

MINUTE

B - Public

Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Wednesday 9 October 2013 at 10 am.

Present:

M Bell	M Burgess
P Campbell	G Cleaver
A Cooper	B Fox
R Henderson	A Manson
D Ratter	F Robertson
G Robinson	D Sandison
C Smith	G Smith
T Smith	M Stout
A Westlake	J Wills
V Wishart	

Apologies

S Coutts	A Duncan
A Wishart	

In Attendance (Officers):

M Boden, Chief Executive
N Grant, Director - Development Services
J Gray, Executive Manager - Finance
J Riise, Executive Manager - Governance and Law
V Simpson, Executive Manager – Community Planning and Development
R Sinclair, Executive Manager - Capital Programme
C Anderson, Senior Communications Officer
A Cogle, Team Leader - Administration
L Adamson, Committee Officer

Chair:

M Bell, Convener of the Council, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

Mr Robinson declared an interest in Item 1, “Waste Produced by Charities – New Charges” being an employee of Shetland Recreational Trust. Mr Robinson confirmed that he would leave the Chamber during the discussion.

Mr Burgess declared an interest in Item 9, “Appointment to UHI Court”, Item 12, “Chair’s Report – Shetland College Board – 24 September: Shetland College Phase 3 – Project Update”, and Item 13, “University of the Highlands and Islands (UHI) Creative Industries” as a contractor of services to Shetland College. Mr Burgess advised that he would leave the Chamber during the discussion on Item 12, as it could have a direct impact on his position.

Mr Ratter declared a financial interest in Item 5, “Chair’s Report – Executive Committee – 30 September: Director of Community Health and Social Care Recruitment”, as a member of the Shetland NHS Board.

Mr G Smith declared an interest in Item 13, "University of the Highlands and Islands (UHI) Chair of Creative Industries", due to his involvement in the project during this former employment. Mr Smith confirmed that he would leave the Chamber.

Mr Henderson declared an interest in Item 2, "Chair's Report – Executive Committee – 30 September: Viking Bus Station/Rural Freight Centre Review", as his family has involvement with the Rural Freight Centre. Mr Henderson advised that he would stay in the meeting during the discussion.

Mr Bell declared a financial interest in Item 5, "Chair's Report – Executive Committee – 30 September: Director of Community Health and Social Care Recruitment", as a Director of NHS Shetland. Mr Bell advised that he would leave the Chamber, and the Leader would take the Chair, during that item.

Convener's Opening Remarks

The Convener made the following statement:

"This cycle I want to highlight the achievements of three of our College lecturers who have been nominated for teaching awards run annually by the student association of the University of the Highlands and Islands. They are Simon Clarke, Euan Robertson, and Anne-Marie McDiarmid. These are awards administered by the students themselves so, to be nominated, is a great achievement. Well done and our best to all three.

I also want to note and congratulate our MP, Alistair Carmichael, on his appointment to the UK Cabinet as Secretary of State for Scotland. I think I am correct in saying that this will be the first time Shetland has ever been represented at UK Cabinet level. Politics aside this is a great achievement and I send Alastair good wishes as he takes on this very difficult role".

81/13 Minutes – 28 August, 9 September and 11 September 2013

The Council approved the minutes of the Council meeting held on 28 August 2013 on the motion of Mr Robertson, seconded by Mr Campbell.

The Council approved the minutes of the Council meeting held on 9 September 2013 on the motion of Mr Stout, seconded by Mr Cooper.

The Council approved the minutes of the Council meeting held on 11 September 2013 on the motion of Mr Cooper, seconded by Mr Cleaver.

(Mr Robinson left the meeting).

(Mr Robinson left the meeting).

82/13 Chair's Report – Executive Committee – 30 September Waste Produced by Charities – New Charges

The Council considered a report by the Chair of the Executive Committee (SIC-1009-ES-08) which sought approval of a new charge for Shetland Arts Development Agency, Shetland Amenity Trust, Shetland Recreational Trust and Shetland Charitable Trust, for their waste collection and disposal costs from 1 April 2014.

Mr Stout moved that the Council adopt the recommendation in the report. Mr Henderson seconded.

Decision:

The Council **RESOLVED** to adopt the recommendation from the Executive Committee, namely to approve the new charge to Shetland Arts Development Agency, Shetland Amenity Trust, Shetland Recreational Trust and Shetland Charitable Trust, for their waste collection and disposal costs from 1 April 2014.

(Mr Robinson returned to the meeting).

83/13

Chairs' Report: Executive Committee – 30 September 2013 and Environment and Transport Committee – 4 September 2013 **Viking Bus Station/Rural Freight Centre Review**

The Council considered a joint report by the Chair of the Executive Committee and Chair of Environment and Transport Committee (SIC-1009-BTO-07) which presented findings of a review of the Viking Bus Station/Rural Freight Centre.

Mr Robinson summarised the main terms of the report, and moved that the Council adopt the recommendations contained therein. Mr Stout seconded.

During the discussion some Members reinforced the need for a waiting room and toilets to continue to be made available to waiting bus passengers and for a freight service to be retained at the Viking Bus Station. In response to questions as to how these aspirations could be imposed on a new owner of the premises should the facility no longer be owned by the Council, it was advised that from informal discussions with the prospective purchaser there is an indication that the facilities will continue to be provided, however an appropriate condition would be included within the sale agreement for the facilities to be retained. In response to a question, it was explained that a two tier system for freight is being considered, with the freight centre operating at Gremista for larger items while smaller items can be handled at the Bus Station.

Mr Robinson commented that the concerns raised would be addressed through approval of the second recommendation as set out in the report.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Executive Committee and the Environment and Transport Committee, namely:

- To retain the bus terminus/waiting area and associated road access with the addition of additional bus shelters as shown in Appendix 1 to the original report.
- To dispose of the un-let elements of the two story building including Waiting Room, Freight Centre, Toilets and Lift by sale to “a local business interest” as indicated in paragraphs 3.13 and 3.14 of the original report; subject to the disposal achieving sufficient value for the Council and the successful negotiation with the prospective purchaser on allowing waiting bus passengers access to the facilities outlined in Appendix 4 to the original report.
- That the sale of the building include a clause that gives the Council first refusal if the property is sold.

- To relocate the Freight Centre to a new freight shed at the Gremista Depot and charge on a full cost recovery basis, should the hauliers fail to reach agreement with the new owners of the Viking Bus Station and wish to retain the service provided by the Council.

84/13

Chair's Report – Executive Committee – 30 September

Progress Report – Asset Investment Plan

The Council considered a report by the Chair of the Executive Committee (SIC-1009-CPS13) which presented a progress update on projects within the Asset Investment Plan.

Mr Robinson moved that the Council adopt the recommendation in the report. Mr Stout seconded.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Executive Committee, namely to note the progress of the projects within the Asset Investment Plan.

85/13

Chair's Report – Executive Committee – 30 September

Asset Investment Plan – Service Needs Case Reports

The Council considered a report by the Chair of the Executive Committee (SIC-1009-CPS14) which presented a recommendation regarding twenty nine projects from within the Infrastructure directorate that have been considered by the Capital Investment Group based on the submission of Service Need Case reports.

Mr Robinson moved that the Council adopt the recommendation in the report. Mr Cooper seconded.

Decision:

The Council **RESOLVED** to adopt the recommendation from the Executive Committee, namely to approve for implementation the projects described in section 3.5 of the original report.

(Mr Bell vacated the Chair and left the meeting. Mr Ratter left the Chamber).

(Mr Robinson took the Chair).

86/13

Chair's Report – Executive Committee – 30 September

Director of Community Health and Social Care Recruitment

The Council considered a report by the Chair of the Executive Committee (SIC-1009-CRP20) which concerned the recruitment of the Director of Community Health and Social Care.

Mr Robinson moved that the Council adopt the recommendations in the report. Mr C Smith seconded. In response to a question, it was advised that the indicative timescale to conclude the recruitment process, allowing for the period of notice, would be between 3-6 months.

Following nominations, Mr C Smith, Mr A Duncan (in absentia) and Mr G Cleaver were duly appointed as the three Councillors on the Appointments Panel.

In response to a question, it was advised that Mr Cleaver had not participated in the Recruitment and Selection training however the timescale would allow sufficiently for the training to be provided.

The Council noted the three members of Shetland NHS Board appointed to the Panel, as nominated by the Shetland NHS Board, being Mr I Kinniburgh, Mr K Massie and Ms C Williamson.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Executive Committee, namely to:

- Approve the proposals for the recruitment of a Director of Community Health and Social Care as set out in the original report; and
- Appoint three Councillors and three members of Shetland NHS Board, as nominated by Shetland NHS Board, to the Appointments Panel. Those being:
 - Mr C Smith, Mr A Duncan (in absentia), Mr G Cleaver
 - Mr I Kinniburgh, Mr K Massie and Ms C Waddington

(Mr Bell returned to the meeting and resumed the Chair. Mr Ratter returned to the meeting).

87/13

Chair's Report – Development Committee – 25 September

Economic Development Service – Financial Assistance Measures

The Council considered a report by the Chair of the Development Committee (SIC-1009-DV033) which sought approval of two financial assistance measures to be administered by the Economic Development Service for the period 2013-2017 – the Economic Development Grant Scheme and the Business Start-Up Grant Scheme.

Mr Cooper introduced the report, and moved that the Council adopt the recommendations contained therein.

In response to questions, Members were informed on the allocation of budget for the new schemes, being £200,000 for the Economic Development Grant Scheme and £50,000 for the Business Start Up Grant Scheme. It was advised that whilst the former schemes that had aligned to specific industry sectors would cease, all sectors and organisations would be eligible to apply for grant funding through the two new schemes.

Mr T Smith seconded.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Development Committee, namely:

- To end the seven schemes identified in paragraph 1.3 of the original report.
- To adopt the Economic Development Grant Scheme 2013-2017 as a financial assistance measure.

- To adopt the Business Start Up Grant Scheme 2013-2017 as a financial assistance measure.
- To grant delegated authority to the Executive Manager – Economic Development to approve grant awards up to £25,000 under the Economic Development Grant Scheme 2013-2017 and up to £5,000 under the Business Start Up Grant Scheme 2013-2017.
- To grant delegated authority to the Executive Manager – Economic Development:
 - to engage on behalf of the Council at the early development stages of large-scale development projects, and,
 - to approve funding for the Economic Development Service's own research projects or for research projects shared with other organisations under a ceiling level of £25,000.
 - To ensure that the above resolutions are taken forward in line with the approved policies detailed in the Economic Development Policy Statement 2013-17.

88/13

Final Audited Accounts 2012/13

The Council considered a report by the Executive Manager - Finance (F-043-F) which presented the final and signed audited accounts for 2012/13 and received Audit Scotland's report to those charged with governance on the 2012/13 Audit.

In introducing the report, the Executive Manager – Finance advised that the Accounts and the report from Audit Scotland had been discussed at Audit and Standards Committee in September. He advised that the Auditors were pleased on the processes followed, and he confirmed that for the second year the Accounts were unqualified.

The Convener commented that this was a significant milestone and an excellent piece of work by the Executive Director – Finance and his team.

Dr Wills moved that the Council adopt the recommendations in the report. Mr Robinson seconded.

Decision:

The Council **RESOLVED** to:

- approve the final signed and audited accounts for 2012/13; and
- note Audit Scotland's report to those charged with governance on the 2012/13 Audit.

89/13

Pension Fund Final Audited Accounts 2012/13

The Council considered a report by the Executive Manager - Finance (F-046-F) which presented the final signed and audited Pension Fund accounts for 2012/13 and received Audit Scotland's Annual Report on the 2012/13 Audit.

In introducing the report, the Executive Manager – Finance advised on the requirement for separate reporting on the Pension Fund. The Accounts had been presented to Audit and Standards Committee in September and had been well received by the Auditors.

In response to questions, the Executive Manager advised that Shetland Islands Council was currently at the top scale for audit fees. However he said that with the 2 consecutive years of clean audit reports, and as the quality of accounts improve and the risks reduce, he anticipated a reduction in the fee charged. He added that the audit fee is proposed by Audit Scotland, and any Member with concerns in regard to the fee could make representation to Audit Scotland.

Dr Wills moved that the Council adopt the recommendations in the report. Mr Robinson seconded.

Decision:

The Council **RESOLVED** to note:

- the final signed and audited Pension Fund accounts for 2012/13; and
- Audit Scotland's Annual Report on the 2012/13 Audit.

90/13

Appointment to UHI Court

The Council considered a report by the Executive Manager – Governance and Law (GL-30-13-F) which sought to confirm the appointment of Mr Drew Ratter, Chair of Shetland College Board, as a member of the new University of Highlands and Islands (UHI) Court.

The Executive Manager – Governance and Law introduced the report.

During the discussion, it was confirmed that the appointment is personal to Mr Ratter in his capacity as Chair of the Shetland College Board, and that there will be no cost to the Council arising from the appointment as all travel and subsistence costs of participation at the University Court will be paid by the UHI.

Mr C Smith moved that the Council adopt the recommendation in the report. Mr G Smith seconded.

Decision

The Council **RESOLVED** to confirm the appointment of Mr Drew Ratter, Chair of Shetland College Board, as a member of the new University of Highlands and Islands Court.

91/13

Meetings Diary 2014

The Council considered a report by the Executive Manager – Governance and Law (GL-35-13-F) which sought approval as to the diary of meetings for the first two cycles of 2014.

In introducing the report, the Executive Manager advised that work was ongoing to bring together the full meetings diary for 2014, which has to take into account the timings of the European Elections in May and the Referendum in September. In

referring to the two cycles of meetings as presented today, he advised that changes may be required to the dates, and in particular to the dates in early January. He confirmed that any changes would be done in consultation with the Chairs.

In response to a question, it was advised that a means to input meeting dates electronically into Member's diaries would be investigated.

During the discussion, a request was made for consideration to be given to holding more than one Council meeting in a day, and possibly evening meetings, which would reduce mileage costs. However, a Member indicated that evening meetings would not be practical for North Isles Members. There was also a suggestion to take out the functional Committees with all decisions taken by the full Council.

In response to a question regarding the need to limit Council meetings during the lead up to the European Election and the Referendum, the Executive Manager explained that there is a period set in statute for limitations on the conduct of business in the lead up to elections as it is considered that certain decisions taken in the Chamber may be influenced by the forthcoming election.

The Executive Manager highlighted an error on the 2nd page of the appendix, whereby the dates for the Planning Site Visit and Planning Committee on 3 and 4 March should be at 24 and 25 March 2014.

The Convener advised on the intention for a Council meeting to be held outwith Lerwick during the spring of 2014.

Mr Robinson moved that the Council adopt the recommendations in the report. Mr C Smith seconded.

Decision:

The Council **RESOLVED** to approve the schedule of meetings for the first two cycles of 2014.

In order to avoid the disclosure of exempt information, Mr Bell moved, Mr C Smith seconded, and the Council agreed to exclude the public in terms of the relevant legislation during consideration of the following items of business.

92/13 Chair's Report – Executive Committee – 30 September Community Planning and Development Review

The Council considered a report by the Chair of the Executive Committee, which presented a service redesign and restructure proposal of the Council's Community Planning and Development (CP&D) Service.

In introducing the report, Mr Robinson outlined to Members the recommendations from the functional Committees and the Executive Committee, and he moved that the Council adopt the recommendations.

A Member sought clarity in regard to recommendation 2.1.3, as to who would decide whether additional community consultation is required. The Director of Development Services explained that the recommendation was included to ensure that should Members agree today that additional consultation is required, that clarity is provided on the extent of the further consultation. However, he went on to

advise on the significant amount of consultation that has already taken place within the community on the service delivery redesign proposals, and explained that any additional consultation could delay the process by two cycles.

Following a brief discussion, Mr Robinson referred to his earlier motion and he advised of an additional recommendation that future reports are presented to Executive Committee and the Council. Mr C Smith seconded.

Decision:

The Council **RESOLVED** to adopt the recommendations from the Executive Committee, namely to:

- approve the staffing proposals contained in the report, subject to formal consultation;
- approve the service delivery redesign proposals subject to any additional community consultation if required, having taking account of the views of functional Committees;
- agree that along with a report on future options in relation to Community Grants and the work carried out with Community Groups during the transitional year, scheduled for November 2014, a review of the effectiveness of the proposed structural changes aligned to developing Community Planning requirements, also be undertaken and that this review should be linked to the annual review of the Single Outcome Agreement and, where relevant, the Council's Corporate Plan; and
- agree that future reports are presented to Executive Committee and the Council.

(Mr Burgess left the meeting).

93/13

Chair's Report – Shetland College Board – 24 September
Shetland College Phase 3 – Project Update

The Council considered a report by the Chair of the Shetland College Board.

Mr Ratter introduced the report, and moved that the Council approve the recommendations in the report. Mr Robinson seconded.

Decision:

The Council **RESOLVED** to

- Note the financial position on the Shetland College Phase 3 project as set out in paragraph 3.4 of the report;
- Reject the commissioning of the additional works from the existing contract as set out in the original report; and
- Request that funding for the items referred to in paragraphs 3.7.1 to 3.7.4 from Council revenue budgets be investigated and taken forward as a matter of urgency.

(Mr Burgess returned to the meeting).

(Mr G Smith left the meeting).

94/13

University of the Highlands and Islands (UHI) Chair of Creative Industries

The Council considered a report by the Director of Development Services, which presented an opportunity for the Council to invest start-up funding to secure the University of the Highlands and Islands (UHI) Chair of Creative Industries team to be based in Shetland.

The Director of Development Services summarised the main terms of the report, and advised that in making their decision Members need to consider whether Shetland is the right place to base a Chair of Creative Industries (CoCI) or whether Shetland has been identified as an area perceived as having funding.

During a lengthy discussion the Director of Development Services responded to questions from Members.

Mr Ratter stated that the project was a very significant opportunity to develop a research and teaching centre of excellence in Shetland, and he moved that the Council approve the recommendations in the report. Mr Robertson seconded. Mr Robertson went on to advise on his strong support for the project, which would attract a professional post located in Shetland and build on the facilities, opportunities and history of creative industries locally.

Mr Sandison commented on the severe cuts across all the Council's activities to meet the Medium Term Financial Plan. Mr Sandison moved as an amendment, that the Council defer commitment to the project at this time, due to the lack of funds available to support Economic Development priorities particularly as we move to budget setting within this cycle. Mr Stout seconded.

In response to a comment from Mr Cooper, Mr Ratter agreed to include an additional recommendation to his motion, namely, "to include as a grant condition that the Professional Chair and FTE posts are based in Shetland for a period of 10 years". This received the consent of his seconder.

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

Amendment (Mr D Sandison)	3
Motion (Mr D Ratter)	12

Decision:

The Council **RESOLVED** to:

- Provide funding of £250,204 over a 5-year period towards securing the UHI Chair of Creative Industries in Shetland;
- Delegate authority to the Director of Development Services, or his nominee to conclude the agreements with UHI and the other funding stakeholders, subject to appropriate conditions; and

- Include as a grant condition that the Professional Chair and FTE posts are based in Shetland for a period of 10 years.

The meeting closed at 12.35pm

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Convener