



Shetland Islands Council

18 February 2013

Briefing from Total on Shetland Gas Plant progress

DSD-02-13-F

Report Presented by Director of Development Services

Development Services Department / Directorate Service

1.0 Summary

- 1.1 The purpose of this report is to introduce a briefing from Total on the Shetland Gas Plant project .

2.0 Decision Required

- 2.1 The Council are asked to NOTE the presentation.

3.0 Detail

- 3.1 Rhonda Miller of Total will give an overview update on the Gas Plant Project, covering construction phase labour requirements and additional accommodation requirements. Members will be able to ask questions or raise concerns.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities – None arising from this report.
- 4.2 Community /Stakeholder Issues – None arising from this report.
- 4.3 Policy And/Or Delegated Authority – None arising from this report.
- 4.4 Risk Management – There are no risks relating to this report.
- 4.5 Equalities, Health And Human Rights There are no implications arising from this report.

4.6 Environmental – There are no implications arising from this report.

Resources

4.7 Financial - none.

4.8 Legal - none.

4.9 Human Resources – none.

4.10 Assets And Property - none.

5.0 Conclusions

5.1 Overview update provided by Rhonda Miller of Total in relation to the Gas Plant project.

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11 February 2013

END

**Shetland Islands Council****18 February 2013****Improvement Plan Update Report**

IP-03-13-F

**Chief Executive
Director Corporate Services
Executive Manager – Improvement &
Performance****1.0 Summary**

- 1.1 This report presents the Accounts Commission's latest follow up report on our improvement work, gives an update on latest progress with the implementation of the Council's Improvement Plan and sets out proposals for continued Improvement activity in the next Council.
- 1.2 Shetland Islands Council agreed an ambitious Improvement Plan with the Accounts Commission in November 2010. This was intended to deliver a root and branch review of this Council's culture; identify changes needed in its political and other management arrangements, set out the standards to which it will aspire and overhaul its corporate systems and processes.
- 1.3 In the follow up report in December 2011 Audit Scotland highlighted the good overall progress made by the Council in implementing its improvement plan, in particular by implementing new political management arrangements and a new management structure.
- 1.3 The Accounts Commission considered that report and in their findings published in January 2012 welcomed the prompt action and progress made by the Council delivering this plan, but emphasised the need for this positive direction and change to be sustained and consolidated and requested a further follow up report in 12 months time.
- 1.4 In its findings from that further follow up report in January 2013 the Accounts Commission welcomed the significant progress made by the council, particularly in continuing to develop a culture of continuous improvement. They observed that there remain significant challenges for the council in reshaping services on a more sustainable basis.
- 1.5 At the end of its report the Controller of Audit described the outlook for Shetland Islands Council;

“The council continues to move in the right direction and the clear commitment to improve evident at the time of my last report has been sustained. The council’s self awareness continues to improve and it understands that it must continue to focus on its priorities and what still needs to improve for the future.

In order to sustain this positive direction of travel, the council will need to:

- take the difficult decisions needed to deliver on the commitments contained in the medium-term financial plan, to put the long-term financial position of the council on a sustainable footing
- review and prioritise its improvement activity to ensure it is sustainable.

- 1.6 The Accounts Commission also emphasised that it is vital that the positive momentum of the council demonstrated in the Controller of Audit’s report is maintained and concluded by stating that the council’s progress will now be monitored as part of the annual audit process rather than through special measures

2.0 Decisions Required

The Council is asked to

- 2.1 Discuss the Controller of Audits follow up report and Accounts Commission findings (Appendix 1) and note the Commissioners have decided that the council’s progress will now be monitored as part of the annual audit process rather than through special measures
- 2.2 Note the latest progress set out in the Improvement Plan Update Report (Appendix 2);
- 2.3 Approve the proposals to integrated future Improvement Activity with the Councils Corporate Plan 2013 – 2018 which is under development for final approval in June 2013. (process set out in Appendix 3).
- 2.4 Delegate authority to the Chief Executive to communicate the Councils decisions and further improvement plans to Audit Scotland and the Accounts Commission.

3.0 Detail

- 3.1 The Accounts Commission met in December 2012 to consider Audit Scotland’s follow up report on the progress which Shetland Island’s Council has made since 2010. Their findings were published on the 10th January 2013 and are attached as Appendix 1.
- 3.2 In its findings the Accounts Commission welcomed the significant progress made by the council, particularly in continuing to develop a culture of continuous improvement. They observed that there remain significant challenges for the council in reshaping services on a more sustainable basis.

- 3.3 They emphasised that it is vital that the positive momentum of the council demonstrated in the Controller of Audit's report is maintained and concluded by stating that the council's progress will now be monitored as part of the annual audit process rather than through special measures
- 3.3 The Council is also clear that while we have achieved much a continued focus on good governance, performance management and financial sustainability and the development of a performance led culture is an ongoing requirement. Therefore the Council is determined to sustain and further develop key improvements.
- 3.4 The Chief Executive, the Council's Corporate Management Team, the Improvement Sounding Board and senior members have considered these findings and have reviewed our improvement planning to best make certain we continue to make solid progress going forward.
- 3.5 The Improvement Plan is split into a number of key work streams, all have shown significant progress;

Area	Improvements delivered;	Now we need to;
Vision and joined up strategic planning and resource allocation	Medium Term Financial Plan agreed Budgets and Departmental Service Planning timetables aligned	Complete and agree Corporate Plan 2013 – 2018
Community leadership and partnership working	New Community Planning governance arrangements New Community engagement approach New Community plan and Single Outcome Agreement	Embed new Community Planning and Community engagement arrangements Lead and support new 2013 Single Outcome Agreement Development.
Public performance reporting and public accountability	Communications strategy Updated support services to members	Reinforce Communications improvements
Good governance and internal accountability;	New political governance arrangements Revised management structure Qualification of Accounts removed	Develop further capacity in members and management through learning and development programmes
Improvement led and performance driven culture	Revised and extended Planning and Performance Management Arrangements	Agree appropriate targets and timescales across all key plans. Embed performance planning, reporting and monitoring and extend PPMF to cover partnership arrangements Implement new complaints management procedures

Robust financial management arrangements	2011/12 financial savings delivered 2011/12 accounts delivered on time and to a high quality 2012/13 financial savings on track 2013/14 budgets developed targeting significant further savings Restructured Finance function Updated budget strategy, reserves policy and investment plan Updated financial regulations	Ensure financial savings continue to be made in line with Medium Term Financial Plan. Ensure annual accounts are delivered on-time and to a high quality level
Effective workforce planning	Management and leadership development programme developed and implementation commenced Human Resources Partnership Group established	Complete the new Workforce / HR strategy by June 2013 Continue management development Implement new Employee Review and Development and Return to Work arrangements from April 2013
Efficient and effective use of buildings and physical assets	New asset management strategy Move to North Ness completed Redundant asset disposal on-going	Continue to implement asset management strategy including asset disposal
Economic and effective procurement	New Procurement strategy developed and agreed	Continue to implement procurement strategy

3.7 The Council is also now seeking to fully integrate its improvement planning activity within its core planning activity and will embed that in the Corporate Plan 2013-2018 which is currently under development.

3.8 The Council has used an "Improvement Sounding Board" to support the political and management delivery of the Councils improvement plan since 2010. I believe that arrangement has worked effectively, which was also acknowledged by Audit Scotland and the Accounts Commission. The Sounding Board is deliberately structured with a cross cutting section of the full Council; one member representing each ward and from a mix of chairs, vice-chairs and backbenchers to give widespread input and cross Council ownership to the shared improvement activity. Its work has been supported by a number of "All Member Seminars" where the background to significant individual issues was presented and initial issues and options clarified. That was also recognised by the Accounts Commission as an effective approach to promoting sound decision making.

3.12 The Sounding Board has no decision making powers but has allowed time and space for the complexity and challenge of substantial change

to be discussed and understood on an ongoing basis. It has allowed the leadership to be able to benefit from a wide range of views and opinions on a structured basis and for all members to have a straightforward method of input to that process through the representative from their ward. Sounding Board discussions have been very valuable in guiding the Council leadership on which areas required further all member discussion.

- 3.13 In July 2012 a new Improvement Sounding Board was established with a somewhat wider remit to support political and managerial leadership to understanding progress and issues on the key short term action plans, but more importantly to assist in extending their horizon to 4-5 years to help set an overall course for this Council's term. That has to take into account our financial situation, deliver the necessary professional improvements and take our Community Planning Partners forward with us. It also has to consider the impacts of wider change, significant upcoming economic and political opportunities and risks and balance political aspirations, obligations and obstacles.
- 3.13 I recommend that the Sounding Board continues to overview Improvement Activity and contribute to the completion of the Councils Corporate Plan 2013 – 2018 to ensure improvement actions are properly integrated into it and provide views and input for the political and managerial leadership from its cross cutting membership as set out in its current remit.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities – At its meeting on 10th November 2010 (min ref 161/10) the Council resolved to approve an Improvement Plan as the Council's official response to those Accounts Commission findings and recommendations, and delegate authority to the Chief Executive to take the necessary action to implement it.
- 4.2 Community /Stakeholder Issues – NONE
- 4.3 Policy And/Or Delegated Authority –
- 4.3.1 The Councils constitution – Part A Governance - specifies the Executive Committee as the managing body for the Corporate Improvement Plan but decision making responsibility is reserved to the full Council.
- 4.3 Risk Management – Failure to deliver and embed the improvements agreed increases the risk of the Council working inefficiently and being subject to further negative external scrutiny.
- 4.4 Equalities, Health And Human Rights – NONE
- 4.5 Environmental – NONE

Resources

4.6 Financial – It is anticipated that any further Improvement Plan activity will be funded from previously approved budgets.

4.7 Legal – NONE

4.8 Human Resources - NONE

4.9 Assets And Property – NONE

5.0 Conclusions

5.1 The Council should study the comments of Audit Scotland and the Accounts Commission to assist us identify and implement any further improvement activity through the Councils Corporate Plan 2013 – 2018 and make sure the changes already made are sustained.

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23/01/2013

Links to Background documents:

Appendix 1 – Accounts Commission Findings

Appendix 2 - February 2013 – Improvement Plan Progress Report

Appendix 3 - Corporate Plan 2013 – 2018 Development

Shetland Islands Council

Statutory follow-up report

Commission findings

1. The Controller of Audit made this report to update the Accounts Commission on the progress made by Shetland Islands Council on its improvement plan. The council had approved its improvement plan on 10 November 2010, when it accepted the Commission's recommendations arising from a public hearing which the Commission held in June 2010. In December 2011, the Commission welcomed the prompt action and progress made by the council with its improvement plan, but emphasised the need for such positive direction to be sustained and consolidated. Consequently, the Commission requested that the Controller of Audit provide it with a further report in 12 months' time.
2. The Commission accepts this latest report by the Controller of Audit. It welcomes the significant progress made by the council, particularly in continuing to develop a culture of continuous improvement.
3. The Commission is encouraged by improving relations between elected members, and between elected members and officers. This is helping to deliver clear strategic direction and leadership. Better training of elected members has played an important role in improving this leadership.
4. The council is showing how it can learn from good practice elsewhere in developing its management capacity, which it will need to deliver its ambitious improvement agenda. There have been significant improvements in how it manages finances and information. Indeed, it is particularly pleasing to note that the financial statements of the council have been given an unqualified opinion by the external auditor for the first time since 2004/05.

Appendix 1 – Accounts Commission Report

5. The Commission is mindful of the significant challenges faced by the council in reshaping services on a more sustainable basis. It will need to have a full appreciation of costs and carefully consider a wide range of options for delivering services. It is encouraging that the council is engaging well with its communities in discussing these challenges with them. It is therefore vital that the positive momentum of the council demonstrated in the Controller of Audit's report is maintained.
6. The Commission notes that the council's progress will be monitored as part of the annual audit process.

Appendix 1 – Accounts Commission Report

Introduction

1. On 15 December 2011, the Accounts Commission considered a report on Shetland Islands Council. The December 2011 report was the latest in a series of statutory reports:
 - In December 2009, a statutory report from the Controller of Audit advised the Accounts Commission that the council's financial statements had been qualified for the fourth consecutive year and highlighted concerns about working relationships, governance and accountability, and the strategic leadership in the council.
 - In light of the issues covered in the report, the Commission held a public hearing in Lerwick in June 2010 and published its findings in August 2010.
 - In January 2011, the Commission considered a statutory report on the 2009/10 audit which highlighted that the auditors had given a qualified opinion on the financial statements of Shetland Islands Council for the fifth consecutive year.
 - In December 2011, the Commission considered a statutory report on the progress the council had made on its improvement plan since the public hearing.
2. In its findings on the December 2011 report, the Accounts Commission:
 - welcomed the prompt action and progress made by the council with its improvement plan. The Commission was encouraged that the council had put in place many of the basic but essential building blocks of Best Value, including new political and management arrangements
 - emphasised, 'the need for this positive direction and change to be sustained and consolidated, especially in the context of some considerable challenges to be faced by the council in the near future. The Commission believes that these challenges include: a continuing need to address financial constraints; the need to appoint a new Section 95 officer; the longer term appointment of a chief executive; and forthcoming council elections'
 - noted, 'positive indications that the council is developing a culture of continuous improvement: this change needs to be continued and the council needs to ensure that it has the capacity to do this'
 - noted that, 'the council also needs to do more to demonstrate more effective strategic financial management and to improve the capacity of its finance function, for example to avoid similar difficulties that were experienced this year in the timely and accurate preparation of accounts'
 - noted that it, 'is seriously concerned to note that the auditors have given a qualified opinion on the council's financial statements, due to the omission of

Appendix 1 – Accounts Commission Report

the Shetland Charitable Trust results from the group accounts. This is the sixth year in succession that there has been a qualification of those statements. But the Commission notes that the council is committed in its improvement plan to addressing this situation during 2012'.

3. The Commission requested that the Controller of Audit provides it with a further report in approximately 12 months' time, to enable the Commission to review the council's progress in implementing actions and in maintaining the improvements it has made over the last 12 months. This report fulfils that requirement.
4. Members of the Accounts Commission also met with elected representatives and senior managers of the council in Lerwick on 31 May 2012 to discuss the findings on the statutory report published in January 2012.

Overall conclusions

The council has continued to make good progress on its improvement agenda. It has appointed a permanent chief executive and a chief financial officer and agreed a medium-term financial plan which clearly sets out the challenges facing the council, together with actions to address these. The council's 2011/12 financial statements were of good quality and were not qualified. The council needs to continue to sustain its positive direction of travel and knows that it will need to take some difficult decisions to address the significant financial challenges it faces.

5. The council has continued to make good progress on its improvement agenda.
6. The council's financial management arrangements have improved significantly. For the first time in six years, the 2011/12 accounts were not qualified. The council still faces significant financial challenges but the improved quality of financial reporting means that the council is in a much better position to take clear, well-informed decisions.
7. In terms of the key issues highlighted by the Commission in its last set of findings, the council has:
 - appointed a new chief financial officer (section 95 officer)
 - agreed a revised single outcome agreement (SOA), council action plan and a refreshed improvement plan
 - agreed a medium-term financial plan
 - appointed a permanent chief executive and filled vacant director posts
 - consolidated many of the improvements to its governance and accountability arrangements, including the political management arrangements and agreed a new code of governance
 - continued to develop a corporate culture of continuous improvement.
8. Following the local government elections in May 2012, the council appointed a new political leader and convener and 13 of the 22 elected members are new. A series of well-attended induction training events for members were held following the elections. The leader and the convener have been working well together and, with other members, are setting a clear direction for the council.
9. The council has made good progress on its improvement agenda, but needs to ensure that the wide ranging and ambitious improvement plans are prioritised and managed in a sustainable way so that it has the capacity to deliver on its objectives.
10. The council will need to take some difficult decisions if it is to deliver its medium-term financial plan. This will be challenging for council staff and the

Appendix 1 – Accounts Commission Report

residents of the islands who have been used to providing and receiving a high level and quality of services over recent years. It will also be challenging for the political and managerial leadership of the council who, as a group, are relatively new to their various roles.

Summary of progress

The council has continued to sustain the improvement evident at the time of the last progress report. Elected members have shown clear leadership following the local government elections in May 2012, with a particular focus on the need to deal with the financial challenges facing the council. The council's financial management arrangements have improved significantly and the council has appointed a permanent chief executive.

The council still faces some significant challenges, not least in taking the difficult decisions which will be needed to deliver its medium-term financial plan.

11. My last statutory progress report in December 2011 noted that the council had 'taken prompt action to address the issues highlighted in the audit reports and in the Accounts Commission's findings and has made good progress to date on implementing many important elements of its improvement plan.' This continues to be the case.
12. Over the last 12 months, the council has sustained its improvement activity and has taken action to address some of the remaining areas identified as presenting risk. For example, the last report noted that financial management remained an area of significant concern. The council has taken steps to address this by appointing a new section 95 officer and strengthening the finance team. In September 2012, it agreed a five-year medium term financial plan and the council's financial statements for 2011/12 were not qualified.
13. The council continues to move in the right direction and the clear commitment to improve evident at the time of my last report has been sustained. The council's self awareness continues to improve and it understands that it must continue to focus on its priorities and what still needs to improve for the future.
14. [Exhibit 1](#) below illustrates some of the significant events which have taken place since the last statutory progress report considered by the Commission in December 2011.

Appendix 1 – Accounts Commission Report

Exhibit 1

Timeline of key events since last statutory report

Month	Key events
December 2011	Accounts Commission considers statutory progress report
January 2012	Accounts Commission findings published Chief financial officer (S95 officer) appointed
February	2011/12 budget approved
March	Council agrees a five-year asset investment plan
May	Local Government Election Appointment of new council leader and convener and appointments of committee chairs and members Clear messages from the council leadership about the challenges facing the council Induction and development programme for elected members begins
June	Council agrees approach to Health and Social Care Integration, reshaping care for older people and approves Community Health and Care Partnership (CHCP) agreement Directorate service plans start to go to committees Policies on organisational restructuring and redeployment agreed Asset management strategy agreed
July	Council agrees Single Outcome Agreement (SOA), Council Action Plan and revised Council Improvement Plan
September	Council agrees Blueprint for Education 2012-17 Council agrees medium-term financial plan 2012-17 Council agrees new Code of Corporate Governance and new Complaints Procedure Audited accounts signed off without qualification Permanent chief executive takes up post
October	Annual audit report to members and the Controller of Audit finalised
November	On-site audit work for this BV follow-up report 2013/14 budget seminars held by each directorate

Appendix 1 – Accounts Commission Report

Source: Audit Scotland

Leadership, vision & strategic direction

The early indications are that the new political leadership is providing a clear strategic direction for the council. The interim chief executive's secondment has come to an end and the council has appointed a permanent chief executive.

15. In my last progress report, I noted that the council has established new political management arrangements and a new management structure. I also noted that the interim chief executive had led the work on improving the council with considerable commitment and resilience, guiding the council through a series of important and difficult decisions, including decisions on the schools estate and the 2011/12 budget process.
16. There have been significant changes to the political leadership of the council following the local government elections in May 2012. Thirteen of the 22 members are new and the former convener, leader and some chairs/vice chairs of committees did not stand for election.
17. The council has appointed a new political leader, and a new convener. Since their appointment, the leader and convener have been working in partnership to set a clear vision and priorities for the council, in particular the need to deal with the financial challenges that the council faces.
18. In a press release shortly after being elected, the leader said, 'The council needs to develop mutual trust and respect with its staff, and involve the community as much as possible in future decisions which will affect everyone in Shetland. The council is facing some tough challenges when it comes to spending, and it needs to be transparent and open in its decisions in the years ahead.' More recently the convener has stated, 'There is nothing caring about spending money we don't have. At the end of the day all we are doing is mounting up problems for our children and grandchildren'.
19. In July 2012, the council agreed the Shetland Single Outcome Agreement 2012/15 (SOA). The SOA describes how the objectives set out in the Shetland Performance Framework will be delivered through action by local agencies and partners under the umbrella of the Shetland Community Plan. Progress on the SOA is reported to the full council annually and to the Executive Committee on a bi-annual basis.
20. The council also agreed a Council Action Plan in July 2012 which drew together the key 2012/13 targets contained within its current savings plan, the Improvement Plan and the SOA. The aim of the Council Action Plan is to ensure that the council delivers the short-term objectives agreed by the previous council, while the newly elected council reviewed its medium- and longer-term

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objectives. Quarterly progress reports are submitted to the Executive Committee to allow members to monitor the delivery and progress of the plan.

21. In September 2012, the council agreed a strategic 'Blueprint for Education' which will result in changes to the provision of education services across the islands. At a local level, it also recently decided not to provide funding to two village halls. These examples indicate that the council is now more prepared, and better able, to take difficult political decisions than was the case in the past.
22. The council is currently reviewing its Corporate Plan and it is expected that an updated plan will be in place by February 2013.

Management arrangements, performance management and planning

The council has continued to improve its planning, budgeting and performance management arrangements.

23. In the last progress report, I noted that the council has agreed a new management structure and has made significant progress in implementing the new arrangements.
24. Since then, the council has made appointments to all of the director posts and appointed a permanent chief executive. The new chief executive had only been in post for a matter of weeks when the on-site audit work was carried out. However, it was clear from the audit interviews that he already had a good understanding of the council and is working towards developing effective relationships with members and officers.
25. The corporate management team is led by the chief executive and includes the directors, the section 95 officer and the monitoring officer; they are working well together and have a strategic corporate agenda.
26. The council's approach to planning and budgeting continues to improve, and it plans to further integrate its arrangements through the next budget process. In July 2012, the council agreed the Action Plan 2012/13 that *'sets out targets, timescales, responsibilities and monitoring arrangements for a demanding work programme over the early months of the new council'*. Progress on the action plan is reported to the Executive Committee and full council on a six-monthly basis.
27. The council also continues to work on the development of its performance management arrangements as set out in the Planning and Performance Management Framework (PPMF). The PPMF details how the council's strategic and operational plans are linked and how progress against these plans will be monitored and reported.

Financial management and accountability

The council's financial management arrangements have improved significantly. The 2011/12 financial statements received an unqualified audit opinion for the first time in six years. The council has appointed a new chief financial officer who has been instrumental in improving financial management in the council.

28. In its findings on my last report, the Commission noted that the council needs to, 'do more to demonstrate more effective strategic financial management and to improve the capacity of its finance function, for example to avoid similar difficulties that were experienced this year in the timely and accurate preparation of accounts'. The Commission also expressed serious concern about the successive qualified audit certificates as a result of the exclusion of the Shetland Charitable Trust's financial results from the council's group accounts.
29. In January 2012, the council made an appointment to the post of executive manager - finance, who is the section 95 officer for the council. Since taking up the post, he has been instrumental in improving the financial management arrangements in the council.
30. The council has improved the capacity of the finance department by making appointments to the team. This has improved the quality and clarity of financial reporting and the process of preparing the annual financial statements.
31. [Exhibit 2](#) contains some key messages from the 2011/12 annual audit report to elected members and the Controller of Audit.

Exhibit 2

Key messages in annual audit report

We have given an unqualified opinion that the financial statements of Shetland Islands Council for 2011/12 give a true and fair view of the financial position and expenditure and income of the council and its group for the year. We also certify that the accounts have been prepared in accordance with relevant legislation, applicable accounting standards and other reporting requirements. For the preceding six years, the council's financial statements had carried a qualification in relation to the non-consolidation of the Shetland Charitable Trust (SCT). It is a significant development in the council's financial reporting that the SCT has now been included in the group accounts and that, consequently, the audit opinion is now unqualified.

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This year the financial statements were submitted on time, to the expected quality and accompanied with working papers of a high standard. As a result of these significant improvements, we were able to conduct our audit more efficiently.

Source: Annual Audit Report to Elected Members and the Controller of Audit
2011/12: Audit Scotland

32. In February 2012, the council agreed the 2012/13 revenue budget of £119.0 million (2011/12 £127.4 million). This included a savings target of £15.6 million and a draw on reserves of £17.1 million. In September 2012, the council reported a revised 2012/13 revenue budget of £125.6 million, requiring an additional draw on reserves of £5.7 million. The report highlighted the financial challenges facing the council:
 - some planned savings would not be achieved which will result in a projected General Fund overspend of £2.603 unless alternative savings can be made
 - the Harbour Account is projected to achieve £1.484 million less in income.
33. The report also noted that the Housing Revenue Account (HRA) is projected to be within budget.
34. For a number of years, the council has met budget deficits by drawing significantly on its reserves (£35.8 million was drawn from its reserves in 2011/12). The council recognises that this level of funding from reserves cannot be maintained in the long term. In his June report on 2011/12 unaudited out-turn to the Executive Committee, the chief financial officer stated clearly, 'the level of revenue spend is still running well in excess of the council's incoming resources which is neither affordable or sustainable'.
35. In September 2012, the council agreed a five-year medium term financial plan (MTFP) aimed at achieving financial sustainability and ensuring resources are properly aligned with its objectives and priorities. This sets out the council's plan to address the significant savings required to maintain a balanced budget while retaining a minimum level of reserve, and aims to achieve total savings of £38.360 million over the period, while maintaining a minimum reserve balance of £125 million.
36. The financial plan sets out the council's budget arrangements for the next five years and each director is required to develop five-year resourced directorate and service plans based on their target operating budgets.
37. A budget carry forward scheme has been introduced to encourage services to underspend against their budgets. Through the scheme, a service can carry 50 per cent of any one-off underspend into the following financial year, assuming it has met its overall budget.

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38. The council also has a 'spend to save' scheme in place that provides funding to a service in order to achieve savings at a later date, as long as they are achieved within three years.
39. The MTFP is a good example of the improvements made to financial reporting which is now clearer and less ambiguous. This is in marked contrast to the way financial matters were reported in previous years. [Exhibit 3](#) contains extracts from the MTFP to illustrate both the financial position of the council and also the improved clarity of financial reporting.

Exhibit 3

Key messages in the medium-term financial plan

Current budget gap

3.18 As a result of a widening disconnection between income received by the council and the level of expenditure incurred by the council over a number of years, a structural deficit has been created which resulted in expenditure being £35.6 million higher than income during 2011-12. This deficit was met in full by drawing funds from the council's reserves.

Reserves Levels

3.20 The result of the council's structural budget deficit is that the reserves have decreased from a value of £465 million (in today's prices) in 2000 to the current value of £193 million in 2012.

3.22 In the face of reducing income as explained above, lower returns on reserves and a current structural deficit of £35.6 million per year, the council's reserves will be zero by 2016/17 if no corrective action is taken.

Medium-term financial plan reserves policy

5.10 It is important to recognise that the 'Tolerable Reserves Floor' set by the council does not impact on the level of cuts required to deliver a balanced budget. Even if all reserves are utilised for the provision of services, the council would then still have to cut expenditure to match its incoming resources in order to meet its statutory duty of setting a balanced budget.

5.11 Therefore, the level at which members decide to set the Tolerable Reserves Floor, will only determine the speed of the cuts that are necessary to deliver a balanced budget and preserve a certain level of reserves for the future.

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Addressing the budget gap

12.12 Directorates will be required to address the budget gap set out in 12.9 above, in order to deliver budget proposals that are within the Target Operating Budgets set in 12.9 above.

12.13 There are two options available to directorates to fill budget gaps; identifying savings and introduce or increase existing fees and charges. In practice, a combination of both options will be adopted by directorates where there is scope to do so.

Source: Shetland Islands Council - Medium Term Financial Plan 2012-17

40. The management accounts for the period April to September 2012, stated that the total projected draw on reserves for 2012-13 is £27.5 million net of an underspend of £1.4 million on capital programmes. This is a substantial improvement from 2011-12 when there was a draw on reserves of £35.8 million, but the report to the Executive Committee recognises that this level of draw on reserves in a single year, 'is unsustainable and therefore officers should be encouraged to continue to find management/efficiency savings wherever possible to bring this down'.
41. The medium-term financial plan sets out the path to a sustainable budget position, which is to be achieved through staged reductions over the next four financial years. As part of the process for moving towards this position, the general fund target operating budget has been set at £110 million for 2013-14. The budget has been divided among the directorates to give Directorate Target Operating Budgets. Each directorate is planning its 2013-14 activity in line with the allocated budgets. A budget seminar for each directorate was held in November and members were invited to attend to hear budget proposals. These seminars were well attended by members.

Building capacity & sustaining improvement

The council continues to make good progress on its improvement plan and is building capacity by investing in training and development for members and officers. The council should review its improvement activity to ensure that it is being prioritised and managed effectively, so that it can assure itself that it has the capacity to deliver its objectives.

42. In the last progress report, I noted that the council had made good progress overall on its improvement plan. This continues to be the case.

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43. The council has an extensive improvement agenda, which is managed in a number of plans and reported to a range of forums.
44. The council's initial improvement plan was put in place to address the Commission's recommendations following the public hearing in 2010. The improvement plan has been reviewed and revised over time and the council approved a refreshed improvement plan in May 2012.
45. The improvement plan is structured along the lines of the corporate assessment framework used by Audit Scotland and other inspection agencies, and the council uses it to inform its own self assessment. The plan is well structured, has clear lines of accountability and clear timescales. Each main area is led by a director, who is supported by officers from other departments to improve corporate working. Delivery against the improvement plan also forms a core element of senior management performance management arrangements.
46. The improvement plan is considered by the council alongside its other key plans on a bi-annual basis, and is reported and monitored by Corporate Management Team (through its 'Directors for Change' group) and the Executive Committee on a quarterly basis. The council also uses an Improvement Sounding Board of members and officers to manage improvement work. The most recent update report to full council in September 2012, indicates that the council is making good progress overall.
47. The council also has a large programme of reviews under way. Each review has a lead director, who, as on the improvement plan, is supported by officers from other directorates.
48. The programme contains 50 reviews which vary in size and are at different stages. As at November 2012, five are in the early stages, 25 are in progress and six have been completed. However, 14 have experienced some slippage and are categorised by the council as being overdue.
49. The council also has a number of smaller scale 'SOFIE' (Sussing Out Further Internal Efficiency) reviews. This programme is managed by the Directors for Change group and is essentially a quick, focused piece of peer review work from within the council.
50. Each component of the improvement work is well organised, has clear lines of responsibility and there are regular reports on progress and results. With such an ambitious and wide ranging improvement agenda, it is important that the council is prioritising the most important areas and not spreading its capacity too thinly. It needs to ensure that it is making the best use of the capacity that it has and should review the various strands of improvement work to assure itself that the scale and ambition is not compromising its ability to deliver improvement.

Appendix 1 – Accounts Commission Report

51. Following the council elections in May 2012, the council delivered a comprehensive induction programme for all elected members. The council has also developed a wide ranging on-going development programme for councillors, half of whom now have draft personal development plan in place. Attendance at training and development events has been good over all. This has included 80 per cent attendance over-all across a ten-day induction programme, 100 per cent attendance at a budget development seminar and 91 per cent attendance at a Blueprint for Education seminar.
52. The council is also making progress on training and developing its workforce. It has developed a HR/workforce strategy supported by a learning and development programme.
53. Both members and officers are also increasingly attending local government meetings, forums and networking events.
54. The senior management of the council is working corporately, for example through the cross-departmental teams working on the improvement agenda. The council has also established a broader management forum 'Executive Plus' which brings together the directors and executive managers.
55. Working relationships among members and between members and officers are constructive. It is important that this is sustained in order to tackle the challenges ahead.

Outlook

56. The council continues to move in the right direction and the clear commitment to improve evident at the time of my last report has been sustained. The council's self awareness continues to improve and it understands that it must continue to focus on its priorities and what still needs to improve for the future.
57. In order to sustain this positive direction of travel, the council will need to:
 - take the difficult decisions needed to deliver on the commitments contained in the medium-term financial plan, to put the long-term financial position of the council on a sustainable footing
 - review and prioritise its improvement activity to ensure it is sustainable.

Introduction:

1. The Shetland Islands Council Improvement Plan is based on a combination of work carried over from the Accounts Commission Improvement Plan, a comprehensive corporate self evaluation using Audit Scotland's "*Characteristics of a Best Value Council*" carried out in consultation with senior managers across the organisation and the most recent Audit Scotland "Assurance and Improvement Plan" (AIP).
2. The Council's Planning and Performance Management Framework (PPMF) requires the Improvement Plan to be considered by the Council alongside its other key plans at least annually; in overall strategy terms each September/October, and for detailed actions and targets each March / April.
3. It will be reported on and monitored, by the Council's Corporate Management Team and the Full Council or Executive Committee on at least a quarterly basis also in line with the Council's PPMF.
4. Delivery against the Improvement Plan will also form a core element of senior management performance management arrangements.
5. The plan is broken down using the standard classifications used in Best Value and by Audit Scotland when considering Corporate Performance namely;

Vision, Leadership and Resource Alignment	Use of resources;
Partnership Working and Community Leadership & Engagement	<ul style="list-style-type: none"> • Financial Management • People Management
Communications	
Governance and Accountability	<ul style="list-style-type: none"> • Asset Management • Procurement
Performance Management, Improvement and Risk Management	
Sustainability	<ul style="list-style-type: none"> • Information Management
Equalities	

6. These areas are described further on the next two pages along with the measures that will be included in performance reporting in the "Shetland Improvement Framework" which provides an overall summary of the Improvement Plan.
7. The measurement set proposed in the Improvement Plan are judged to be the best practice indicators currently in common usage. However this area is the subject of significant activity nationally led by Solace, COSLA and the Improvement Service. Any developments in this area will be monitored and the measurement set may be adjusted accordingly.

SHETLAND IMPROVEMENT FRAMEWORK

Securing the best for Shetland

Customer Focus Fairness Honesty Transparency Respect Trust Positive Attitude Hardworking

STRATEGIC OBJECTIVES

CLEAR VISION AND DIRECTION		WORKING IN PARTNERSHIP	WELL GOVERNED AND ACCOUNTABLE	PERFORMANCE FOCUSED	MAKING BEST USE OF OUR RESOURCES	
IMPROVEMENT OUTCOMES	We have a clear vision and sense of purpose which reflects local needs; and we can demonstrate joined-up planning and resourcing to deliver that vision					IMPROVEMENT OUTCOMES
	We give strong community leadership and deliver improvement with our partners; and we engage effectively with communities in understanding their needs, and when making decisions					
	We provide good quality information to deliver effective public accountability					
	We ensure the Council exhibits good governance and maintains strong internal accountability					
	We have a strong improvement led and performance driven culture and systems; and we have a systematic approach to identify risks and develop effective responses					
	We have robust financial management arrangements that ensure financial sustainability; and we make spending decisions that realistically reflect our financial resources and limits					
	We integrate effective workforce planning with our other key planning processes					
	We make the best economic, efficient and effective use of our buildings and physical assets					
	We can demonstrate we meet our supply needs economically and efficiently					
	We have secure information and communication systems that support service delivery					
	We have sustainability embedded in our vision and ensure we use resources sustainably					
	We lead equality improvements, provide equality of opportunity and fair outcomes					

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

Shetland Islands Council Improvement Framework – Measurement Set

IMPROVEMENT INDICATORS	Staff Numbers	Total Cost of the Procurement Function	IMPROVEMENT INDICATORS
	Cost of Overtime	Actual spend against contracts percentage	
	Sickness Absence Rates	Spend managed by procurement professionals	
	Energy Usage	Savings achieved through procurement	
	Employee Review and Development	Procurement Commissioner and User Satisfaction	
	Return to Work Interviews	Procurement Management Practice Index	
	Accidents/Incidents	Total property Costs	
	Insurance Claims	Total Accommodation per Staff FTE	
	Mileage Cost	Total Property Maintenance Backlog	
	Complaints	Estates Commissioner and User Satisfaction Index	
	Cost of HR Function	Estates Management Practice Index	
	Ratio of employees to HR staff	Communication Costs	
	Time invested in HR learning & development	Communications Staff	
	Leavers %	Professional Communications Staff	
	HR Commissioner & User Satisfaction Index	Communications Client & Stakeholder Index	
	HR Management Practice Index	Communications Management Practice Index	
	Total Cost of Finance Function	Total Cost of Legal Function	
	Cycle time from Period End to Reporting	Total Cost of In-House legal Function	
	Variation between Forecast and Actual Outturn	Legal Commissioner & User Satisfaction Index	
	Quality of Finance Reports against good practice	Legal Management Practice Index	
	Percentage of spend with costed outputs	Cost of Legal Function per FTE	
	Finance Commissioner & User Satisfaction Index	Cost of learning and Development as percentage	
	Finance Management Practice Index	Total number of Complaints per Legal Employee	
	Cost of ICT Function	Cost per Hour of providing legal work	
	ICT Competence of Use	Professionally Qualified Legal Staff	
	Organisational ICT Spend	Cost of Performance Management Function	
	Incidents resolved within agreed Service Levels	P&I Commissioner and User Satisfaction Index	
	Project Governance and Delivery Index	P&I Management Practice Index	
	Percentage of top transactional activities e-enabled	Cycle Time from Period End to Reporting	
	ICT Commissioner and User Satisfaction Index	Quality of P&I reports against good practice	
	ICT Management Practice Index		

SHETLAND ISLANDS COUNCIL IMPROVEMENT PLAN 2012/13

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
1	We have a clear vision and sense of purpose which reflects local needs and we can demonstrate linked-up strategic planning and resourcing to deliver that vision.	<u>BV Vision and strategic direction toolkit</u> <u>BV Planning and resource alignment</u>	Current AIP rating Amber
Improvement Lead : Chief Executive			Departmental Support: Quality Improvement Manager Mental Health Manager Director Infrastructure
Responsible Executive Manager (s) : Executive Manager Performance and Improvement Manager Community Planning and Development Manager Finance Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	2012/13 Progress	2013/14 Plans
1.1	IP04 IP05	Re-establish public confidence in the way the Council is being run through strong and effective political and managerial leadership, co-operation and backing.	Continuing to develop, promote and deliver a focused and effective 'Improvement Programme'.	<ul style="list-style-type: none"> Checkpoint at Auditors Letter following accounts completion in November 2012 Checkpoint at Accounts Commission follow up December 2012 Checkpoint at Local Area Network and Audit Improvement Plan in January 2013 Checkpoint at Best Value 2 Audit late 2013. Regular progress reporting to CMT / Council. Annual refresh in March 2013 in line with PPMF. 	The Council's services and sustainability is improved and its reputation as being a well-run public body continues to be re-established and we are well prepared for further scrutiny and the upcoming BV2 audit.	<ul style="list-style-type: none"> Improvement Plan approved by Council July 2012 Progress reported to CMT / Council September 2012 	Embed further Improvement Planning within the Councils Corporate Plan (by June 2013).
1.2		Make sure that the values and principles of the	Agreement of clear Values and Principles by the new Council in	<ul style="list-style-type: none"> Shared Learning and Development Programme – September 2012 onwards 	There is a shared understanding of the overall ethos and culture of the	<ul style="list-style-type: none"> Member Induction delivered May / June 2012 	Complete the development and endorsement of a

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	2012/13 Progress	2013/14 Plans
		Council are clearly set-out in key strategies and are communicated and understood and that political and Mgrial leadership take a leading role in demonstrating these values and principles in their statements and actions	their key strategies and plans, complemented by effective induction and followed up by a shared learning and development programme		Council by everyone and a day by day demonstration that those values and principles are upheld	<ul style="list-style-type: none"> • Council Action Plan and Departmental Plans endorsed by Council – July 2012 • Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs 	Corporate Plan 2013/2018 and a new 2013 Shetland Single Outcome Agreement. (by June 2103) Deliver a learning and development programme. (through 2013 onwards).
1.3		Senior Councillors and Senior Management demonstrate ownership and accountability for the development of the Councils strategic plans, their integration and implementation.	Senior Councillors, the Chief Executive and Corporate Management Team taking the lead in developing the new Council's Council Action Plan and communicating that Council Action Plan to the public and staff. That lead role will include communicating its purpose, understanding and describing how it links to the Community Plan, Single Outcome Agreement, Improvement Plan and Savings Reviews, and speaking positively	<ul style="list-style-type: none"> • Leadership given to the update of the Shetland Single Outcome agreement with Community Planning Partners from November 2012 to February / March 2013. • 5 year Corporate Plan aligning priorities and resources developed and endorsed by Council October 2012 to February 2013. • Learning and Development programme from September 2012 forward. • Regular reporting of progress to CMT / Council in line with PPMF. • Annual refresh for Council Action Plan approved by Council March each year. 	Councillors and officers understand their roles in development of key strategic plans and speak positively about the Shetland Single Outcome Agreement and the Councils Corporate Plan, recognising their significance as key documents so that staff are informed about what the priorities of the organisation are and how these will be delivered.	<ul style="list-style-type: none"> • Member Induction delivered May / June 2012 • Council Action Plan and Departmental Plans endorsed by Council – July 2012 • Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs 	Deliver planning and performance management training in member and management development programmes. (2013 onwards).

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	2012/13 Progress	2013/14 Plans
			about it thereby reinforcing its status as the guiding document it is meant to be				
1.4		Chairs and Directors demonstrate ownership and accountability for their Directorate and Service Plans	Committee Chairs, Directors and Departmental Management teams to take the lead in developing Directorate Plans and communicating them to the public and staff – Understanding how they link to the Community Plan, Single Outcome Agreement and Council's Corporate Plan. Communicating what their purpose is and ensuring managers and staff are able to link further planning and their actions in service delivery back to them.	<ul style="list-style-type: none"> • Member induction May / June 2012 • Learning and Development programme from September 2012 forward. • Regular progress reporting to CMT / Council in line with PPMF. • Directorate and Service plans updated in alignment with Single Outcome Agreement and Council Corporate Plan and approved by Council March 2013 and each year thereafter. 	Managers understand better how to link further planning activity and staff feel more informed about what their priorities are.	<ul style="list-style-type: none"> • Member Induction delivered May / June 2012 • Council Action Plan and Departmental Plans endorsed by Council – July 2012 • Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs 	Ensure monitoring and performance management arrangements for directorate and service plans are covered in the Councils Planning and Performance Management Framework. (Update the PPMF by June / September 2013).
1.5	IP04 IP07	Recruitment of a permanent Chief Executive	Carrying out a structured Chief Executive recruitment exercise.	<ul style="list-style-type: none"> • 	The Council has secure leadership and effective handover.	<ul style="list-style-type: none"> • Recruitment process initiated by Council June 2012. • New Chief Executive Appointed September 2012 	No further action
1.6	IP02 IP03	To develop a Medium Term	Produce a Medium Term Financial Plan	<ul style="list-style-type: none"> • Directorate proposals in seminars November. 	We have an agreed Medium Term Financial plan to refer	<ul style="list-style-type: none"> • 20 Sept 2012 Medium Term Financial Plan 	Ongoing refresh and monitoring of Medium

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	2012/13 Progress	2013/14 Plans
	IP04 IP06	Financial Plan covering the term of this Council (2012-2017). The plan will serve the purpose of both being a budget strategy and a reserves strategy.	(budget and reserves strategy) covering the term of the next Council (2012-2017).	<ul style="list-style-type: none"> Budget set in line with plan in February 2013 	to when planning budgets and the delivery of services.	approved by Council.	Term Financial Plan. (September 2013 next update).
1.7	IP05 IP06	Continue to work to align the Financial Planning and Budgeting Framework with the Planning and Performance Management Framework 2013	Aligning the timetables, time-spans and approaches for medium term financial planning & annual budgeting with Council, Directorate and service planning. Making sure that Financial and Service Delivery directions are updated in full understanding of each other and that Budget and Service planning timetables are aligned from November 2012 to March 2013.	<ul style="list-style-type: none"> September 2012 to March 2013 for improved alignment with integrated Corporate Plan endorsed by Council in February 2013. 	We have better joined up service planning and budget setting processes which should allow Councillors to provide direction for officers at an earlier stage of the planning cycle.	<ul style="list-style-type: none"> 20 Sept 2012 alignment timetable agreed by Council. 	Further Integrate Councils Planning and Performance Management Framework and Medium Term Financial Plan. (Update June / September 2013)
1.8	IP05	Make sure that the Councils key service delivery priorities and objectives are effectively described, monitored and reported.	Lead the development of the Single Outcome Agreement and the collection and reporting of outcomes. Seeing that that all the data in the Single Outcome Agreement, Corporate Plan,	<ul style="list-style-type: none"> Monitoring and reporting to CMT / Council in line with PPMF through Covalent from December 2012 Lead update of Shetland Single Outcome Agreement, November 2012 to February / March 2013. All SOA measures 	Councillors, members, staff and the public can see that intentions and plans are being carried through to delivery and that issues can be identified and addressed.	<ul style="list-style-type: none"> Covalent system implementing, reporting to CMT / Council from December 2012. 	Complete the development and endorsement of a Corporate Plan 2013/2018, a new Shetland Single Outcome Agreement, Directorate and Service Plans and ensure their

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	2012/13 Progress	2013/14 Plans
			Departmental Plans and Service Plans is complete and accurate without gaps. Ensure that it is regularly monitored and reported to the right people and groups in a clear and accurate fashion.	reportable by April 2013 <ul style="list-style-type: none"> Develop 5 Year Corporate Plan, October 2012 to February 2013. Update Directorate and Service Plans, November 2012 to February / March 2013. All Corporate actions and measures reporting through Covalent by June 2013. 			monitoring and reporting are covered in the PPMF. (by June 2013).
1.9	IP05	Ensure that the Council's Planning and Performance Management arrangements continue to be developed, and are communicated, understood and implemented consistently	Making sure the Planning and Performance Management Framework is regularly reviewed and updates. Ensuring it is explained to members, Mgrs and staff. Ensuring that key plans are update and clear reports are submitted for information or endorsement regularly and on time.	<ul style="list-style-type: none"> PPMF monitoring through Covalent from September 2012. Learning and development in PPMF delivered from September 2012 Review of PPMF alongside SOA / Corporate Plan completion February 2013. 	There is a robust Planning and Performance Framework widely understood and followed and accepted as the way that the Council does its normal business.	<ul style="list-style-type: none"> Covalent system implementing, reporting to CMT / Council from November 2012. Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs External PPMF evaluation being investigated. 	Ensure monitoring and performance management arrangements for directorate and service plans are covered in the Councils Planning and Performance Management Framework. (by June 2013).

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
2	We give strong community leadership and deliver improvement with our partners; and we engage effectively with communities in understanding their needs, and when making decisions	<u>BV Partnership working and community leadership toolkit</u> <u>BV Community Engagement Toolkit</u>	Current AIP rating Green
Improvement Lead : Director of Children's Services			Departmental Support: Performance and Improvement Manager

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

Responsible Executive Manager : Community Planning and Development Manager	Criminal Justice Manager Environmental Health & Trading Standards Manager
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IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
2.1		Implement and communicate the new arrangements for Community Planning in Shetland	Having in place an Implementation Plan Establishing a Partnership Board and Performance Group Ensuring those arrangements are explained and communicated to all	<ul style="list-style-type: none"> New governance arrangements to be in place by October 2012 	Appropriate arrangements have been developed and implemented to ensure that Community Planning is led by the Council which engage and involve all relevant partners.	<ul style="list-style-type: none"> Community Planning Partnership governance approved by Council and Partners – May 2012 Community Plan adopted May 2012 by all partners First meetings of the Board and Performance Group held July & August 2012 2nd round of meetings under new arrangements held November 2012. 	<p>Complete establishment of new Community planning governance arrangements through to local level Community Planning</p> <p>Design and deliver Community Planning / Single Outcome Agreement Communications.</p>
2.2	IP 1	Work to embed the new Community Plan and Single Outcome Agreement into Councillors', staff and partners' planning processes;	Promoting and explaining the new community Plan and SOA across partner organisations, and that they are reflected in the departmental and service plans of Shetland Islands Council; SO	<ul style="list-style-type: none"> Ensure that the Community Plan / SOA are integrated to partners strategic plan / budget update processes late 2012 to 2013 approval dates. 	There is evidence that staff, partners and Councillors recognise the significance of the community Plan and SOA and it is at the core of their decision making.	<ul style="list-style-type: none"> Community Plan adopted May 2012 by all partners Included in member induction May/June 2012 Final version of the SOA adopted July 2012 by partners Council Action Plan considered by Council in July 2012 Council Departmental and Service Plans approved by Council in June/July 2012. Monitoring of Community Plan and SOA for Shetland Islands Council and partner organisations from November onwards. 	<p>Deliver Community Planning and Single outcome Agreement training as part of member and management development programme. (during 2013).</p> <p>Design and deliver Community Planning / Single Outcome Agreement Communications.</p>

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

2.3	IP 03	Improve communications from the Community Planning Partnership	Minutes of meetings / actions to be made widely available and meetings open to the press	<ul style="list-style-type: none"> • Press attendance at Community Planning Partnership 	Employees and the public are more aware of what the Community Planning Partnership does and the benefits effective Community Planning can bring to Shetland.	<ul style="list-style-type: none"> • Shetland Partnership Board minutes available on COINS • Press attend meetings of Shetland Partnership Board meetings • Partnership board members discharging media duties 	Actions need to be developed
2.4	IP 04	Improve Councillor understanding of how we work together	Community Planning contributing to the Councillors induction and the Learning and Development Programme;	<ul style="list-style-type: none"> • Programme of Council & Community Planning joint events developed and delivered. <ul style="list-style-type: none"> ○ Transport Review Seminar Nov 2012 ○ Reshaping Care for the Elderly Jan 2013 ○ Children's Services Feb 2013 ○ Financial Challenges March 2013 	Better understanding of partner organisations contribution to planning and delivery of the Community Plan.	<ul style="list-style-type: none"> • Member induction May / June 2012 • Member development programme operating from October 2012 including Community Planning and Community engagement 	<p>Deliver Community Planning and Single outcome Agreement training as part of member and management development programme. (during 2013).</p> <p>Design and deliver Community Planning / Single Outcome Agreement Communications.</p>

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

2.5		Improve joint working / shared service delivery models with community planning partners	Progressing the five co-ordinated 'Thematic Groups' and joint initiatives	<ul style="list-style-type: none"> As part of the implementation plan the new structure of thematic groups is developed as appropriate Minutes of thematic group meetings are available 	That the community planning partnership demonstrates that it is contributing to improving services and making best uses of resources.	<ul style="list-style-type: none"> Thematic group relationships mapped Partnership Group development sessions being delivered. Community Safety & Resilience pilot designated "pathfinder" for Islands Police & Fire arrangements Community Care / Community Health integration progressing under Shetland partnership umbrella Children's Services Community Planning lead progressing in line with emerging guidance 	Further actions need to be developed
2.6	IP 6 03	Establish more effective financial planning links between community planning partners	Sharing current sources of funding.	<ul style="list-style-type: none"> Proposals for establishment of links to be developed. 	The long-term overall sustainability of Shetland's public services is improved.	Shared finance group being considered by the Performance Group	Further actions need to be developed
2.7	IP 05	Organise more effective and regular links with community planning partners to discuss and share plans and approaches to risk management;	Ensuring planned Strategic Risk Sharing Partnership is effective	<ul style="list-style-type: none"> Proposals for establishment of links to be developed. 	We learn from each other and shared risks are managed co-operatively.	Shared risk management group established and meeting since July	Further actions need to be developed

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

2.8	IP 04	Ensure that the Community Engagement strategy is fully understood by Councillors, Mgrs and relevant staff and that all Councillors and Mgrs have been appropriately trained	The induction programme and follow up learning and development ensuring Councillors understand their role and the importance of community engagement and the Council is using VoiCE as its main consultation tool	<ul style="list-style-type: none"> • Monitor number of councillors and staff trained 	Capacity is developed in the Council, to ensure that an effective, transparent and co-ordinated approach is taken to community engagement.	<ul style="list-style-type: none"> • Member Induction delivered May / June 2012 	Deliver Community Engagement training as part of members and management development programme.
2.9	IP 04	Ensure all review activity includes full Community Engagement in line with policy where that is relevant	Making sure each review conducts appropriate Community Engagement and consultation	<ul style="list-style-type: none"> • 	Individuals and communities have been well informed about the choices being considered and can be assured their views have been listened to and considered.	<ul style="list-style-type: none"> • Requirement for Community engagement included in review guidance issued March 2012. • Review plans including Community Engagement proposals to approved by "Directors for Change" May 2012 • Results of Community Engagement to be included in review outcome reports to Committee / Council (e.g. Schools / Ferries). 	Continue to ensure Community Engagement is delivered in major review activity.

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

2.10		Make sure we have systematic information from the public on a range of subjective measures of satisfaction	The Community Engagement Network bringing 'Your Voice' (Citizens Panel) arrangements up to date and conducting regular opinion surveys.	<ul style="list-style-type: none"> Next "Your Voice" survey including SOA baseline questions to be completed by September 2012 	The Council and Community Planning Partners can analyse the Shetland Public's views on perceptions of service delivery and subjective outcomes in as objective a way as possible.	Options for most cost effective mechanism for delivery of public opinion survey being evaluated.	Review the Single Outcome Agreement, Directorate and Service Plans to ensure sufficient customer satisfaction information is included. (by 2013).
2.11	IP 4	Establish local scrutiny and engagement arrangements for reformed Police and Fire authorities as link Council for the joint Islands Pathfinder.	<ul style="list-style-type: none"> Progress work on Police & Fire reform as a Pathfinder authority Act as link officer for the joint Islands Pathfinder Maintain good communication links with each Island authority Establish Shetland project team Assess and consider options Develop project and implementation plan 	<ul style="list-style-type: none"> Timetable to be advised 	Local scrutiny and engagement arrangements in place in line with National review requirements	Police & Fire Reform Project Team and Board established Project plan in place and approved by Project Board Reporting to Shetland Partnership Board November 2012	Deliver implementation plan

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
3	We provide good quality information to deliver effective public accountability	<u>Public performance reporting Toolkit</u> <u>Communications Indicators</u>	Current AIP rating Green
Improvement Lead : Director of Development			Departmental Support: Library Manager Mental Health Manager Ferry Operations Manager ICT Manager
Responsible Executive Manager : Executive Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
3.1		Improved communications for the Council as a whole	Complete Implementation of the Communications Strategy Action Plan	<ul style="list-style-type: none"> Detailed timetable in Communications strategy. Completion March 2013 	Improved communications	Communications strategy Implementation on timetable	Continue to implement communications strategy
3.2		Use digital communications as effectively as possible to inform the public	Improve the council's website and update information regularly	<ul style="list-style-type: none"> 	The Council takes a proactive approach to its public relations, updating the website regularly with important and interesting information	New website launched June 2012. Averaging 5k unique visitors weekly, with each spending 3 minutes on site and viewing 3 pages. Twitter feed launched in June. Corporate Facebook presence will begin when social media policy approved.	Continue to implement communications strategy

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

3.3		Improve the co-ordination of the development and communication of key council messages	Make sure staff from the Communications Unit attend key agenda-setting meetings to help identify communication issues at an early stage.	<ul style="list-style-type: none"> From July 2012 	Better co-ordinated communications	Staff now attending key agenda-setting meetings; advice provided on potential communication issues; and communications co-ordinated accordingly.	Continue to implement communications strategy
3.4		Improve the co-ordination of the development and communication of key council messages	Involve the Communications Unit in project planning so that communications issues can be considered at an early stage.	<ul style="list-style-type: none"> From July 2012 	Better co-ordinated communications	Communications Unit involved in planning a number of high profile events, e.g. Norwegian prime ministerial visit, Olympic torch. Also advising on ongoing service reviews.	Continue to implement communications strategy

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
4	We ensure the Council exhibits good governance and maintains strong internal accountability	<u>Governance and accountability</u> <u>Legal Services Indicators</u>	Current AIP rating Red
Improvement Lead : Director of Corporate Services			Departmental Support: Children & Families Manager Adult Services Manager Port Operations Manager
Responsible Executive Manager : Governance & Law Executive Manager Finance Manager Internal Audit Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
4.1	IP05	Deliver Member Induction in May 2012.	Deliver Member Induction for Councillors in from 2012.	•	Councillors are well briefed on most important aspects of their role and the Councils organisation and processes	Member induction delivered May / June 2011	Induction complete. Now part of ongoing development

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

4.2	IP05	Implement a comprehensive training and development programme for Councillors, with all Councillors having Personal Development Plans	Carrying out induction followed by a learning and development programme to cover all essential areas of members understanding and address individual needs and requirements.	<ul style="list-style-type: none"> • Induction May to August 2012. • Learning & Development programme first phase from September 2012 to March 2013. • Personal Development Plans in place by October 2012 	Councillors are receiving the training they need to be able to perform their roles effectively and with confidence.	<p>Comprehensive Induction programme delivered 7-18 May.</p> <p>Councillor Development Programme in place. Prioritised training in Licensing, Planning, Recruitment & Selection and Audit & Standards have taken place.</p> <p>Skills Framework (Self-evaluation tool), Development Plan and Development Log structures agreed and to be used with Councillors from October 2012.</p>	Continue to develop and deliver member development programme
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

4.3	IP06	Prepare a high quality set of Financial Statements for the 2011/12 year.	<ul style="list-style-type: none"> • Ensure that appropriate time and resources are dedicated to the production of the draft 11/12 accounts. • Ensure that robust project management arrangements are in place for the production of the draft financial statements. • Ensure appropriate quality control measures are put in place to review the accounts prior to submission. 	<ul style="list-style-type: none"> • 30 June 2012 	Draft accounts are submitted on 30 June 2012 Draft accounts do not draw negative criticism from Audit Scotland	The Annual Accounts were prepared and submitted on 27 June 2012 following a tightly managed process throughout April, May and June. The Council received recognition for a good set of draft accounts, which required only 3 financial adjustments, none of which were material.	No further action
4.4	IP06	Councils financial statements are no longer qualified	Work towards addressing the qualification issue, with a view to obtaining an unqualified audit opinion on the 2011/12 financial statements investigating all routes and options	<ul style="list-style-type: none"> • 30 September 2012 	Unqualified audit opinion on the 2011/12 financial statements	Audit Scotland reported to the Audit & Standards Committee on 27 September 2012 that they were proposing to give an unqualified approval to the Councils Accounts. Final Accounts will be reported to full Council on 5 th December.	No further action
4.5	IP06	Prepare appropriately for 2012/13 accounts	Developing a project plan for the 2012/13 financial statements prior to 31 March 2013	<ul style="list-style-type: none"> • 31 March 2013 	Project Plan in place prior to the end of the financial year	Work to commence on this during January 2013.	Ensure the production of a high quality set of accounts for 2012/13
4.6		Introduce more comprehensive Member Support Service	Competing and implementing the review of Members support arrangements	<ul style="list-style-type: none"> • Member support review to be complete and implemented by July 2012. 	Councillors receive effective support and policy advice, which allows them to carry out their roles effectively.	Focused support team now in place.	No further action

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

4.7		To continue the work on the local Health and Social Care Integration Project.	This will draw on the consultation on the Scottish Government's proposals for legislation to introduce new joint working arrangements between local authorities and health boards.	<ul style="list-style-type: none"> 2012/13 	Health and Social Care Partnerships that will replace CHPs	Ongoing	Continue to develop and implement project
4.8		Delivery of Audit Plan	Delivery of Audit Plan	<ul style="list-style-type: none"> March 2013 	Audit Plan completed for 12/13	Audit plan on timetable	Delivery of Audit plan
4.9	IP06	To plan for statutory and regulatory developments so the Council's finance service is well placed to adapt as required to comply with changes in the external environment	<ul style="list-style-type: none"> Ensure that any changes to financial regulation in respect of the production of the final accounts is taken into account. Provide LGPS members with confirmation of their Pension Annual Allowance Amount (i.e the amount by which their pension has increased in any one year) Put in place systems/policies to comply with the DWP – Pensions Auto-enrolment Report and communicate developments on new LGPS – Scotland as they become available 	<ul style="list-style-type: none"> 31 March 2013 30 Sept 2013 31 March 2013 	<p>Staff are kept up to date of any changes in financial regulation and legislation and any changes are included in the final accounts</p> <p>Compliance with HMRC requirements</p> <p>Communicate with all affected staff</p> <p>Communicate to Elected Members and staff of any new LGPS developments</p>	Key officers in Finance have been attending national meetings and fora to keep up to date with developments so that Shetland Islands Council is able to effectively meet and adapt to changes in the external environment.	No further action at Improvement Plan level

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

4.10		Ensure that the Council has a clear overall statement of its Corporate Governance arrangements	Complete the Councils "Code of Corporate Governance"	<ul style="list-style-type: none"> September 2012 – December 2012 	Ensure that the Council has a clear overall statement of its Corporate Governance arrangements	Local Code of Corporate Governance approved by Committee in September 2012 . Evaluation against the self assessment framework will be carried out with a performance report being submitted in December.	Report Corporate evaluation against the self-assessment framework.
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	Area	Best Value Toolkits / Indicator Guidance	Background / Context
5	We have a strong improvement led and performance driven culture and systems; and we have a systematic approach to identify risk and develop effective responses	<u>Performance management</u> <u>Challenge and improvement</u> <u>Customer-focus and responsiveness</u> <u>Efficiency</u> <u>Risk management</u>	Current AIP rating Amber
Improvement Lead : Director of Infrastructure			Departmental Support: Children’s Resources Manager Adult Services Manager
Responsible Executive Manager : Performance and Improvement Governance and Law Internal Audit			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

5.1		Make sure that all strategies and plans from the Community Plan down to Individual Work Plans and Performance Targets have clear links (the Golden Thread) and that everyone is able to see how their decisions and activity links together.	Having all key plans in place, “the Golden Thread” being a core element of the learning and development programme, an up to date employee appraisal policy in place and robust monitoring being carried out	<ul style="list-style-type: none"> • Core element of learning and development programme from September onwards. • Updated Employee appraisal and development policy adopted by December 2012. • Employee appraisal monitored through Covalent from December 2012. 	Councillors, Mgrs and Staff are able to demonstrate and understand how the Councils intentions, decisions and actions are linked together and followed through to deliver its priorities.	<ul style="list-style-type: none"> • Key plans updated and in place by June / July 2012. • Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs • Review of Employee Appraisal policy underway and on target • Investigated “Golden Thread Health Check” - October 2012. 	Ensure key plans are updated and endorsed in line with PPMF timetable and perform “Golden Thread Health Check”
5.2		Establish, manage and monitor a planned programme of reviews to ensure that service areas are rigorously challenged to show how their method of service delivery is the most efficient / effective for Shetland.	Monitor and report progress against the Councils programme of savings reviews	<ul style="list-style-type: none"> • Quarterly progress reporting to Council July, October 2012 & January 2013. • Format and Timetable for individual review reports to Committee / Council to be advised. 	Service improvements and savings are identified and delivered.	<ul style="list-style-type: none"> • 2012 & 2013 Review programmes defined by Council February 2012. • Programme management through “Directors for Change” agreed by CMT March 2012. • Regular reporting to “Directors for Change” from April 2012. • Reviews reporting to committee as they reach completion 	Define review programme and update governance arrangements.

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

5.3		Provide benchmarking information to compare this Council's service quality / level with those of other Councils to challenge / contextualise their performance. Develop unit costs, quality indicators and/or trend analysis for services, to help focus review activity	Benchmarking part of all Departmental and Service planning, review and performance monitoring activity	<ul style="list-style-type: none"> Built into Departmental and Service Planning by June/July 2012. Feature of all relevant reviews from March 2012. Included in regular reporting to CMT / Council in line with PPMF. 	The public are better informed of the quality / cost of current service delivery levels – how these compare to other Council areas and Councillors and Mgrs have a better understanding of what drives costs and can show that these are being managed and reduced	<ul style="list-style-type: none"> Built into Departmental and Service Planning from June/July 2012. Feature of all relevant reviews from March 2012. 	Ensure comprehensive benchmarking is included in Departmental and Service planning and monitoring.
5.4		Take a more proactive and systematic approach to analysing the Councils current performance and identifying improvement opportunities.	Adopting and implementing a structured self evaluation framework	<ul style="list-style-type: none"> Departmental / Service Self Evaluation programme to be advised. 	Robust and systematic analysis of performance strengths and weaknesses has identified SMART improvement objectives across the Council that inform future planning and an effective tool to use as part of preparation for BV2	<ul style="list-style-type: none"> "How Good is our Council" + "Best Value 2" endorsed March 2012. Corporate Self Evaluation – May to July 2012. Departmental / Service Self Evaluation programme to be advised. 	Implement self evaluation framework
5.5	IPO 4	Improve and simplify complaints handling	Introducing a new Complaints Handling Procedure to ensure compliance with SPSO requirements and best practice	<ul style="list-style-type: none"> Rolled out from December 2012 	The public are more aware of the Complaints Procedure's existence and there is a clearer understanding of what constitutes a formal complaint.	<ul style="list-style-type: none"> New procedure agreed October 2012 Rolled out from April 2013 	Implement Complaints handling procedures
5.6		The Council will better understand the needs of its customers, ensure that it meets its service standards pledges and target the delivery of more flexible and responsive services	Develop and Implementing a Customer Focus Strategy	<ul style="list-style-type: none"> Strategy approved by March 2013 Rolled out from September 2013 	The Council can be assured its standards are being met and improvements in Customer service can be identified and delivered.	Strategy Development proceeding, probable delay to timetable due to range of other priority actions.	Develop and Implementing a Customer Focus Strategy

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

5.7	IPO 4	Make sure that all significant risks have been identified and are being actively managed.	Making sure all Risk Registers are complete and up to date.	<ul style="list-style-type: none"> All risk registers to be updated by end December 2012. Regular reporting to CMT / Council in line with PPMF from November 2012. 	Clear risk management/Governance strands connect the Council's Key Priorities to service delivery	<ul style="list-style-type: none"> All Corporate / Departmental / Service Plans included relevant risk management as part of reporting to Council in June / July 2012. All risk registers to be up to date by December 2012 	Make sure all Risk Registers are complete and up to date and being monitored effectively
5.8		Continue to build on success of Corporate Audits in accordance with revised strategy	Continue to build on success of Corporate Audits in accordance with revised strategy	<ul style="list-style-type: none"> From April 2012 to March 2013 	Better Council wide picture on issues for CMT.	<ul style="list-style-type: none"> Corporate audits are continuing as part of the audit plan and are reported to CMT and thereafter Audit & Standards as appropriate 	Continue to build on success of Corporate Audits in accordance with revised strategy

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
6	We have robust financial management arrangements that ensure financial sustainability; and we make spending decisions that realistically reflect our financial resources and limits	BV Financial Management Toolkit Finance Performance Indicators	Current AIP rating Red
Improvement Lead : Director of Corporate Services			Departmental Support: Schools Manager Community Care Resources Manager Transport Planning Manager Environment & Transport Operations Manager
Responsible Executive Manager : Finance Manager Capital Programme Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

6.1	IP1 IP02 IP03 IP04	Lead the development of the 2013/14 Revenue budget with an indicative 2014/15 and 2015/16 budget to supplement this	Liaise with Executive Dirs and Councillors throughout the budget setting process Lead the 2013/14 budget exercise and provide a balanced budget with indicative budgets for 2014/15 and 2015/16.	<ul style="list-style-type: none"> • Aug 2012 - Feb 2013 budget preparation • 7 Feb 2013 budget setting 	Council achieves a sustainable budget in line with its available resource and aligned to its service priorities.	<ul style="list-style-type: none"> • A five year Medium Term Financial Plan was approved by full Council on 20 September 2012. • This sets out the level of spending that is sustainable with a view to reaching a level of spend by 2015/16 which does not require unsustainable draws on the Council's reserves. • The plan aligns the available resources to the Council's priorities and sets out the timetable for detailed budget preparation. 	No further Improvement plan action
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

6.2	IP04 IP05	To review the Council's financial administration arrangements with a view to implementing more efficient and effective working practices across the organisation	<p>Seek to eradicate, insofar as possible, cross-charging across the Council</p> <p>Review arrangements in place for proper authorisation across the Council and seek to introduce Integra's authorisation module.</p> <p>Review arrangements in place around usage of the CHRIS 21 integrated HR and Payroll system to centralise HR/Payroll activity to</p> <p>Review arrangements in place around usage of the purchase and sales ledger for improved, more efficient processes, with best practice spread across all service areas</p> <p>Review arrangements in place around usage of the general ledger across the organisation to centralise financial activity,</p> <p>Seek to reduce the use of manual processes and paper forms and replace with automated and electronic alternatives.</p> <p>Introduce a new budgeting module to improve the process for setting the revenue budgets.</p> <p>Introduce a new fixed asset register that is fit for purpose.</p>	<ul style="list-style-type: none"> 31 March 2013 	<p>Reduce number of cross-departmental journals and implement where necessary annual recharges.</p> <p>Eradicate duplication of effort, provide officer training to achieve "right first time" principle and ensure documents are only held once</p> <p>Streamline financial systems through one provider</p> <p>Reduce administration and associated costs</p>	<ul style="list-style-type: none"> Finance has taken steps to significantly reduce the number of cross-departmental journals, so that now only those that are entirely necessary are processed. In addition, there has been a significant reduction in the number of virements that are being processed. The Team Leader – Revenues and Benefits and the Payments Manager have been making on-site visits to purchase and sales ledger user groups to understand the different processes currently in place across the organisation. Following this work, a set of proposals will be developed in conjunction with user groups for ensuring that processes are streamlined as much as possible. Internal Audit will be invited to these discussions from a controls point of view. Finance is currently in the processes of procuring the authorisation and budgeting modules and it is planned to have them implemented by 21 	Complete and implement financial administration review
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

6.3		<p>To review the overall structure of the finance department across Revenues and Benefits, Expenditure and Accountancy with a view to strengthening key areas in order to improve the overall financial management arrangements</p>	<p>Ensure the finalisation of, and appointment to, the Team Leader posts with the Finance Service.</p> <p>Put in place a structure that aligns resources to service demand, whilst working within the current available budget and FTE establishment.</p> <p>Ensure that staff receive any training required to work effectively/meet their CPD and Single Status qualification requirements, which is linked to staff/personal development plans.</p> <p>Seek to develop a professional qualification scheme for staff interested in working towards an accountancy qualification.</p>	<ul style="list-style-type: none"> • 31 July 2012 • 31 December 2012 • 31 March 2013 • 31 December 2012 	<p>Finance Team Leaders formally appointed in post</p> <p>Reduction in levels of overtime</p> <p>Ensure resources are available to meet demand</p> <p>Improved perception of the finance department across the Council</p> <p>Staff development plans evidence training undertaken during the year</p> <p>% of unqualified staff undertaking a professional qualification</p>	<ul style="list-style-type: none"> • A restructure of the Finance Service was approved by CMT in June 2012. Work is currently progressing to put this into place. The restructure has sought to ensure that there are sufficient resources in the Accountancy function in order to strengthen overall financial management arrangements. • There are currently 3 acting Team Leaders in Finance, with the finalisation of these posts expected in the Autumn. • All changes have been delivered within existing FTEs and budget levels. 	<p>Complement and implement Finance service structure review</p>
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

6.4	IP03 IP04	To Review our Revenue and Capital Management Accounts report to ensure that they provide Councillors and Management with the information that they need to make the best financial decisions possible	<p>Review reports presented to Committees/Council to provide information in the clearest way possible, seeking feedback from Mgrs and Councillors on the style and presentation</p> <p>Clearly highlights the progress being made by each BRO/Directorate with their "Review" and "Assess" savings;</p>	<ul style="list-style-type: none"> Quarterly 2012/13 	Councillors and management are receiving quality financial information on a regular basis which informs and allows the scrutiny of financial performance.	<ul style="list-style-type: none"> A review is currently underway as to how Management Accountants use the general ledger to extract information for reporting to managers and Members. The aim is to simplify the process and improve the usefulness of this information. the style of report presented to Members has also changed with the primary focus on forecasting the outturn position as opposed to reflecting on past financial performance. 	No further action at Improvement Plan level
6.5		To deliver the agreed savings reviews within the timescales agreed by Council.	All areas of the Council deliver the agreed budget strategy within the timescales.	<ul style="list-style-type: none"> 31st March 2013 with regular progress reporting. 	The savings targets are met.	The Council is progressing with savings work but is still currently behind where it should be at this stage.	Monitor and report financial savings and financial performance against Departmental & Service budgets, Reviews and MTFP

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
7	We integrate effective workforce planning with our other key planning processes	<u>BV People Management Toolkit</u> <u>Human Resources Indicators</u>	Current AIP rating Amber
Improvement Lead : Director of Children’s Services			Departmental Support: Community Care Resources Manager Director Shetland College Port Operations Manager
Responsible Executive Manager : HR Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
7.1		Ensure the Council has a high level workforce strategy in place which provides direction to the delivery of HR services.	Developing and agreeing a people strategy which brings together current and future workforce needs and issues.	<ul style="list-style-type: none"> Updated HR/ Workforce strategy developed and considered by Council by December 2012 	There is a clear overview document, which sets the organisations approach to people management, which supports the delivery of the organisations priorities, goals and plans.	Work underway to deliver on time	Complete and implement HR/Workforce strategy

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

7.2		<p>The organisation has a formally approved approach to developing leadership, management and professional capacity and capability which is linked to recognised competencies and standards.</p>	<p>Leadership and development programme in place from September 2012 onwards.</p> <p>The programme will include;</p> <ul style="list-style-type: none"> 1 – Leadership, Planning and Resource Alignment 2 – Partnerships & Community Planning 3 – Communications 4 – Governance & Accountability 5 – Performance Management & Risk Management 6 – Financial Management 7 – People Management 8 – Asset Management 9 – Procurement 10 – ICT 11 – Sustainability 12 – Equalities 	<ul style="list-style-type: none"> • Leadership and development programme in place from September 2012 onwards. • Formal Employee Review and Development performed at least annually for every member of staff. 	<p>Managers are equipped to tackle the demanding and challenging period ahead with the confidence and the support they need.</p>	<p>Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs</p>	<p>Deliver management development programme</p>
7.3		<p>Completing the Training Review project and implementing its recommendations.</p>	<p>Training Review project completed by December 2012</p>	<ul style="list-style-type: none"> • Training Review project completed by December 2012 	<p>The Council can show that it has an effective, efficient, consistent and fair approach in place to meet all employees' training requirements.</p>	<p>Progress report to CMT completed and project on target to meet deadline</p>	<p>Implement decisions from training review project</p>

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

7.4		Develop a more effective approach to succession planning	Identifying the people who are willing to undertake training to enhance their future prospects across the council	<ul style="list-style-type: none"> • Learning and Development Programme in place from September 2012 onwards. • Formal Employee Review and Development performed at least annually for every member of staff. • A percentage of the workforce are accessing learning and development through E-learning 	Staff feel encouraged and enabled to undertake development opportunities through the use of IT to maximise career opportunities in development.	Draft Learning and Development programme reported to CMT and further work now underway to explore delivery methods and costs	Deliver management development programme
7.5		Implement the use of the competency framework by embedding it into the updated Employee Review and Development activity.	Updated review and development policy adopted by October 2012. Formal Employee Review and Development performed at least annually for every member of staff in line with new arrangements thereafter.	<ul style="list-style-type: none"> • Updated review and development policy presented to Council by October 2012. • Formal Employee Review and Development performed at least annually for every member of staff in line with new arrangements thereafter. 	We ensure good performance and address the needs of our workforce in a fair manner	Review underway and on target to meet deadline	Implement new Employee Review and development arrangements
7.6		Develop a set of people indicators which are measured by Human Resources.	Making sure the right "Council Wide" measures are identified, collected, reported on, monitored and used to inform further planning and development	<ul style="list-style-type: none"> • Delivered through Council Planning and Performance Management Framework as approved by Council in March 2012. • 	Human Resources organisational issues and trends are identified and acted on.	Full set of Measures / Indicators used in SOA / Corporate Plan / Improvement Plan formally agreed by Council in June / July 2012, reporting from October 2012.	No further action required at Improvement plan level

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

7.7		Make sure that we have staff terms and conditions that reflect the current financial circumstances and identify and deliver efficiencies.	Completing the work of the Efficiency Partnership group	<ul style="list-style-type: none"> Delivered through Employee Partnership Group activity from March 2012 to March 2013 with implementation of any changes to terms and conditions from April 2013. 	The Council has a fair and affordable employee reward structure.	Ongoing	Completing the work of the Employee engagement group
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	Area	Best Value Toolkits / Indicator Guidance	Background / Context
8	We make the best economic, efficient and effective use of our buildings and physical assets	BV Asset Management Toolkit Estates Management Indicators	Current AIP rating Amber
Improvement Lead : Director of Infrastructure			Departmental Support: Sport & Leisure Manager Occupational Therapy Manager Housing Manager
Responsible Executive Manager : Capital Programme Environment & Transport Operations Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
8.1		Make sure the Council has a comprehensive view of its asset needs and how they are to be most effectively delivered.	Continuing to develop and deliver the Asset Strategy, ensuring that the acquisitions, disposals and consolidation of assets detailed in the associated Implementation Plan are delivered sustainably and are aligned with corporate objectives	<ul style="list-style-type: none"> Next operational update of Asset Strategy to Council in June 2012 	Guidance and direction is in place to guide all delivery of asset management services, achieving efficiencies wherever possible.	Asset Strategy and Draft Implementation Plan approved by Council on 8 February 2012. Rationalisation of assets underway, with one property sold and another two to be advertised in early September. Next tranche of disposals to follow completion of office accommodation review – next update to Executive Committee planned for 5 November.	Continuing to develop and deliver the Asset Strategy, ensuring that the acquisitions, disposals and consolidation of assets detailed in the associated Implementation Plan are delivered sustainably and are aligned with corporate objectives

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

8.2	IPO 8.2	Make sure the Council has consistent, accurate and robust information on it's Assets;	Continuing to review and update the Asset Register, and the Asset Management Plans that are linked to it, for property and non-property assets	<ul style="list-style-type: none"> Next review in September 2012, reported to CMT. 	The Council has a comprehensive and up-to-date database of all its assets for planning and management purposes.	Existing Asset Register to be transferred to Integra by 31 March 2013. Revised register will contain links to individual asset management plans.	Continuing to review and update the Asset Register, and the Asset Management Plans that are linked to it, for property and non-property assets
8.3		Ensure the Council takes a long term view of its Asset Investment Plan to achieve the best investment in capital assets to support and cost effective service delivery;	Ensuring that the Gateway process is applied to all capital projects with robust option appraisal, risk analysis and life-cycle costing, and that individual projects are in line with the Council's Budget Plan.	<ul style="list-style-type: none"> Progress reporting to Members each scheduled Council cycle. 	The Council has a fully prioritised, costed and risk assessed Asset Investment Plan for the next 5 years to complement financial, workforce and service delivery plans.	Asset Investment Plan approved by Council on 21 March 2012.	No further Improvement Plan action
8.4		Make sure that the Council has the appropriate information to determine which of its assets are being used effectively and which are underused or unused	Developing, and further populating, its building maintenance software, based on the council's reporting needs	<ul style="list-style-type: none"> Next review of data capture September 2012. 	The Council can demonstrate that it is getting the best use out of its accommodation, and identify where other use / disposal might be more appropriate.	Updating of Technology Forge software ongoing.	Developing, and further populating, its building maintenance software, based on the council's reporting needs
8.5		Make sure that the Council realises financial or other potential for any unused or underused assets	Ensuring that the policy on the disposal of surplus assets, as set out in the Asset Strategy, is applied consistently	<ul style="list-style-type: none"> First Implementation Plan relating to the Asset Strategy to be presented to committee by March 2013. 	The Council can realise income from the sale of unused / underused properties or release them to meet other service demands.	Sale of one property underway. Next two to be advertised in Early September 2012. Asset Enhancement Fund in place to maximise income from the disposal of assets.	Ensuring that the policy on the disposal of surplus assets, as set out in the Asset Strategy, is applied consistently

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

8.6		The Council must ensure that its operational properties have appropriate disabled access	Developing and delivering a programme of Council premises access audits and agreeing and implementing access improvements where relevant	<ul style="list-style-type: none"> Arrangements for the development and agreement of a disabled access improvement programme including monitoring and reporting arrangements to be confirmed by Capital Programme Mgr / Environment & Building Services Mgr in consultation with the Community Planning Mgr who has overall equalities monitoring responsibility. 	The Council can demonstrate that it is meeting equality obligations under the Equality Act and enhancing equalities.	Ongoing.	Developing and delivering a programme of Council premises access audits and agreeing and implementing access improvements where relevant
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

8.7	11 03	Work with community groups to rationalise community resources and improve the standards of remaining facilities to ensure maximum benefit to communities from grant funding available	<p>Build an accessible picture of available community resources e.g. interactive online map</p> <p>Map current use of grant aid, analyse and assess on an area by area basis</p> <p>Engage with community groups</p> <p>Promote external funding opportunities and support applications for external funding</p> <p>Lead and facilitate CEEP scheme Explore pilot of community/sport hub models</p> <p>Provide advice and information to groups to help them self-generate funds and think more like private businesses</p>	Targets to be developed	<p>Reduced reliance on the public sector</p> <p>Decrease the amount of grant aid funding required to support running costs of community facilities, and therefore increase the availability of grant aid funding to a larger number of community groups</p> <p>Increase level of external funding coming into Shetland</p>	icoping work continuing.	<p>Build an accessible picture of available community resources e.g. interactive online map</p> <p>Map current use of grant aid, analyse and assess on an area by area basis</p> <p>Engage with community groups</p> <p>Promote external funding opportunities and support applications for external funding</p> <p>Lead and facilitate CEEP scheme Explore pilot of community/sport hub models</p> <p>Provide advice and information to groups to help them self-generate funds and think more like private businesses</p>
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	Area	Best Value Toolkits / Indicator Guidance	Background / Context
9	We can demonstrate that we meet our supply needs economically and efficiently	<u>BV Procurement Toolkit</u> <u>Procurement Indicators</u>	Current AIP rating Red
Improvement Lead : Director of Corporate Services			Departmental Support: Occupational Therapy Manager

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

Responsible Executive Manager : Capital Programme	Transport Planning Manager Ferry Operations Manager
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IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
9.1	IP09.1	The Council can demonstrate that it meets its supply needs economically and efficiently	Updating the Procurement Strategy, develop and Action Plan and ensure that this is applied consistently	<ul style="list-style-type: none"> Updated Procurement Strategy approved by Members on 21 March 2012. Actions to be reported in line with the timescales set out in the strategy document. 	The Council can demonstrate that it is making savings in the way it buys its goods and services.	Centralised process for procurement of office supplies now well established with savings realised. Workshop held in late June with regional Scotland Excel representative to maximise use of national framework contracts and to gather information for further contract opportunity development. Other commodities are currently being reviewed and progressed for similar development, e.g. marine gas oil, foodstuffs, cleaning products and flooring.	Updating the Procurement Strategy, develop and Action Plan and ensure that this is applied consistently
9.2		The Council can demonstrate it has up to date and effective procurement regulations and practices	Updating Standing Orders relating to contracts and procurement.	<ul style="list-style-type: none"> Updated Standing Orders to be reported to Council September 2012. 	The Council can demonstrate it has up to date and effective procurement regulations and practices.	Underway by not yet complete. Revised reporting target December 2012. Scottish Government's Procurement Reform Bill out for consultation. Consultation closes on Friday 2 November 2012. A composite Council response will be submitted by the deadline.	Updating Standing Orders relating to contracts and procurement.

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

9.3		The Council needs to exploit any partnership opportunities to deliver more cost effective procurement	Collaboration with public sector partner organisations thereby taking advantage of combined/ optimum purchasing arrangements where possible.	<ul style="list-style-type: none"> Reviews will be determined as best practice for the procurement of each commodity is explored in line with the Procurement Strategy. 	The Council can demonstrate how it is working with its partners to maximise efficiencies in procurement and delivering cost savings.	Implementation of a collaborative framework contract for Aids for Daily Living with Western Isles Council, where SIC acted as lead, almost complete. New procurement exercise for the delivery of inter-island air service currently underway working closely with Orkney Islands Council. Raising awareness of Scotland Excel and other Category A contract opportunities with service areas is ongoing. Utilisation of the Highlands & Islands Consultancy Services Framework. Council membership of the North Territory Hub approved by Council in early 2012.	Collaboration with public sector partner organisations thereby taking advantage of combined/ optimum purchasing arrangements where possible.
9.4		Staff involved in procurement need the right skills and understanding to improve performance	Train relevant staff across the Council, to enhance the levels of understanding and usage of e-procurement / Scotland Excel etc.	<ul style="list-style-type: none"> Part of learning and development programme from September 2012. Procurement staff within Capital Programme Service working towards formal qualifications through Chartered Institute of Purchasing and Supply. 	Staff are aware of their responsibilities to procure goods and services as efficiently as possible and the ways of achieving this	Procurement staff undertaking formal programme of training and/or qualification review. Council wide training skills gap to be progressed via online questionnaire during autumn 2012.	Train relevant staff across the Council, to enhance the levels of understanding and usage of e-procurement / Scotland Excel etc.

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

9.5	IP10	The Council needs to make sure it is using its ICT systems to best effect to make ordering and payment quick and cost effective	Ensure that Integra capabilities are fully utilised and that the use of alternative systems are assessed to improve electronic ordering and associated administration	<ul style="list-style-type: none"> Arrangements for the full exploitation of ICT systems to support efficient procurement, including monitoring and reporting arrangements to be established by December 2012. 	The Council is getting the best price and reducing administration time and effort	Initial review meetings have been held between procurement section staff and the Payments Manager. It is anticipated that this will be further developed for consideration by senior management in October 2012.	Ensure that Integra capabilities are fully utilised and that the use of alternative systems are assessed to improve electronic ordering and associated administration
9.6	IP2.5 2.6 2.7 9.3	Collaborative construction procurement which realises "economy of scale" benefits with NHS Shetland	Put in place joint NEC3 Term Service Contract Arrangements	<ul style="list-style-type: none"> NEC3 TSC for shared maintenance services April 2013 	Reduced maintenance unit costs for the Council and improved service delivery	Some contract opportunities where NEC3 may be utilised have been identified. Others shall be identified and considered with relevant services where agreed as an appropriate alternative	Put in place joint NEC3 Term Service Contract Arrangements

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
10	We have secure, efficient and cost effective information and communication systems and processes that support service delivery	<u>Information Management</u> <u>Information Technology</u>	Current AIP rating Green
Improvement Lead : Director of Development			Departmental Support: Criminal Justice Manager Roads Manager
Responsible Executive Manager : ICT Manager			

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012/13	Plans 2013/14
10.1		We have secure, efficient and cost effective information and communication systems and processes that support service delivery	Developing and Implementing the Councils ICT Strategy to ake sure that the Council has a comprehensive view of ICT development to support service delivery, maintain secure and efficient systems and data and meet upcoming opportunities and issues.	<ul style="list-style-type: none"> Reported to and monitored by the ICT Management Board 	The Council is able to demonstrate that it has a structured approach to managing information across service areas and a forward view of ICT requirements and costs that complement Financial, Workforce, Asset and Service Delivery medium term strategies.	ICT Strategy Information gathering completed August 2012, report to Council on 5 th December 2012.	Developing and Implementing the Councils ICT Strategy to ake sure that the Council has a comprehensive view of ICT development to support service delivery, maintain secure and efficient systems and data and meet upcoming opportunities and issues.
10.2	IP10	Ensure ICT developments for improved service, improved efficiency and reduced bureaucracy are delivered	Considered technology options within all relevant service reviews, all departmental and service planning and all efficiency activity	<ul style="list-style-type: none"> Delivered through review programme, departmental and Service planning and ICT strategy. And use of PRINCE project management methodology. 	The Council is making the most of any improvement opportunities available via new technology.	Ongoing as part of ICT strategy	Considered technology options within all relevant service reviews, all departmental and service planning and all efficiency activity

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

10.3		Establish more effective technical links with NHS Shetland and other partners	Developing further co-operative joint working arrangements	<ul style="list-style-type: none"> Delivered through ICT Strategy reporting to ICT Management Board 	ICT Strategy is aligned with the SOA and new technology is being introduced to support its delivery across Community Planning Partners.	Ongoing as part of ICT strategy	Establish more effective technical links with NHS Shetland and other partners
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	Area	Best Value Toolkits / Indicator Guidance	Background / Context
11	We have sustainability embedded in our vision and make sure we use resources sustainably	<u>BV Sustainability Toolkit</u>	Current AIP rating Green
Improvement Lead : Director of Community Care			Departmental Support: Capital Programme Manager
Responsible Executive Manager : Community Planning and Development Environment & Transport Operations Planning Manager			

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012 / 13	Plans 2013 / 14
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IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

11.1		Support Shetland Partnership to deliver on the sustainability aspects of Community Plan	Promote Community Plan with partners, and work with partners to ensure buy in Raise awareness within the community and with partners of the work of the Shetland Partnership through regular and effective communication Develop consistent reporting arrangements on progress to the Board	<ul style="list-style-type: none"> March 2013 	Delivery on first year targets in the Single Outcome Agreement	Shetland Partnership Board minutes now available on COINS	Implement carbon management plan
11.2	IP8 8.1 8.2 8.3	Set and deliver clear sustainability priorities	Developing and delivering arrangements in the Councils Sustainability, Carbon Management, Waste Management plans and strategies.	<ul style="list-style-type: none"> Implement ISO 14001 Environmental management systems April 2013 	Estate maintenance meets client needs and achieves desired outcomes at minimum cost to the tax payer	Carbon Management development plan proceeding.	Implement Carbon management plan
11.3	13	The development of long term maintenance strategies based on sustainable use of physical resources and whole life costing	Working closely with the Maintenance Section, public utilities etc to prepare longer term programmes for planned maintenance	<ul style="list-style-type: none"> Complete 3 year programmes for planned maintenance works / January 2013 	That maintenance of the public road is better co-ordinated and costly delays and duplication of work are avoided	Work proceeding to target	No further Improvement Plan Action

	Area	Best Value Toolkits / Indicator Guidance	Background / Context
12	We lead equality improvements, provides equality of opportunity and fair outcomes	<u>BV Equalities Toolkit</u>	Current AIP rating Green

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

Improvement Lead : Director of Community Care	Departmental Support: Environmental Health & Trading Standards Manager
Responsible Executive Manager : Community Planning and Development Human Resources	

IP	2d	Objective	Actions	Timescales / Targets	Outcome /Measures	Progress 2012 / 13	Plans 2013 / 2014
12.1		Employment monitoring information covering the whole workforce will be routinely analysed by members and officers and action will be taken across the organisation to reduce inequality.	Ensuring we regularly collate, scrutinise and report on workforce profile data and ensure Equality Impact Assessments are completed for all new strategies and policies	<ul style="list-style-type: none"> Delivered through Council Planning and Performance Management Framework as approved by Council in March 2012. Statutory Performance Indicators reported annually . 	There is greater understanding and debate around equality issues to support decision making.	Equalities Group established and work underway to review existing arrangements and develop Equalities Action Plan	Implement Equalities Action Plan
12.2		Support Shetland Partnership to deliver on the Community Plan equalities actions and objectives.	Promote Community Plan with partners, and work with partners to ensure buy in Raise awareness within the community and with partners of the work of the Shetland Partnership through regular and effective communication Develop consistent reporting arrangements on progress to the Board	<ul style="list-style-type: none"> March 2013 	Delivery on targets in the Single Outcome Agreement.	Community Plan has been approved by all partners within Shetland Partnership	No further improvement plan action

IMPROVEMENT PLAN PROGRESS – FEBRUARY 2013

12.3	2 9 11	Enhance the approaches to learner engagement and the student voice.	Enhance the approaches to learner engagement and the student voice.	•	Enhance the approaches to learner engagement and the student voice.	Update to be confirmed	No further improvement plan action
12.4		Implement new equalities legislation and monitor compliance across the Council	Develop equality outcomes for Shetland and plan for implementation	March 2013	Equality mainstreamed within SOA	Equality Impact Assessment briefing note issued to Directors and Executive Managers	Implement equalities action plan

APPENDIX 3 – PLANNING - FEBRUARY to JUNE 2013

In the coming months a number of key planning activities need to be completed;

- The Council (and Community Planning Partners) must set budgets before the end of March and demonstrate they are aligned with shared and individual service delivery priorities..
- A 2013 Single Outcome Agreement needs to be developed in line with the guidance provided in December 2012 and a draft issued to the Scottish Government by the 1st of April, for final agreement by 28th June.
- The Council will have updated Directorate and Service plans agreed in March/April.
- The Council will have a new Corporate Plan for 2013-18 by April - June
- The Council is required to respond to the Accounts Commission findings by the 10th of April at the latest.

Budgets

- Finance co-ordinating budget development programme concluding in the budget report to Council meeting 20th February.

Single Outcome Agreement

- Shetland Partnership Performance Group is co-ordinating development through Strategic Groups to align with new SOA guidance and timescales.

Directorate & Service Plans

- A Directorate / Service Planning template is in circulation for completion to support reporting to the March/April cycle of Council meetings.

SIC Corporate Plan / Directorate & Service Plans

- A Corporate Plan template / draft is under development by Performance & Improvement with the detailed content to be drawn from Budget / SOA / Directorate & Service Plans and Improvement Plans.
- Detailed arrangements for member and other engagement need to be agreed .

SIC Response to Accounts Commission

- 2013 and beyond Council Improvement Activity to be embedded into SIC Corporate Plan..
- The Council consideration and response to findings at its meeting on the 18th February.

APPENDIX 3 – PLANNING - FEBRUARY to JUNE 2013

Timeline - Response to Accounts Commission

Date	Item	Action	Resp	Status
18 th February	Shetland Islands Council Meeting	Official consideration and response to Accounts Commission	Chief Exec	Normal scheduled meeting
By 10 th April	Response from SIC to Accounts Commission	Chief Exec to write to Accounts Commission	Chief Exec	Part of 18 th Feb Report

Timeline – Single Outcome Agreement development and agreement

Date	Item	Action	Resp	Status
24 th January	Shetland Partnership Performance Group meeting	Agree draft SOA template and development process	SPPG Chair / P&I	Meeting held
7 th February	Strategic Group Leads meeting	Workshop on SOA development	SPPG Chair / P&I	Meeting held
14 th February	Shetland Partnership Board meeting	Agree draft SOA development process	SPB Chair / CPD	Meeting held
22 nd February	Strategic Group Leads meeting	Progress on SOA development Workshop on SOA performance reporting	SPPG Chair / P&I	
7 th March	SPPG meeting	Review draft SOA and agree SOA performance reporting	SPPG Chair / P&I	
Mid March	SOA Seminar	Community Planning partners review and agree draft SOA and	SPB Chair / CPD / P&I	Date and venue need to be confirmed
By 1 st April	Draft 2013 SOA submitted to Scottish Government		Chair SPB & P&I Mgr	Process to be confirmed
During April / May / June	Agree SOA with SG and Local Partners		Leaders / Chief Execs of partners / P&I	Dates of partner endorsement meetings need to be confirmed
By 28 th June	Agree final SOA with SG		SPB Chair	Process to be confirmed

APPENDIX 3 – PLANNING - FEBRUARY to JUNE 2013

Timeline – Directorate / Corporate Plan development and agreement

Date	Item	Action	Resp	Status
18 th February	Shetland Islands Council meeting	Consider Improvement plan and endorse development arrangements	Chief Exec & P&I	Agenda & papers being drafted
20 th February	Shetland Islands Council Budget Setting meeting	Agree budget and reaffirm Council strategic priorities	Chief Exec & Finance	Agenda and papers being drafted
During March / April	Committee Directorate and Service planning	Endorse Directorate/Service plans for 2013 and forward	Chairs, Directors and P&I	E&T – Wed 6 th March SS – Wed 13 th March E&F – Wed 20 th March Devt – Wed 27 th March Exec – Mon 15 th April
During March / April	Member engagement on Corporate Plan	Process of involving political leadership / members to determine shape and content of Corporate Plan 2013 – 2018	Chief Exec / CMT / Political Leadership	Process / events need to be designed in discussion with political leadership / members <ul style="list-style-type: none">Potential all member seminar early March
24 th April	Shetland Islands Council Meeting	Consider draft Corporate Plan 2013 - 2018	Chief Exec / Council	
April / May / June	Further Member / Partner / Community Engagement on Corporate Plan		Chief Exec / CMT / Members	Process / events need to be designed in discussion with political leadership / members / partners
12 th June	Shetland Islands Council Meeting	Approve Corporate Plan 2013-18		



Shetland Islands Council

18 February 2013

Blueprint for Education 2012-17: Technical Amendment

Report No. SIC-0218-CS-01-13

Chairs' Report – Education and Families Committee – 23 January 2013

1.0 Summary

- 1.1 The purpose of this report is to consider recommendations from the Chair of the Education and Families Committee in relation to a report requiring a Council decision.
- 1.2 The Committee considered a report which proposed a technical amendment to the Blueprint for Education 2012-17 which had been adopted by the Council on 20 September 2012 (Min Ref: 74/12).

2.0 Decision Required

- 2.1 The Council **RESOLVES** to adopt the recommendations from the Education and Families Committee, namely to:
 - Approve the amendment to the Blueprint for Education 2012-17 (Report No: CS-19-12-F), namely that Statutory Consultation on the proposed closure of Sandwick Junior High School secondary department commences in 2013 instead of 2015.

3.0 Report

- 3.1 The report was prepared following a request from Sandwick Junior High School Parent Council that statutory consultation take place sooner than 2015. The proposed amendment would move the proposed statutory consultation on Sandwick Junior High School secondary department to Phase 1, commencing in 2013.
- 3.2 The Sandwick Junior High School Parent Council was very clear that it did not want the secondary department to close, and that it wanted all other viable options to be considered before the commencement of statutory consultation. However if it was the case that statutory

consultation was to commence, it would rather the school was considered in Phase 1 than Phase 3.

- 3.3 Copies of the report have been previously circulated, or can be accessed via the Council's website at the links shown, or by contacting Committee Services.
- 3.4 The Chair will present information to the Council as to any debate or issues that the Committee considered.

4.0 Implications

- 4.1 Detailed information concerning the proposals are contained within the report already circulated to Members, including the strategic and resources implications for the Council.
- 4.2 There are no additional implications to be considered by the Council, other than those set out in the report.

For further information please contact:

Vaila Wishart, Chair of Education and Families Committee
7 February 2013

List of Appendices

None

Background documents:
Report No. CS-01-13-F

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=14003>

END



Shetland Islands Council

18 February 2013

Annual Investment Strategy for 2013/14

Report No. SIC-0218-F018

Chairs' Report – Executive Committee – 11 February 2013

1.0 Summary

- 1.1 The purpose of this report is to consider recommendations from the Chair of the Executive Committee in relation to a report requiring a Council decision.
- 1.2 The Committee considered a report which proposed an annual investment strategy for the Council for the financial year 2013/14. the report also included certain clauses, policy statements and practices to be adopted in line with the CIPFA Code of Practice for Treasury Management in the Public Services 2011.

2.0 Decision Required

- 2.1 The Council **RESOLVES** to adopt the recommendations from the Executive, namely to:
 - approve the investment strategy statement to be followed for the financial year 2013/14, as set out in Appendix A; and
 - review the four clauses within the CIPFA Code of Practice as set out at Appendix B; and
 - review the Treasury Management Policy Statement as set out at Appendix C; andreview the Statement of Treasury Management Practices as set out at Appendix D.

3.0 Report

- 3.1 In line with the Scottish Ministers consent under The Local Government Investments (Scotland) Regulations 2010 an Annual Investment Strategy must be reported to the Council and approved before the start of the financial year.
- 3.2 The report concluded that this investment strategy meets the requirements of the minister's consent and complies with CIPFA's Code of Practice for Treasury Management in the Public Services 2011. The CIPFA Code of Practice for Treasury Management in Local Authorities suggests that before the start of the financial year the Council should review its approved clauses, its Treasury Management Policy Statement and its Treasury Management Practices Statement.
- 3.3 Copies of the report have been previously circulated, or can be accessed via the Council's website at the links shown, or by contacting Committee Services.
- 3.4 The Chair will present information to the Council as to any debate or issues that the Committee considered.

4.0 Implications

- 4.1 Detailed information concerning the proposals are contained within the report already circulated to Members, including the strategic and resources implications for the Council.
- 4.2 There are no additional implications to be considered by the Council, other than those set out in the report.

For further information please contact:

Gary Robinson, Chair of Executive Committee
11 February 2013

List of Appendices

None

Background documents:

Report No. F-018-F

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=14110>

END

**Shetland Islands Council****18 February 2013****Appointments to External Organisations**

GL-05-13-F

**Report Presented by
Executive Manager – Governance and Law****Corporate Services Department****1.0 Summary**

- 1.1 In the process of discharging its functions, the Council contributes to membership, along with other authorities and organisations, to a number of national and local organisations.
- 1.2 The Council made a number of appointments at its meeting on 23 May 2012. Councillor Michael Stout has recently resigned from some of those appointments, and the purpose of this report is therefore to seek appointments to fill those vacancies.

2.0 Decision Required

- 2.1 That the Council RESOLVES to make the necessary elected Member appointments as outlined Section 3 of this report.

3.0 Detail

- 3.1 The recommended appointments are as follows, and further details are set out in Appendix 1.

KIMO – 1 substantive member
CPMR – 1 substantive member
Dounreay Stakeholders Group – 1 substantive member and 1 substitute member

4.0 ImplicationsStrategic

- 4.1 Delivery On Corporate Priorities – The recommendation in this report is not linked directly to any of the Corporate Priorities, but will support the

Council's Improvement Plan in terms of Governance, Accountability and partnership working.

- 4.2 Community /Stakeholder Issues – None.
- 4.3 Policy And/Or Delegated Authority – In terms of confirming approved duty status, appointments and nominations to external organisations can only be determined by the Council or its Committees.
- 4.4 Risk Management – None.
- 4.5 Equalities, Health And Human Rights – None.
- 4.6 Environmental – None.

Resources

- 4.7 Financial – There are no significant financial implications arising from this Report. The majority of expenses incurred by Members in attending meetings are classed as an approved duty and met from the Members' Expenses budget head. Otherwise expenses may be met from the appropriate external body.

However, the Council is continuing to pursue efficiencies by carefully considering the requirement to attend meetings on the mainland. Officers and Councillors alike are making use of alternatives such as video conferencing to avoid the cost of travel to the mainland, and such efficiencies will be sought whenever possible.

- 4.8 Legal – None.
- 4.9 Human Resources – None.
- 4.10 Assets And Property – None.

5.0 Conclusions

- 5.1 This reports seeks the Council's approval to make appointments to vacancies on external organisations.

For further information please contact:
Anne Cogle, Team Leader – Administration
01595 744554 anne.cogle@shetland.gov.uk
13 February 2013

List of Appendices

Appendix 1 – Appointments Required

Background documents:

None.

END

DOUNREAY STAKEHOLDERS GROUP

Purpose:

The primary purpose of the Dounreay Stakeholder Group (DSG) is to be the main interface between the community, the site operator and the Nuclear Decommissioning Authority (NDA). The group will also function as the Local Liaison Committee for the Vulcan Naval Reactor Test Establishment, providing a formal interface between the Ministry of Defence operator, the Naval Superintendent Vulcan and the local community.

The Dounreay Stakeholder Group has three sub-groups:

- Business meeting
- Site restoration sub group
- Socio economic sub group

SIC is a member of the Site Restoration Sub-Group

<http://www.dounreaystakeholdergroup.org/>

Representation:

A wide variety of organisations with an interest in Dounreay and its impact on the community make up the membership of the DSG.

Core Membership:

Highland Councillors
Other Local authorities (Orkney and Shetland)
Community Councils
Business representation
Trade Unions
Health Service
Local Enterprise company
Non Government Organisations
Community representatives
Voluntary sector
Local residents

Industry & Site Representation

Vulcan Site Representative (MoD)
Dounreay Site Representative
NDA Site Representative

Regulators

HM Nuclear Installations Inspectorate (for Dounreay and Vulcan)
Defence Nuclear Safety Regulator
Scottish Environment Protection Agency
Naval Nuclear Regulatory Panel
Office of Civil Nuclear Security (OCNS)
Highland Council Planning

Invite when required:

MP for Caithness and Sutherland & Easter Ross
MSP for Caithness and Sutherland & Easter Ross
Civil Nuclear Constabulary
The Highland Council – Representative from Emergency Arrangements
Food Standards Agency

Frequency of Meetings:

The group meets in public four times a year. Sub-group meetings are held in between these times.

Current Membership	Method of Appointment	Duration	Approved Duty
1 Substantive Member Michael Stout	By Appointment	Membership of SIC	Yes
1 Substitute Member new appointment requested	By Appointment	Membership of SIC	

CONFERENCE OF PERIPHERAL MARITIME REGIONS OF THE EEC - PERMANENT COMMITTEE (CPMR)

Purpose:

In its dealings with EU institutions and national governments the CPMR has, since 1973, been targeting its action towards ensuring the needs and interests of its member Regions are taken into account in all policies with a high territorial impact. In particular, the CPMR is striving to ensure a strong EU regional policy targeted at all of Europe's regions and is also working towards the delivery of an integrated maritime policy designed to contribute towards Europe's economic growth.

The Conference of Peripheral Maritime Regions is independent of EU institutions.

The Geographical Commissions

The Geographical Commissions aim to ensure that work is as decentralised and as close to the reality of each sea basin as possible. There are six in all :

- [Atlantic Arc](#)
- [Balkan and Black Sea](#)
- [Islands](#)
- [Intermediterranean](#)
- [Baltic Sea](#)
- [North Sea](#)

The aims of the Islands Commission are:

To urge the European Institutions and Member States to pay special attention to the islands, to acknowledge the permanent handicaps resulting from their insularity, and to implement policies that are best suited to their condition.

To foster interregional cooperation between islands, especially on issues in direct relation with their insularity

Representation:

UK Representation on the Islands Commission are Orkney, Shetland, Western Isles and the Isle of Man.

Frequency of Meetings:

The Islands Commission generally meets twice a year.

Membership	Method of Appointment	Duration	Approved Duty
1 Substantive Member Michael Stout	By Appointment	Membership of SIC	Yes
1 Substitute member Drew Ratter	By Appointment	Membership of SIC	

KIMO

Purpose:

To exchange information on effective pollution prevention and cleaning up of operations and sustainable development; lead by example by improving regional marine environments; lobby national Government, the European Commission and other to take effect actions on issues affecting Northern Seas; make joint representations against threatening proposals and undertake demonstrative environmental projects.

<http://www.kimointernational.org/Home.aspx>

Representation:

Membership of the organisation shall be local governments in the Northern Seas Countries, whether or not their areas have a Northern Seas coastline – Sweden, Denmark, United Kingdom, Federal Republic of Germany, the Netherlands, Belgium, France, Norway, Faeroes, Iceland, Republic of Ireland.

Frequency of Meetings:

KIMO Annual General meetings are held in October each year.

KIMO International Board Meetings are held 2 – 3 times a year.

Membership	Method of Appointment	Duration	Approved Duty
5 Substantive Members: Steven Coutts Billy Fox Andrea Manson Drew Ratter Michael Stout	By Appointment	Membership of SIC	Yes
3 Substitute Members: Malcolm Bell Mark Burgess Amanda Westlake	By Appointment	Membership of SIC	

