and Development introduced the main terms of the report, and in response to a query advised that there were indicators in place for some areas already developed and there would be survey based local indicators available in July.

Members commented on the need for a framework within which improvements can be made, and although there was one expression of concern that this would create an expectation that could not be delivered, Members congratulated staff for the vision that had been created for Shetland.

Mr Smith moved that the Council approve the recommendation in the report. Mr Duncan seconded.

(Mr Manson returned to the Chamber).

Decision:

The Council **RESOLVED to approve:**

- the Community Plan and Community Planning Governance Arrangements,
- the Single Outcome Agreement format, and
- to give delegated authority to the Chief Executive to complete the Single Outcome Agreement in consultation with partner organisations and lead theme group officers.

37/12 Children's Hearings Scotland: Establishment of Area Support Teams

The Council considered a report by the Executive Manager – Governance and Law No: (GL-28-12-F), which sought delegated authority for the Executive Manager – Governance and Law to conclude negotiations with the National Convener, Children's Hearings Scotland, regarding the establishment of a Shetland Area Support Team to support the Children's Panel at a local level.

Mrs Grains moved that the Council approve the recommendation contained in the report. Mr Robinson seconded.

Decision:

The Council **RESOLVED** to grant delegated authority to the Executive Manager – Governance and Law to conclude negotiations with the National Convener, Children's Hearings Scotland, regarding the establishment of a Shetland AST.

(The media left the Chamber).

(Mr Henry left the meeting).

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

38/12 Shetland Fishermen's Trust – Future Role

The Council considered a report by the Executive Manager – Governance and Law, which presented a proposal from the Shetland Fishermen's Trust to transfer to company status and to consider the future terms of the Council's involvement in that company.

Mrs Miller moved that the Council approve the recommendations contained in the report, seconded by Mr Robinson.

Some Members commented on the need for the Council to retain its association with the Trust because of the initial financial investment made when it was first set up. The Executive Manager - Governance and Law advised that a Memorandum of Understanding could be arranged between Economic Development Services and the Trust that would allow this link to continue.

Mrs Miller, with the support of her seconder agreed to include the creation of a Memorandum of Understanding within her motion.

Decision:

The Council **RESOLVED** to:

- Concur with the intention of the Trust to move to being a company limited by guarantee;
- Not retain a Councillor, or Council representation, on the Board of the new Company; and
- Instruct the Executive Manager – Governance and Law to arrange a Memorandum of Understanding between Development Services and the Trust to maintain the Council's interest in the Trust's activities.

39/12 **Hjaltland Housing Association: Bridging Finance**

The Council considered a joint report by the Director of Corporate Services and the Director of Development Services.

Mrs Baisley moved that the Council approve the recommendation in the report. Mr Manson seconded.

Decision:

The Council **RESOLVED** to approve bridging finance to Hjaltland Housing Association, until 2014-15 at a maximum exposure of £1.5M and with no interest charge.

(The media returned to the Chamber).

The Leader of the Council said that this was the Convener's last meeting before the Local Authority Elections. Mr Simpson acknowledged the work that Mr Cluness had done over the years, and on behalf of the Council, he extended his best wishes for his retirement.

Mr Robinson, on behalf of fellow Members, paid tribute to Mrs Grains who was retiring from the Council after 30 years of service.

Mrs Baisley paid tribute to Mr Simpson as a fellow Councillor in the North Isles Ward, and on behalf of all Members, as a colleague for his work as Leader of the Council.

The meeting concluded at 11.15a.m.

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Chair