



Shetland Islands Council

2 July 2014

Review of the Plans for Day Service Provision for Adults with Learning Disabilities, Autistic Spectrum Disorders and Complex Needs

Report No. SIC-0702-CC19

Joint Chair's Report – Social Services Committee 23 June 2014 & Policy and Resources Committee 23 June 2014

1.0 Summary

- 1.1 The purpose of this report is to consider recommendations from the Chairs of the Social Services and Policy and Resources Committees in relation to a report requiring a Council decision.
- 1.2 A report was presented to the Social Services Committee on 27 March 2014 regarding a review of the plans for day service provision for adults with learning disabilities, autistic spectrum disorders and complex needs. The review had been conducted in response to the decision made by the Council in June 2012 *“to review the feasibility study and proposals for day services for people with learning disabilities to ensure that any new build is affordable in terms of both capital and revenue and meets the needs of this care group in a way that is effective and sustainable in the longer term.”* The report presented options in outline in terms of buildings to provide day services for this care group, including options with regard to the facilities and services currently provided at the Eric Gray Resource Centre and at Gressy Loan. Members noted that further work was needed in order to be able to present a detailed appraisal of the options.
- 1.3 The Social Services Committee considered the report which presented additional information regarding these options, and sought a decision on the way forward. In addition to the recommendation as set out below, the Social Services Committee agreed to:
 - NOTE the information presented in the options appraisal for the future provision of day services for adults with learning disabilities, autistic spectrum disorders and complex needs.
 - NOTE the immediate pressures on the services for this care group and that work to find a solution is on-going

- 1.4 In addition to the recommendations in the report, the Social Services Committee added a further recommendation, as outlined in paragraph 2.3 below.
- 1.5 In considering the report, the Policy and Resources Committee agreed to support the recommendation of the Social Services Committee to the Council in regard to the preferred option and preferred solution for funding. During the discussion, the Executive Manager – Finance was asked to provide more detail on potential funding options ahead of the Council meeting on 2 July 2014.

2.0 Decision Required

That Shetland Islands Council:

- 2.1 APPROVES the Committees' preferred option for the longer term - Option 3: New Build on the old hockey pitch site - for inclusion in the Council's Asset Investment Plan and;
- 2.2 APPROVES the Committees' preferred solution for funding: that the Council borrow the money required to fund such a new building, but that all avenues be explored in an attempt to gain external funding to assist with the new build.
- 2.3 AGREES that work continues to develop this project on a rigorous timescale, and that updated progress reports come before the Social Services Committee every second cycle.

3.0 Report

- 3.1 The report stated that a review of the plans for day service provision for adults with learning disabilities, autistic spectrum disorders and complex needs was required to ensure that the plans were affordable given the changing financial situation faced by the Council, and also to ensure that the models of service delivery were still appropriate to meet the needs of this care group given the delay that had occurred since the plans were drawn up.
- 3.2 There is increasing pressure on the services provided for people with learning disabilities, autistic spectrum disorders and complex needs. There is an immediate issue for the services at Gressy Loan due to increasing numbers of school pupils with complex needs. This means that there is insufficient space to accommodate both education and community care groups in the short/medium term. This is currently being reviewed in order to determine a solution until such time as new models of service delivery are available. The Eric Gray Centre is also expected to reach capacity by 2015 in terms of staffing and the space available for increasing numbers of service users. Given the costs and timescales associated with making any other space/building suitable to meet the needs of the adults who currently use Gressy Loan and additional numbers anticipated in the immediate/short term, continuing use of the Gressy Loan building by adult services is required. Therefore alternative solutions for children with additional support needs are being researched in order to meet the needs until the new Anderson High School complex is completed.

3.3 The proposals in the report included four options for the longer term:

- 1) Option 1 – Do Minimum
- 2) Option 2a – Refurbish and extend Eric Gray Resource Centre
- 3) Option 2b – Refurbish and extend Gressy Loan
- 4) Option 3 – New Build on the old hockey pitch site

It was noted that the option of a new build on the old hockey pitch provided the best solution in terms of the facilities and timescale. However, the cost was higher than adapting and extending either the Eric Gray Centre or Gressy Loan, although the difference in cost of the options would be reduced depending on the final costs of any decant required.

3.4 The report also contained options for the funding of capital works, given that there was currently no provision for a new build day centre for people with learning disabilities in the Council's approved Asset Investment Plan.

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:

Cecil Smith, Chair of Social Services Committee
Gary Robinson, Chair of Policy and Resources Committee
24 June 2014

List of Appendices

None

Background documents:

Report No. CC-19-14-F

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16440>

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16450>

END



Shetland Islands Council

2 July 2014

Health and Social Care Integration Options Appraisal

Report No. SIC-0702-CRP08

Joint Chair's Report – Special Social Services Committee 11 June 2014 & Policy and Resources Committee 23 June 2014

1.0 Summary

- 1.1 The purpose of this report is to consider recommendations from the Chairs of the Social Services and Policy and Resources Committees in relation to a report requiring a Council decision.
- 1.2 The Committees considered a report presenting up to date information regarding the Health and Social Care Integration Project commissioned by Shetland's Community Health Partnership (CHP) Committee, which is a sub-committee of Shetland NHS Board. This included a brief summary of work in progress under the three main work streams:
 - Governance
 - Management and the single management model
 - Service delivery through multidisciplinary teams in localities.
- 1.3 The report included an options appraisal of the governance models available under the Public Bodies (Joint Working) (Scotland) Act 2014 (the Act) which passed into law in April 2014, with an implementation date of April 2015 for an integrated governance model for all adult social care services and a range of health care services as prescribed by regulations.
- 1.4 The report sought a decision on the governance model for Shetland to be implemented from 1 April 2015, and approval of interim arrangements from August 2014 through a combined community health and social care committee. The Committees recommended that the Council (and Shetland NHS Board) resolve to adopt the Body Corporate model as the preferred model for health and social care integration in Shetland.
- 1.5 The special meeting of the Social Services Committee on 11 June was held jointly, for the first time, with the members of the CHP Committee.

At this meeting, members of the CHP Committee recommended the recommendations in the report to the Shetland NHS Board.

2.0 Decision Required

That Shetland Islands Council

- 2.1 RESOLVE TO ADOPT the Body Corporate as the preferred model for Health and Social Care Integration in Shetland under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014;
- 2.2 AGREE that the detailed governance arrangements (the “Integration Scheme”) be presented to the Council and Health Board for approval by the end of December 2014, in order to meet the timescale of April 2015 for approval by the Scottish Government;
- 2.3 COMMENT on the draft list of service areas and functions set out in paragraphs 3.18 through to 3.30 for inclusion in the integrated health and social care model for Shetland SUBJECT TO the provisions of the Regulations that are currently published in draft and FINAL CONFIRMATION in Shetland’s Integration Scheme;
- 2.4 APPROVE proposals for an interim combined Community Health and Social Care Committee for Shetland as set out in paragraphs 3.71 through to 3.76 with a view to implementation in August 2014;
- 2.5 NOTE that further detail regarding the work required to meet the requirements of the Act is set out in Shetland’s Joint Commissioning Strategy and Integration Plan for Community Health and Social Care (the “Partnership Agreement”) 2014/15 which is also on the agenda for this meeting for approval, and that the Strategy and Integration Plan for future years will be informed by the outcome of the final approved Integration Scheme;
- 2.6 NOTE that a Transition Programme led by the Council’s Director of Corporate Services on behalf of both organisations has been established to co-ordinate and link a number of projects and work streams to ensure the successful implementation of Shetland’s chosen model for health and social care integration to meet the deadlines set by the Scottish Government. The programme uses PRINCE2 methodologies with the programme manager reporting directly to the Chief Executives of the Council and the Health Board; and
- 2.7 APPROVE proposals for the Health and Social Care Integration Project Board to become the senior stakeholder group for the programme with additional membership to be determined by partner organisations in line with PRINCE2 standards.

3.0 Report

- 3.1 The report stated that the Scottish Government has introduced legislation that requires the creation of a Health and Social Care Partnership (H&SCP) in each local authority area across Shetland. These new H&SC partnerships will replace CHPs and Community Health and Care Partnerships (CHCPs) and will deliver integrated

health and social care services reporting to a joint accountable officer.

- 3.2 Shetland's CHCP has a single management structure for much of the business of the CHCP. The CHCP has set up a project to develop this further to improve outcomes, make efficiencies and anticipate the changes pending at a national level.
- 3.3 A number of stakeholder events were held and there have been discussions with management groups and staff regarding options for changes to the committee and management arrangements.
- 3.4 This report presented an options appraisal of the governance models for integration of a H&SCP for Shetland to meet the requirements of the Public Bodies (Joint Working) (Scotland) Act 2014, with the Body Corporate model recommended as the preferred model for health and social care integration in Shetland.
- 3.5 The options are confined to adult community health and social care. It is recognised that further work is needed to look at options for integrating children's services. There are advantages and disadvantages associated with each option.
- 3.6 There is a lot of detailed work that must be done between now and April 2015 irrespective of the model that is chosen. It is important to allocate resources to undertake work in the following areas:
 - Governance
 - Service management and development
 - Financial management including issues of VAT and insurance
 - Asset management
 - Risk management
 - Information management and data sharing
 - Performance management
 - Training and CPD

As integrated partnership arrangements are developed, mechanisms for managing business will need to change. The new partnership model will require changes to strategy and policy development and the budget setting cycles as well as the overall governance arrangements. There will also need to be changes to a range of practical operational arrangements e.g. risk management, financial reporting, communication, consultation and standing orders.

- 3.7 There will be £66,140 allocated by the Scottish Government to NHS Shetland in July 2015 to support the implementation project. It is proposed that the funding is used to support additional resources to work on projects that will lead to the successful implementation of the preferred model for Shetland on time. The projects are being co-ordinated through a work programme led by the Council's Director of Corporate Services.
- 3.8 A decision on the preferred model for Shetland is required to avoid a solution being imposed by the Scottish Government.

- 3.9 The implementation of interim arrangements, in particular a combined concurrent committee model, would pave the way towards integration and would be a valuable step towards the implementation of either a body corporate or a delegated model.
- 3.10 Copies of the report have been previously circulated, or can be accessed via the Council's website at the link shown, or by contacting Committee Services.
- 3.11 The Chairs 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:

Cecil Smith, Chair of Social Services Committee
Gary Robinson, Chair of Policy and Resources Committee
19 June 2014

List of Appendices

None

Background documents:

Report No. CRP-08-14-F

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16378>

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16449>

END



Shetland Islands Council

2 July 2014

Chair's Report – Harbour Board – 27 May 2014

Report No. SIC-0702-PH13

Capital Spending – Solan/Bonxie

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendation from the Chair of the Harbour Board in relation to a report requiring a Council decision.
- 1.2 The Board was presented with a report recommending that the Council RESOLVE to approve £16,000 from capital budget, approved in the 2013/14 budget year, is carried forward into the 2014/15 year to cover the committed expenditure currently identified to bring the tugs to a fully operational state.
- 1.3 The Board approved the recommendation.

2.0 Decision Required

- 2.1 That the Council RESOLVE to adopt the recommendation from the Harbour Board that £16,000 from capital budget, approved in the 2013/14 budget year, is carried forward into the 2014/15 year to cover the committed expenditure currently identified to bring the tugs to a fully operational state.

3.0 Report

- 3.1 All the build problems with both Solan and Bonxie have now been identified and resolved, or currently being resolved, however until the vessels are fully in service and proven there is still potential for further unforeseen expenditure on resolving software issues due to the length of time that the vessels have been out of operation. It is imperative to bring the tugs into an operational state as a matter of urgency so any additional currently unforeseen expenditure will be reported as part of ongoing budget monitoring to future Harbour Board meetings, if it is deemed necessary to undertake any further works.
- 3.2 Officers recommend that £16,000 be carried forward from 2013/14 to cover the committed expenditure currently identified to bring the tugs to a fully operational state.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Ms A Manson, Chair of the Harbour Board
17 June 2014

List of Appendices

None

Background documents:

Harbour Board – 27 May 2014

www.shetland.gov.uk/coins/Agenda.asp?meetingid=4368

END



Shetland Islands Council

2 July 2014

Chair's Report – Development Committee – 16 June 2014

Report No. SIC-0702-DV027

Statement of Intention for Protecting Shetland's Marine Environment

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendation from the Chair of the Development Committee in relation to a report requiring a Council decision.
- 1.2 The Statement of Intention for Protecting Shetland's Marine Environment was presented to Committee on 16 June for approval. It was noted however, that a minor change to the Statement previously agreed at Committee had not been made. This change has since been made, and the completed version of the Policy Statement can be accessed through the link below.

2.0 Decision Required

- 2.1 That the Council RESOLVES to approve the completed Statement of Intention for Protecting Shetland's Marine Environment.

3.0 Report

- 3.1 The draft Statement of Intention was drawn together for the purpose of making Shetland's views on the value of our marine environment clear. An initial discussion at the Development Committee on 22 January 2014 [Min Ref 03/14] set up a consultation phase on the policy which has been completed successfully. All organisations that responded did so favourably and some made suggestions for minor improvements, which have been included. A completed version of the policy was put before the Fisheries and Aquaculture Support Group on 1 April 2014 and was agreed with no further changes. Having an agreed Statement of Intent for Protecting Shetland's Marine Environment will place the Council in a stronger position when discussing marine policy development with all levels of Government and potential developers working in the marine environment. The draft Statement has, for

example, helped to inform the marine policy aspects of the Our Islands Our Future debate with the Scottish and UK Governments.

- 3.2 The Statement should be regarded as a political dimension to the successful Marine Spatial Plan that Shetland has in place and which sets out the agreed Council policies for marine development and marine resource use.
- 3.3 The Council is continually engaging with Government and industry on developments in the sea around Shetland. Having an agreed Statement of Intention for Protecting Shetland's Marine Environment, which has been consulted on, will place the Council in a stronger position in such policy discussions.
- 3.4 The Chair will present any further information to the Committee as to the debate or the issues that the Committee considered.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Mr A Cooper, Chair of Development Committee
17 June 2014

List of Appendices

None

Background documents:

Development Committee – 16 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16392>

END



Shetland Islands Council

2 July 2014

Chair's Report – Development Committee – 16 June 2014

Report No. SIC-0702-DV029

Digital Shetland (2014-2017)

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendation from the Chair of the Development Committee in relation to a report requiring a Council decision.

2.0 Decision Required

- 2.1 That the Council RESOLVES to approve the Digital Shetland Strategy 2014-2017.

3.0 Report

- 3.1 The original 'Digital Shetland' strategy document was approved by Development Committee on 22 June 2011 [Min Ref 39/11]. The primary aim of the strategy was the provision of a Point of Presence (PoP) in Lerwick from which telecommunications service providers could access resilient fibre optic backhaul connections to the UK. This has proved to be successful with a number of Service Providers using the PoP to deliver services.
- 3.2 The telecommunications industry is fast moving and ever changing, and a refresh of the original Digital Shetland strategy is required which reflects this.
- 3.3 UK Government and Scottish Government initiatives such as the Broadband Delivery UK (BDUK) programme and the Mobile Infrastructure Plan (MIP) will provide Shetland with the opportunity to access better services. We need a coordinated approach to maximise the benefits locally.
- 3.4 The Digital Shetland strategy will provide focus for future efforts and will ensure that development is done in a coordinated manner with clear objectives.

- 3.5 At Development Committee on 16 June 2014, the Chair informed on the need for clarity from BT and HIE in regard to their proposals to make improvements to broadband in Shetland, and he asked for a schedule of meetings be agreed with BT and HIE to bring this project to a conclusion for reporting to Council on 2 July.
- 3.6 The Chair will present any further information to the Committee as to the debate or the issues that the Committee considered.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Mr A Cooper, Chair of Development Committee
16 June 2014

List of Appendices

None

Background documents:

Development Committee – 16 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16393>

END



Shetland Islands Council

2 July 2014

Chair's Report – Policy and Resources Committee – 23 June 2014

Report No. SIC-0702-DV025

Single Outcome Agreement 2014-15

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendation from the Chair of the Policy and Resources Committee in relation to a report requiring a Council decision.
- 1.2 The Committee was presented with a report which set out the Single Outcome Agreement (SOA) 2014-15, which is recommended to the Council for approval.

2.0 Decision Required

- 2.1 That the Council RESOLVE to adopt the recommendation from the Policy and Resources Committee, namely to adopt and commit to support the delivery of the Single Outcome Agreement 2014 as a partner organisation of the Shetland Partnership.

3.0 Report

- 3.1 Shetland's Single Outcome Agreement 2013-16, which was developed by the Shetland Partnership, details eight outcome areas which describe the shared vision for Shetland.
- 3.2 The outcomes and priorities reflect the Shetland context, the community aspirations from scenario planning and the Scottish Government's objectives for Community Planning.
- 3.3 The Single Outcome Agreement has been updated for 2014-15 to take account of progress on actions, emerging issues and new targets.
- 3.4 During the discussion at Committee, it was noted that in the Corporate Plan the Council has aspirations greater than what is included in the SOA document, with reference made to the targets for Broadband coverage.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Mr G Robinson, Chair of Policy and Resources Committee
23 June 2014

List of Appendices

None

Background documents:

Policy and Resources Committee – 23 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16447>

END



Shetland Islands Council

2 July 2014

Chair's Report – Policy and Resources Committee – 23 June 2014

Report No. SIC-0702-SR11

Clickimin Path Upgrade

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendation from the Chair of the Policy and Resources Committee in relation to a report requiring a Council decision.
- 1.2 The Committee was presented with a report that set out the Clickimin Path upgrade project, whereby the paths surrounding the Clickimin Loch and proposed new Anderson High School (AHS) will be upgraded partly using funding granted by Sustrans.

2.0 Decision Required

- 2.1 That the Council RESOLVE to adopt the recommendation from the Policy and Resources Committee, namely to accept the Sustrans funding on offer for this project and approves the project implementation.

3.0 Report

- 3.1 The new Anderson High School project includes a requirement to upgrade some of the path network at Clickimin, for which budgetary provision is included within the new AHS project budget. To upgrade all of the paths at Clickimin was outwith the scope of the new AHS project, however the Scottish Futures Trust confirmed that the budgetary provision could be used as match funding for a bid to Sustrans to allow the Council to upgrade all paths at no additional cost to the Council.
- 3.2 Sustrans Scotland is a charitable organisation which works closely with communities, the Scottish Government, local authorities and other partners to ensure that the people of Scotland have access to a network of safe walking and cycling routes.

- 3.3 Sustrans Scotland have approved a funding request from the Council for £0.5 million towards upgrading 1.5km of paths surrounding the Clickimin Loch. Match funding from the AHS project was agreed so that all the paths around the Loch could be upgraded to current design standards. A condition of the New AHS planning application may be that the paths should be upgraded so the opportunity to utilise this funding source was taken.
- 3.4 The paths to be upgraded are from Westerloch to the Leisure Centre and from the Tesco roundabout right up past the Leisure Centre to the proposed new roundabout at North Lochside.
- 3.5 The paths will be upgraded to 3m wide with a smooth tarmac surface. New lighting along the entire length of the path will be installed. New monitoring equipment will be installed to gather accurate data on pedestrian and cyclists using the path. It is hoped the funding can include planting in the area, benches and interpretive boards.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Mr G Robinson, Chair of Policy and Resources Committee
23 June 2014

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None

Background documents:

Policy and Resources Committee – 23 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16454>

END



Shetland Islands Council

2 July 2014

Chair's Report – Policy and Resources Committee – 23 June 2014

Report No. SIC-0702-F-030

Shetland Islands Council Medium Term Financial Plan

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendation from the Chair of the Policy and Resources Committee in relation to a report requiring a Council decision.
- 1.2 The Committee was presented with the Medium Term Financial Plan (MTFP), which set out the roadmap for Shetland Islands Council to achieve financial sustainability over the term of this Council and to align resources in accordance with the priorities of Members.
- 1.3 The plan asks Members to build upon the progress already made towards reducing expenditure, by agreeing the policies contained within the MTFP in order to allow the Council to develop a sustainable financial model that will ensure that the current level of reserves can be maintained into the future.

2.0 Decision Required

That the Council RESOLVE to adopt the recommendation from the Policy and Resources Committee, namely to adopt the Medium Term Financial Plan by:

- 2.1 Approving the principles of the plan and the assumptions underlying the plan set out in Section 2.1 to 2.12 of Appendix 1;
- 2.2 Approving the continuation of the budget carry forward scheme as set out in section 2.13 to 2.18 of Appendix 1;
- 2.3 Approving the continuation of the policy of external funding as set out in section 2.19 to 2.21 of Appendix 1;
- 2.4 Approving the continuation of the principle of making spend to save funding available to assist with the budget savings work as set out in section 2.22 to 2.24 of Appendix 1;

- 2.5 Approving the continuation of the Economic Development loans scheme as set out in section 2.25 of Appendix 1;
- 2.6 Approving the proposed reserves policy as set out in section 5.12 to 5.13 which is to maintain the capital value of the reserves in real terms into the future;
- 2.7 Approving to make no adjustment in 2013-14 to the value of the Reserves Equalisation Fund as set out at section 5.15 to 5.18 of Appendix 1;
- 2.8 Approving the proposed capital expenditure policy and capital funding policy as set out at section 6.5 of Appendix 1;
- 2.9 Approving the Housing Revenue Account Financial Policy as set out at section 7.6 of Appendix 1;
- 2.10 Approving the budget model as set out at section 11.1 of Appendix 1 which limits net general fund expenditure at £109.147m in 2015-16, and anticipates a limit of £111.186m in 2016-17, £111.742m in 2017-18, £111.258m in 2018-19 and £107.963m in 2019-20;
- 2.11 Approving the Target Operating Budgets for each directorate for 2015-16 to 2019-20 inclusive, as set out at Section 12.11 of Appendix 1;
- 2.12 Approving the principle of seeking to maximise income from fees and charges as set out at section 12.15 to 12.18 of Appendix 1;
- 2.13 Approving to continue the freeze on Council Tax in 2015-16 and in principle for the medium term;
- 2.14 Approving the proposal to grant delegated authority to the Chief Executive to invoke contingencies measures if required, as set out in section 13.4 of Appendix 1; and
- 2.15 Approving the policy around consultation as set out in section 14 of Appendix 1.

3.0 Report

- 3.1 In order to provide Members with assurance over the robustness of the Medium Term Financial Plan, SOLACE Enterprises undertook a short independent review of the financial modelling that underpins the plan during 2013-14, which they concluded was realistic and deliverable. There have been no changes to the financial model during the update of the current version of the plan.

- 3.2 This Medium Term Financial Plan sets out the action that needs to be taken in order to ensure that the Council achieves a financially sustainable budget. In doing so, it will safeguard the future service provision, ensuring that there are reserves available to sustain an enhanced level of public services in Shetland.
- 3.3 The plan follows on from the work already undertaken that resulted in the 2014-15 budget being approved on 11 December 2013, which included budget reductions of £6.539m for the year.
- 3.4 There are minimal changes in this plan overall, but the changes that have been introduced have been designed to further strengthen the financial management arrangements in place at the Council, particularly in the area of reserves management and the cost of capital.
- 3.5 The Council has now formally adopted its Corporate Plan and the proposals in the Medium Term Financial Plan compliment that plan and target resources to ensure that it can be delivered.
- 3.6 The medium term future of UK Public Finance remains bleak, but by following this plan the Council will be in a far stronger financial position than it has been for many years, and will be well placed to deal with the financial challenges of the future.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Mr G Robinson, Chair of Policy and Resources Committee

23 June 2014

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None

Background documents:

Policy and Resources Committee – 23 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16446>

END



Shetland Islands Council

2 July 2014

Shetland College Fees 2014/15

Report No. SIC-0702-SCB067

Joint Chair's Report – Shetland College Board 29 May 2014 & Policy and Resources Committee 23 June 2014

1.0 Summary

- 1.1 The purpose of this report is to consider recommendations from the Chairs of the Shetland College Board and Policy and Resources Committee in relation to a report requiring a Council decision.
- 1.2 The Board and Committee considered a report presenting the proposed fees for the academic session 2014/15 (attached as Appendix 1).

2.0 Decision Required

That Shetland Islands Council

- 2.1 RESOLVE TO APPROVE the course fees for Academic Session 2014/15.

3.0 Report

- 3.1 The report stated that whilst some of the College's course fees were set by the awarding body – the Scottish Qualifications Authority and UHI – centrally, the College reviews the course fees it can set on an annual basis. In line with national benchmarks and ongoing budgetary constraints, course fees which can be set by the College have been increased by 10% for 2014/15 to try to ensure that the College covers its operation costs. Historically fee increases have been levied below the rate of inflation, but given the financial pressures facing the College in 2014/15 and beyond, it is felt that this increase on a number of courses represents catch-up.
- 3.10 Copies of the report have been previously circulated, or can be accessed via the Council's website at the link shown, or by contacting Committee Services.

- 3.11 The Chairs 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:

Peter Campbell, Chair of Shetland College Board
Gary Robinson, Chair of Policy and Resources Committee
19 June 2014

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Appendix 1 – Shetland College Fees 2014/15

<http://www.shetland.gov.uk/coins/viewDoc.asp?c=e%97%9Dc%97p%7F%90>

Background documents:

Report No. SCB067-F

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16342>

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16458>

END

SHETLAND COLLEGE COURSE FEES 2013/14

£

2014/15

FE Fees set by Funding Council:

<i>FE Full-Time</i>	1008	
<i>FE Part-Time per 40 hour module</i>	56.40	

HE Fees set by Funding Council (for students living in Scotland or EU):

<i>Degree - New Students from 2006/07</i>	1820	
<i>HN Full-Time (8 Modules or 15 HN Credits)</i>	1285	
<i>HE Part-Time per Module (Degree) (unstructured per 15 credit module)</i>	161	
<i>HE Part-Time per Module (Degree) (unstructured per 20 credit module)</i>	215	
<i>HN Part-Time per HN Credit</i>	86	

Other Courses:

<i>Alternative to Higher English (3 modules)</i>	169.20	
<i>Assessor Awards</i>	765	
<i>Care Higher</i>	360	
<i>College Certificate Computer Aided Draughting and Design</i>	100	
<i>Early Years Higher</i>	360	
<i>Fish and Shellfish</i>	145	(10 weeks course plus weekly charge for ingredients)
<i>Introduction to Counselling</i>	275	
<i>Maths Int 1</i>	360	
<i>Maths Int 2</i>	360	
<i>Meat and Poultry</i>	145	(10 weeks course plus weekly charge for ingredients)
<i>Preparing for Christmas</i>	55	(3 weeks course plus weekly charge for ingredients)
<i>Professional Development Award (HN Credit cost x Number of Credits)</i>	0	
<i>PDA's in Business & Management (3 credits)</i>	258	
<i>PDA's in Business & Management (4 credits)</i>	344	

<i>Psychology Higher</i>	360	
<i>Psychology Intermediate 2</i>	360	
<i>Social Care HNC (9 x HN unit plus SVQ 3 Social Work at prevailing SLA Rate)</i>	774	(plus SVQ 3 Social work charged as SVQs SLA below)
<i>Sweets and Puddings</i>	145	(10 weeks course plus weekly charge for ingredients)

Evening Classes

<i>Classes of 20 hour duration (non-certificated) (£4/hr)</i>	80	
<i>Classes of 40 hour duration (non-certificated) (£4/hr)</i>	160	
<i>Hospitality courses have smaller grp sizes so calculated at higher rate ph</i>		

Room Hire

<i>Half day</i>	77	
<i>Full day</i>	115	
<i>VC Suite (arrange through Bob Brandie)</i>	77	per hour during working hours
<i>VC Suite (arrange through Bob Brandie)</i>	115	per hour outside working hours

SVQs

<i>Registered Managers Award</i>	2600	
<i>SVQ4 Care</i>	2600	
<i>SVQ2 Care - Skillseekers (6xFE unit cost + £1625)</i>	1963.4	
<i>SVQ2 Care (not Social Work dept)</i>	1625	
<i>SVQ2 Childcare Learn & Dev (underpinning knowledge & IV)</i>	550	
<i>SVQ2 Childcare Learn & Dev (Lerwick based - Full Award)</i>	1575	
<i>SVQ2 Childcare Learn & Dev (outwith Lerwick - Full Award)</i>	1890	
<i>SVQ3 Childcare Learn & Dev (underpinning knowledge & IV)</i>	550	
<i>SVQ3 Childcare Learn & Dev (full award)</i>	2050	
<i>SVQ4 Childcare Learn & Dev (full award)</i>	2050	

SVQ2 Childcare Learn & Dev - Skillseekers (6xFE units + £1625)	1963.4	
SVQ2 STLS (Classroom Assistants)	540	
SVQ Professional Cookery (Hospitality)	2600	
SVQ 1 Food Prep & Cooking	690	(new 2009/10)
SVQ2 Food & Drink	2600	
SVQ (2/3/4) Business & Administration	1300	
SVQ4 Management	1300	
SVQ5 Management	1300	
SVQs IT	1950	
SVQs Construction	2435	
SVQ2 Plant Operative	1530	
SVQ Roads and Streetworks (through Train Shetland)	485	
SVQ2 Social Work (SIC Social Work department)		charged by Admin Manager as part of monthly journal for SLA
SVQ3 Social Work (SIC Social Work department)		charged by Admin Manager as part of monthly journal for SLA

European Computer Driving Licence

Level 1 Open Learning (includes materials - no classes)	145	
Level 1 All Inclusive (materials and drop in classes)	215	
Level 2 Open Learning (includes materials - no classes)	200	
Level 2 All Inclusive (materials and drop in classes)	260	
Level 1&2 Combined Registration and Tests Only (no materials provided)	220	
Level 1&2 Combined Open Learning (includes materials - no classes)	290	
Level 1&2 Combined All Inclusive (materials and drop in classes)	445	

Advanced European Computer Driving Licence - per unit

<i>Registration and Tests Only (no materials provided)</i>	115	
<i>Open Learning (includes materials - no classes)</i>	205	
<i>Drop in Classes (includes materials)</i>	245	



Shetland Islands Council

2 July 2014

Chairs' Report:

Audit Committee -18 June 2014

Policy and Resources Committee – 23 June 2014

Report No. SIC-0702-IP11

Assurance and Improvement Plan Update 2014-17

1.0 Summary

- 1.1 The purpose of this report is to consider the recommendations from the Chairs of the Audit Committee and Policy and Resources Committee in relation to a report requiring a Council decision.
- 1.2 The Committees were presented with a report which set out the "Shetland Island Council – Assurance and Improvement Plan (AIP) Update 2014-17"
- 1.3 The Audit Committee at its meeting on 18 June considered this report within their remit. Representatives from Audit Scotland were in attendance to answer questions from Members on the content of the AIP.
- 1.4 The Policy and Resources Committee on 23 June considered this report within their remit. During the discussion, it was agreed that further explanation was required on why the status of the "Community Engagement" action has moved from Green back to Amber.

2.0 Decision Required

- 2.1 That the Council RESOLVE to adopt the recommendations from the Audit Committee and Policy and Resources Committee, namely to note the contents of the Assurance and Improvement Plan Update.

3.0 Report

- 3.1 Overall the 2014-17 AIP confirms steady progress by the Council across the full range of Best Value areas required for sound and effective organisational management. There are now no areas characterised as "scrutiny required" compared to Shetland Islands Councils 8 "Red Cards" in 2010.

- 3.2 At the same time Service delivery performance has continued to be sound with almost all service areas achieving the “no scrutiny required status”. That includes significant new developments in Police and Fire arrangements and Health and Social care integration.
- 3.3 There remain however areas where the Local Area Network (LAN) feel there is some uncertainty. In the area of Housing they noted that the Council is still working towards the Scottish Housing Quality Standard and Audit Scotland will continue to monitor the progress of this, as well as progress made by the Council since the scrutiny work performed by the Scottish Housing Regulator.
- 3.4 The AIP acknowledges that the Council has made good progress during the year in developing its performance management arrangements as part of its Planning and Performance Management Framework. The Council revised its Standing Orders during 2013 although risk management arrangements are continuing to develop. On this basis, the LAN has concluded that no specific scrutiny is required in relation to performance management and governance and accountability, but risk management is an area where further information is required in relation to the corporate risk register.
- 3.5 It was reported that in terms of asset management, the Council has agreed a five year investment plan totalling £51.6 million, of which £23.5 is to be funded from reserves. The main development planned for the period to 2017 is the new Anderson High School. The expected cost of the school is £42 million, £28 million of which is being contributed by the Scottish Government. The Council is currently considering external borrowing to fund this project. As this is such a substantial development for Shetland, the LAN has continued to assess asset management as an area for which further information is required.
- 3.6 The AIP states that in the area of procurement, in 2012, internal audit highlighted a number of issues of non-compliance with Standing Orders and a possible breach of EU Regulations. A follow-up exercise by internal audit in January 2014 has highlighted the same weaknesses regarding non-compliance. As previously reported to Audit, parts of the Council need to improve procedures within procurement to ensure that there is full compliance with Standing Orders and other regulations. This area has been assessed as further information required.
- 3.7 In addition to the above, the LAN has assessed financial management, people management, information management, joint working, efficiency, equalities, education, social care services and non-regulated services as 'no scrutiny required'.

4.0 Implications

- 4.1 Detailed information concerning the proposals was 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:

Mr A Duncan, Chair of Audit Committee

Mr G Robinson, Chair of Policy and Resources Committee

23 June 2014

List of Appendices

None

Background documents:

Audit Committee – 18 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16415>

Policy and Resources Committee – 23 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16447>

END



**Special Education and Families Committee
Shetland Islands Council**

**1 July 2014
2 July 2014**

Strategy for Secondary Education in Shetland - Amendment

CS-14-14-F

Report Presented by Director of Children's Services

Children's Services

1.0 Summary

- 1.1 The purpose of this report is to present an amendment to the Strategy for Secondary Education in Shetland. The amended Strategy is attached as Appendix A. On 13 November 2013 Education and Families Committee recommended to Shetland Islands Council a Strategy for Secondary Education in Shetland (Min Ref: E&F 45/13). As part of the Strategy councillors agreed to create an ambitious partnership between Shetland High Schools and the Further and Higher Education sector in Shetland; and agreed to create a Shetland Learning Campus. With respect to the secondary school estate, councillors also agreed to move to statutory consultation on the discontinuation of Secondary 3 and Secondary 4 education at Sandwick Junior High School, Aith Junior High School, Whalsay School, Mid Yell Junior High School and Baltasound Junior High School.
- 1.2 The proposal to discontinue the provision of Secondary 3 and Secondary 4 at Sandwick Junior High School was the first proposal Children's Services put forward for statutory consultation as part of implementing the decisions of 13 November 2013. This statutory consultation took place between 13 February 2014 and 28 March 2014. The resulting Consultation Report was presented to Education and Families Committee and Shetland Islands Council on 9 June 2014. The Consultation Report recommended the discontinuation of Secondary 3 and Secondary 4 education at Sandwick Junior High School. This recommendation was not accepted (Min Ref: SIC 41/14).
- 1.3 Instead the Director of Children's Services was asked to reconsider the way ahead within the Strategy for Education in Shetland and to come forward with a proposal for consultation on Secondary 1 to Secondary 3 and closure for each of the Junior High Schools: Sandwick Junior High School, Aith Junior High School, Whalsay School, Mid Yell Junior High School and Baltasound Junior High School, and to bring back a report to Education and Families Committee and Shetland Islands Council before the recess which included a revised timetable.

2.0 Decision Required

- 2.1 I recommend that Education and Families Committee RECOMMEND that Shetland Islands Council RESOLVE to approve the following recommendations as outlined in the amended Strategy for Secondary Education, Appendix A.
- 2.2 In approving the amended Strategy, statutory consultations will be carried out on secondary education provision in Shetland as set out below. The Council delegates the implementation of these resolutions to the Director of Children's Services.

Actions:

- a) Children's Services progresses statutory consultation on the options of the proposed closure of Mid Yell Junior High School Secondary Department, or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in September 2014 with a proposed transfer date for pupils of August 2016 to the new Anderson High School, or as soon as possible thereafter;
- b) Children's Services progresses statutory consultation on the options of the proposed closure of Whalsay School Secondary Department, or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in September 2014 with a proposed transfer date for pupils of August 2016 to the new Anderson High School, or as soon as possible thereafter;
- c) Children's Services progresses statutory consultation on the options of the proposed closure of Baltasound Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in August 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter;
- d) Children's Services progresses statutory consultation on the options of the proposed closure of Aith Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in October 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter;
- e) Children's Services progresses statutory consultation on the options of the proposed closure of Sandwick Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in October 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter.

3.0 Detail

- 3.1 On 13 November 2013, Children's Services presented a Strategy for Secondary Education in Shetland to Education and Families Committee and to Shetland Islands Council. This work was the culmination of a comprehensive look at the current secondary education provision in Shetland which began with councillors' request to Children's Services in February 2012, to 'Refresh of the Blueprint for Education' proposals.
- 3.2 Children's Services reported back to Councillors on this work on 20 September 2012 in the Blueprint for Education 2012-2017 report. At that meeting Shetland Islands Council approved a Statement for Education 2012-2017, a set of Commitments for Education 2012-2017 and a Plan for Delivering Education 2012-2017. The Statement for Education in Shetland 2012-2017 and the Commitments for Education 2012-2017 were agreed by Shetland Islands Council and remain Shetland Islands Council policy.
- 3.3 With respect to the future of secondary education the Plan for Delivering Education 2012-2017 which was agreed at that time comprised of a number of statutory consultations proposing changes to the secondary school estate.
- 3.4 As a result of the development of the Senior Phase of Curriculum for Excellence and community concerns about the agreed proposals, Children's Services put forward amendments to the secondary proposals agreed in the Blueprint for Education 2012-2017, to Education and Families Committee, and a special meeting of Shetland Islands Council on 11 September 2013. These proposed changes: The Next Steps, were put forward to avoid transitions between schools during a child's secondary education, if at all possible and, where they were unavoidable, due to Shetland's geography, manage them carefully.
- 3.5 However, on 11 September 2013, Shetland Islands Council resolved to postpone a decision on the proposed revisions to the Education Blueprint in order to allow five alternative options outlined at the Education and Families Committee meeting on 11 September 2013, to be investigated. These options were:
- the extant Blueprint recommendations (including revisiting the successful motions made in September 2012);
 - the "Blueprint Next Steps" recommendations;
 - a Telepresence driven model, where some teaching time could be replaced by having a teacher transmit lessons to a number of sites;
 - a Hub and Spoke model (setting out the options for both one and two hubs); and
 - retaining the status quo for the secondary school estate within the Medium Term Financial Plan.
- 3.6 In addition, clarification would also be provided on a federated schools model.
- 3.7 This work resulted in the comprehensive Strategy for Secondary Education Report which was presented to Education and Families Committee and Shetland Islands Council on 13 November 2013.

- 3.8 Between 11 September 2013 and 13 November 2013, the detail of each potential option for the delivery of secondary education in Shetland was developed.
- 3.9 In addition, an independent educational expert, Professor Don Ledingham, was engaged to recommend a way forward, taking account of all the information which had been gathered on each option.
- 3.10 The recommendations in the Strategy for Secondary Education Report were from Professor Don Ledingham, and were as follows:
- a) Create an ambitious partnership between Shetland High Schools and the Further and Higher Education sector in Shetland;
 - b) Create a Shetland Learning Campus;
 - c) Rationalise secondary education provision in Shetland, by moving to statutory consultation on the proposed closure of Aith Junior High School Secondary Department and Sandwick Junior High School Secondary Department; and the proposed discontinuation of Secondary 3 and Secondary 4 provision at Baltasound Junior High School, Mid Yell Junior High School and Whalsay School.
- 3.11 On 13 November 2013, Shetland Islands Council agreed to create an ambitious partnership between Shetland High Schools and the Further and Higher Education sector in Shetland, and they agreed to create a Shetland Learning Campus. However they did not agree to the proposed programme of rationalisation of secondary education as presented.
- 3.12 Instead of approving statutory consultation on the proposed closure of Aith Junior High School Secondary Department and Sandwick Junior High School Secondary Department, they instructed Children's Services to consult on the discontinuation of Secondary 3 and Secondary 4 in these secondary departments as well as in Whalsay School, Mid Yell Junior High School and Baltasound Junior High School.
- 3.13 The proposal to discontinue the provision of Secondary 3 and Secondary 4 at Sandwick Junior High School was the first proposal Children's Services put forward for statutory consultation as part of implementing the decisions of 13 November 2013. This statutory consultation took place between 13 February 2014 and 28 March 2014. The resulting Consultation Report was presented to Education and Families Committee and Shetland Islands Council on 9 June 2014. The Consultation Report recommended the discontinuation of Secondary 3 and Secondary 4 education at Sandwick Junior High School. This recommendation was not accepted.
- 3.14 Instead, the Director of Children's Services was asked to reconsider the way ahead within the Strategy for Education in Shetland and come forward with a proposal for consultation on Secondary 1 to Secondary 3 and closure for each of the Junior High Schools: Sandwick Junior High School, Aith Junior High School, Mid Yell Junior High School, Baltasound Junior High School and Whalsay School, and to bring back a report to Education and Families Committee and Shetland Islands Council before the recess which includes a revised timetable.

3.15 In presenting the way forward, Children's Services has taken account of the following:

- The Strategy for Secondary Education Report presented to Shetland Islands Council on 13 November 2013, including the informal consultation feedback which informed that Report;
- The responses, both oral and written to the statutory consultation on the Proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School;
- Education Scotland's Report on the Educational Aspects of the Proposal to Discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School;
- The developing work of the Shetland Learning Partnership Project;
- The final Report of the Wood Commission published on 3 June 2014.

4.0 Implications

Strategic

4.1 Delivery On Corporate Priorities – this report helps to achieve the aims of:

Shetland Islands Council's Corporate Plan

Within the Key Actions section of the updated Corporate Plan 2014/17 the actions set out in Section 2 – The Best Possible Start for Every Child, relate directly to the delivery of an amended Strategy for Secondary Education:

- we will implement Curriculum for Excellence in accordance with national timescales and milestones;
- we will undertake a number of statutory consultations under the auspices of the Schools Reconfiguration Project.
- by the end of this Plan we will have reconfigured the school estate to provide the best possible service within the resources available.

In addition, the updated Corporate Plan 2014/17 also makes a number of important commitments to the Shetland community as follows. By the end of the term of the updated Corporate Plan 2014/17 we shall have:

- made the decisions we were required to make, and we will have done that properly, on time and with a proper assessment of risk;
- made many, and sometimes radical, changes in how we provide services, and we will have done that through proper consultation with communities and staff;
- demonstrated that we are providing Best Value in all our services, after having had a successful cross-council review from Audit Scotland;
- made sure that in making any changes we have considered and dealt with equalities, health and human rights issues;
- stuck to the Medium Term Financial Plan and be financially strong;
- made further significant savings by reducing the number of buildings we have.

Shetland Single Outcome Agreement 2013

- Shetland is the best place for children and young people to grow up in;
- People are supported to be active and independent throughout adulthood and in older age;

- Shetland stays a safe place to live, and we have strong, resilient and supportive communities;
- Shetland has sustainable economic growth with good employment opportunities and our people have the skills to match, good places to stay and the transport people and businesses need;
- We have tackled inequalities by ensuring the needs of the most vulnerable and hard to reach groups are identified and met, and that services are targeted at those most in need;
- We deliver all our services in an environmentally sustainable manner to safeguard and enhance our outstanding environment which underpins all our actions and our economic and social well-being;
- We have financial sustainability and balance within each partner; and a better balance between a dynamic private sector, a strong third sector and efficient and responsive public services.

Children's Services Directorate Plan has the following relevant priorities:

- to get it right for every child;
- to demonstrate effective leadership and clear direction for staff and services;
- to achieve improvement within reduced budgets.

In addition Children's Services Directorate Plan set outs the key aims for all its services in 2014-15. The aims relevant to this Proposal are:

- we will deliver our objectives to ensure Shetland Islands Council's Corporate Plan commitments are met;
- we will deliver the best possible service we can which balances access, opportunities and resources;
- we will provide clear and consistent communication to all staff, customers and partners in order to achieve the Directorate's priorities;
- we will ensure staff feel valued and supported particularly through periods of challenge and change;
- we will deliver our budget requirements within Shetland Islands Council's Medium Term Financial Plan.

The Schools/Quality Improvement Service Plan for 2014-15 in turn has the following priority.

"The following statutory consultations will be undertaken in 2014-15: change of stage from Secondary 1-Secondary 4 to Secondary 1–Secondary 2 at Sandwick Junior High School Secondary Department, Mid Yell Junior High School Secondary Department, Baltasound Junior High School Secondary Department, Whalsay School Secondary Department; closure of three Primary Schools i.e. two of the three in Northmavine and commence the statutory consultation on Sandness Primary School. Further consultations will be undertaken in 2015-16 as set out in the Schools Reconfiguration Project Plan."

- 4.2 Community /Stakeholder Issues – in accordance with the Schools (Consultation) (Scotland) Act 2010, Children's Services will consult with all relevant stakeholders/consultees. A full community and stakeholder consultation will be held in line with relevant legal requirements when any closure proposal is taken forward.

- 4.3 Policy And/Or Delegated Authority – in accordance with Section 2.3.1 of the Council's Scheme of Administration and Delegations, the Education and Families Committee has responsibility and delegated authority for decision making on matters within its remit which includes school education. This report is related to the function of an education authority.
- 4.4 Risk Management – Changes to the statutory consultation process will be implemented through the Children and Young People (Scotland) Act 2014. These changes are likely to take effect from 1 August 2014, so careful attention must be paid to these changes in progressing any of the proposed statutory consultations in this Report, should they be agreed. Failure to reduce the net ongoing running costs of the Council carries a significant risk of the Council's financial policies not being adhered to and will require a further draw from Reserves.

There are a wide range of risks associated with this report and these are discussed in detail throughout the attachments with specific summary in Appendix A at Section 5h.

- 4.5 Integrated Impact Assessment – Relevant Integrated Impact Assessments were prepared in respect of these options as part of the work to develop the Strategy for Secondary Education presented on 13 November 2013, particularly those which related the Blueprint Extant model and the Next Steps model. An individual Integrated Impact Assessment would be carried on each option for each junior high school as part of the work to prepare a Proposal Paper.

Resources

- 4.6 Financial – The approved 2013-18 Medium Term Financial Plan includes a savings target of £3.268m for Children's Services. Any agreed option from the Updated Strategy for Secondary Education will contribute to this savings target. Any shortfall would require to be met from within Children's Services.
- Failure to address the shortfall would result in an additional cost pressure on Children's Services.
- The options, as presented in the Updated Strategy for Secondary Education, offer indicative estimated recurring savings of between £670,000 and £1,828,000.
- 4.7 Legal – Pursuant to the Schools (Consultation) (Scotland) Act 2010, any proposal to close a school, or discontinue a stage of education within a school is a 'relevant proposal', and the Council must comply with the statutory consultation process which would be occasioned by the decisions at paragraph 2.1.
- 4.8 Human Resources – Shetland Islands Council's Human Resource policies will be utilised should any proposed closures, or staffing changes go ahead. Children's Services will ensure that consultation with all staff affected and with Trade Unions will be held following any decisions taken.
- 4.9 Assets And Property – Within our commitments there are implications for assets and property regarding the use of buildings. We will ensure that the future use of school buildings will be part of any statutory consultation process.

5.0 Conclusions

5.1 This report presents an amended Strategy for Secondary Education in Shetland. In the light of the amended Strategy for Secondary Education, the recommendations which Shetland Islands Council should adopt in relation to the rationalisation of the secondary school estate are now as follows:

- a) Children's Services progresses statutory consultation on the options of the proposed closure of Mid Yell Junior High School Secondary Department, or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in September 2014 with a proposed transfer date for pupils of August 2016 to the new Anderson High School, or as soon as possible thereafter;
- b) Children's Services progresses statutory consultation on the options of the proposed closure of Whalsay School Secondary Department, or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in September 2014 with a proposed transfer date for pupils of August 2016 to the new Anderson High School, or as soon as possible thereafter;
- c) Children's Services progresses statutory consultation on the options of the proposed closure of Baltasound Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in August 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter;
- d) Children's Services progresses statutory consultation on the options of the proposed closure of Aith Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in October 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter;
- e) Children's Services progresses statutory consultation on the options of the proposed closure of Sandwick Junior High School Secondary Department or the discontinuation of Secondary 4 provision only; statutory consultation on this proposal with its two options would commence in October 2015 with a proposed transfer date for pupils of August 2016 to the new Anderson High School or as soon as possible thereafter.

For further information please contact:

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Report finalised: 23 June 2014

List of Appendices

Appendix A: Amended Strategy for Secondary Education in Shetland

Background documents:

Blueprint for Education 2012 – 2017 CS-19-F, Education and Families 14 September 2012

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=13620>

A Strategy for Secondary Education in Shetland; CS-55-13-F2; Education and Families; 13 November 2013

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=15233>

Proposed Discontinuation of Secondary Three and Secondary Four Education at Sandwick Junior High School – Decision; CS-12-14-F; Education and Families; 9 June 2014

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16334>

END

Shetland Islands Council



Amended Strategy for Secondary Education in Shetland July 2014

"We will ensure the best quality education for all our pupils to enable them to become successful learners, who are confident individuals, effective contributors and responsible citizens. We will achieve this through the highest standard of teaching and learning delivered in modern, well-equipped school buildings which are financially sustainable".

Shetland Islands Council's Statement for Education, September 2012

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Amended Strategy for Secondary Education in Shetland– July 2014 Future Options for the Secondary School Estate in Shetland

Provision of Secondary 1 to Secondary 3 education only, or the closure of the secondary departments of Baltasound Junior High School, Mid Yell Junior High School, Whalsay School, Aith Junior High School and Sandwick Junior High School:

1. Introduction

On 9 June 2014, the proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School was not agreed by Shetland Islands Council. Instead, the Director of Children's Services was asked to reconsider the way ahead within the Strategy for Education in Shetland and come forward with a proposal for consultation on Secondary 1 to Secondary 3 and closure for each of the Junior High Schools: Sandwick Junior High School, Aith Junior High School, Mid Yell Junior High School, Baltasound Junior High School and Whalsay School, and to bring back a report to Education and Families Committee and Shetland Islands Council before the recess which includes a revised timetable. This Strategy Paper needs to be read in conjunction with the Background and Context Paper which is attached as Appendix 1.

In presenting the way forward, Children's Services has taken account of the following:

- The Strategy for Secondary Education Report presented to Shetland Islands Council on 13 November 2013, including the informal consultation feedback which informed that Report;
- The responses, both oral and written to the statutory consultation on the Proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School;
- Education Scotland's Report on the Educational Aspects of the Proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School;
- The developing work of the Shetland Learning Partnership Project;
- The final Report of the Wood Commission published on 3 June 2014.

2. Rationale

The norm for almost all secondary aged children in Scotland is that they will receive all of their secondary education in one establishment from Secondary 1 to Secondary 6. As a result, the secondary stages of Curriculum for Excellence are designed to support this model. This is reflected most clearly in two of the entitlements of all young people within Curriculum for Excellence:

- all young people are entitled to experience a curriculum which is coherent from three to eighteen;
- and all young people are entitled to a Senior Phase.

Children's Services, since proposals for the rationalisation of the school estate were put forward in the Blueprint for Education in 2010, have argued that due to the requirements and entitlements of Curriculum for Excellence, that wherever it is feasible, secondary aged children in Shetland should be educated in a Secondary 1 to Secondary 6 school.

However, it is also accepted that for geographical and financial reasons, access to secondary education Secondary 1 to Secondary 6 in one establishment may not be feasible for all pupils in Shetland and a transition during a young person's secondary education may be unavoidable. Given this context, recent developments in the roll out of the Senior Phase of Curriculum for Excellence have challenged Children's Services to find a transition point which will have the least impact on the smooth progression of pupils through their secondary education.

A number of significant developments have taken place since the Strategy for Secondary Education was presented to Shetland Islands Council on 13 November 2013. These developments indicate that neither the status quo model of Secondary 1 to Secondary 4 junior high departments nor the previous recommendation of Secondary 1 to Secondary 2 junior high school departments would best serve pupils on an educational basis in the future. The most relevant of these developments are outlined below.

a) The Developing Senior Phase within Curriculum for Excellence.

In 2011 the Management Board of Curriculum for Excellence issued a statement of its vision for the future of the Senior Phase of Curriculum for Excellence. The full statement is published on the Education Scotland website. The following extract is key to the development of the amended Strategy for Secondary Education:

"One of the key aims of Curriculum for Excellence is to reduce the quantity of assessment which pupils undertake, particularly in the senior phase. Many schools are planning for the senior phase as a 2 or 3 year experience. The majority of pupils are staying on to at least S5, so it is no longer appropriate to view S4 in isolation or to see presentation for qualifications in S4 as a "given" for each learner in each subject. Schools may well take the opportunity this provides to offer National Courses over 2 years. Bypassing qualifications at National 4 and moving straight to National 5 or Higher is likely to become increasingly common, although this may be a gradual process. It will also be important to ensure that those young people who choose to leave school at the end of S4 or at Christmas of S5 are appropriately catered for in terms of qualifications."

Curriculum for Excellence Briefing Paper 8, published by Education Scotland in 2013, Progression for the Broad General Education to the Senior Phase,

reiterates these requirements, and outlines how some schools have begun to tackle these aspirations as follows:

“Schools are also changing the way they deliver qualifications in order to provide the flexibility to meet personalisation and choice, for example by:

- designing the Senior Phase as a three-year experience rather than planning each year separately, so that individuals can gain **more qualifications at higher levels**, opening up more routes into post school destinations;*
- delivering qualifications over a variable timeframe in response to young people’s needs and prior achievement, for example through programmes which lead to qualifications over one or two years, thereby creating space for **more in-depth learning**;*
- when they are clear that the learner is securely at the level of the intended qualification, developing pathways for able learners which by-pass qualifications at lower levels to allow more time to be spent on **more challenging learning at higher levels**, while covering necessary knowledge and skills from the lower levels;*
- providing appropriate, specific programmes which maximise achievement and attainment for young people planning to leave school after S4;*
- ensuring all young people are aware of, and have the opportunity to meet entry requirements for post-school destinations, including college and university, and also have the qualifications and skills to enable them to progress to further training/and/or employment as appropriate;*
- designing pathways which both ensure young people gain the qualifications they need, and **improve their achievement of a wide range of important personal skills** including those gained through the qualifications.”*

Since 2011 there has been a focus on developing the Senior Phase of Curriculum for Excellence across Scottish schools and it is now being embedded in all secondary provision including in Shetland. Secondary 4 pupils studied and were assessed for the new National Qualifications in 2014 for the first time.

The personalisation and choice (choice in the subjects pupils study) process for Secondary 2 pupils has also developed since the option of Secondary 1 to Secondary 3 provision in isles Junior High Schools was suggested in July 2013 and debated within Shetland communities in October 2013 as part of the informal consultation on the future of secondary education. In the school session 2013/2014, Secondary 2 pupils have been given the opportunity to decide on eleven subjects from across all the curricular areas of Curriculum for Excellence to focus on for their educational programme in Secondary 3.

Pupils’ learning in Secondary 3 will relate strongly to the Experiences and Outcomes at Curriculum for Excellence Level Four with some prior learning for National courses. Aside from English and maths, in most schools, pupils will have two periods of learning in each of these subjects per week (English and maths are allocated four periods per week). This cohort of young people will then select up to seven subjects, most likely from the eleven they have studied

during their Secondary 3, in session 2014/15, and formally commence their study for qualifications, and associated internal and external assessment, in Secondary 4.

This new model for personalisation and choice, which is being replicated across the country in line with Education Scotland guidance and recommendations, underlines the point that the new National Qualifications are organised in a very different way from Standard Grades. They are not two year courses where learning is spread fairly equally between Secondary 3 and Secondary 4, which was the case with Standard Grades. Only some prior learning for national certification is being done in Secondary 3 and this has been reinforced by the new personalisation and choice model described above.

There is scope to co-ordinate this prior learning in Secondary 3 between schools through the Shetland Learning Partnership workstream on creating a common curriculum across all Shetland secondary schools by 2016. Indeed some progress has already been made in this area through collaboration between subject specialists from different schools.

The reality of Curriculum for Excellence is demonstrating that the value of securing an intact Senior Phase for pupils is increasingly apparent so that pupil progression can be assured and a variety of qualifications studied for during that period.

On the ground, in schools across Scotland, Secondary 4 to Secondary 6 will become very much a single entity of learning. In short, National courses are more flexible than their predecessor, increasingly as the Senior Phase is embedded over the next three to five years, some pupils will complete National 4 courses midway through Secondary 4 and then move onto National 5. Other pupils may bypass Nationals and move straight to study for Highers, commencing at the start of Secondary 4 or midway through Secondary 4. This expected flexibility highlights the difficulties with the current junior high school model which uses the end of Secondary 4 as a transition point, and partly accounts for Education Scotland's view in the recent Sandwich Consultation Report that Secondary 1 to Secondary 4 provision in junior high schools is no longer tenable.

Ideally secondary stage pupils should experience an education without transitions. If, however a transition is necessary it should not interrupt the Senior Phase and, ideally, not take place during the Broad General Education. That means that if there is no other option, but for a transition to take place, because of geographical reasons, the end of Secondary 3 is a better option than any other in that it assures both the Broad General Education and the Senior Phase **each** take place in one school setting.

b. The Statutory Consultation Proposal on Sandwick Junior High School, Discontinuation of Secondary 3 and Secondary 4 Education

Formal statutory consultation on the proposal to remove Secondary 3 and Secondary 4 education at Sandwick Junior High School Secondary Department was undertaken earlier in 2014. The consultation period for the proposal ran from Thursday 13 February 2014 until Friday 28 March 2014 and the consultation report was presented to Education and Families Committee and thereafter to Shetland Islands Council on 9 June 2014. Three hundred and sixteen written responses were received on the proposal. The majority of responses disagreed with the proposal (247) with only five responses agreeing with the proposal.

It was clear from the responses that the option of a Secondary 1 to Secondary 2 junior high school department was not popular with respondents whether they were pupils, parents, members of the community or staff.

The recommendation to discontinue stages of education by reducing Sandwick Junior High School Department from Secondary 1 to Secondary 4, to Secondary 1 to secondary 2 was unanimously rejected by both Education and Families Committee and Shetland Islands Council.

c. Education Scotland's Report on the Educational Aspects of the Proposal to Discontinue Secondary 3 and Secondary 4 Education at Sandwick Junior High School

As part of the requirements of the Schools (Consultation) (Scotland) Act 2010 Education Scotland prepared a report on the educational aspects of the Proposal regarding Sandwick Junior High School.

Their Report recognised that Secondary 1 to Secondary 4 provision in junior highs is no longer a tenable position for Children's Services in Shetland. There are clear and strong messages in the Report, on this matter. Education Scotland makes the following points:

"3.2 It is clear from the financial situation and, in order to continue the principles and vision of Curriculum for Excellence, that there is a need for change in the way that education is organised in the Shetland Islands. The council reports that the way that their secondary high schools and junior high schools are arranged is not financially sustainable. Young people are entitled to experience a coherent curriculum from 3 to 18. Anderson High School is currently developing the senior phase further. It is continually developing positive partnerships with a range of businesses, organisations and further and higher educational establishments which is enabling them to provide a more innovative curriculum to meet diverse needs. Young people would benefit from the range of flexible learning pathways better if they had continuous experience of their senior phase from S4 to S6."

And again, in the Summary section at the end of their Report:

"4.1 The council has made a clear case that for, reasons of financial sustainability and the need to develop a coherent senior phase for young

people which meets their diverse needs and aspirations, the current arrangement of providing education for the S1 to S4 stages at Sandwick Junior High School is neither viable nor in the best interests of children and young people.”

However Education Scotland also feel that a clear case for Secondary 1 to Secondary 2 education only, in Sandwick Junior High School being the most appropriate way forward had not been made:

“However, in the consultation proposal, the council has not set out a convincing case that the discontinuation of S3 and S4 at Sandwick Junior High School is the most reasonable and viable option and will deliver clear educational benefits for the children and young people directly affected by it.”
(Page 9)

Education Scotland provides the external scrutiny of the quality of education provided to all pupils in Scottish education. They do not tell local authorities how to deliver education, however they do evaluate the quality and the outcomes all of the school education provided in a local authority.

d. The Shetland Learning Partnership Project

The Strategy for Secondary Education presented to Shetland Islands Council on 13 November 2013 made a number of recommendations aside from those regarding changes to stages of secondary education. These other recommendations, which were approved, were to:

- Create an ambitious partnership between Shetland High Schools and the Further Education and High Education sector in Shetland;
- Create a Shetland Learning Campus.

The above recommendations are being implemented through the Shetland Learning Partnership Project. The main emphasis, in the first stages of this two year project, is to ensure Senior Phase pupils have as wide a range of opportunities, experiences and qualification options, both academic and vocational, as possible. Blended learning options are being discussed between the two local High Schools with Local Colleges of the University of Highlands and Islands with a view to offering, on a pilot basis by summer 2015, an option for some pupils to study for a Higher National Certificate at College during their Senior Phase. It is envisaged that Senior Phase learning opportunities will comprise a wider range of work experiences and volunteering options to complement more traditional forms of learning. More on line learning opportunities will be developed as will more formalised independent learning opportunities. The Shetland Learning Partnership Project is a key strand in developing an exciting Senior Phase for pupils in Shetland to ensure local pupils have, at least as wide a range of opportunities as their peers elsewhere.

The Shetland Learning Partnership project has a number of workstreams underway. The most relevant to the amended Strategy for Secondary Education are:

- Align timetabling across both High Schools and the Further Education sector in Shetland;
- Align the curriculum model at all secondary schools in Shetland to ensure common content, progressions and ease of transition (Secondary 1 to Secondary 3);
- Align the curriculum model across the High Schools Senior Phase and the Further Education Sector;
- Align staffing arrangements across both High schools and the further education sector in Shetland;
- Link employers to the curriculum development of the Senior Phase;
- Establish a Virtual Vocational Academy as an option for Senior Phase pupils. A virtual vocational academy approach will be developed as a pilot partnership between High Schools, Local UHI Colleges and employers with a view to promoting specific options such as engineering and care. The Academy will combine three elements: vocational, business and academic.

The Shetland Learning Partnership Project development has been predicated on the Senior Phase being delivered in the two high schools.

e. Education Working for All! Commission for Developing Scotland's Young Workforce

In June 2014 the much heralded final Report by the Wood Commission was published by the Scottish Government. The Wood Commission was established in early 2013 by the Scottish Government to consider the following:

- How a high quality intermediate vocational education and training system, which complements our world-class education system, can be developed to enhance sustainable economic growth with a skilled work force;
- How to achieve better connectivity and co-operation between education and the world of work to ensure young people at all levels of education understand the expectations of employers, and that employers are properly engaged;
- How to achieve a culture of real partnership between employers and education, where employers view themselves as co-investors and co-designers rather than simply customers.

The Report makes a wide range of recommendations which cover:

- better preparing school leavers for the world of work;
- college education focused on employment and progression in learning;
- Modern Apprenticeships focused on higher level skills and industry needs;
- more employers engaging with education and recruiting more young people;

- advancing Equalities; and
- successful Implementation – success targets.

The recommendations in the Wood Report relating to the Senior Phase, link closely to the work of Shetland Learning Partnership Project, including developing Senior Phase vocational pathways. There is a focus on preparing young people, whilst at school, for employment including championing work place experiences. The Report also places emphasis on schools and colleges working together and ongoing engagement between schools and employers, both key features of the Shetland Learning Partnership Project.

Locally, educationally it is considered that these recommendations are more likely to be achievable if there are fewer secondary departments, particularly the number offering the Senior Phase curriculum. If the status quo in terms of the secondary school estate was to continue, there would be a very real prospect of a two tier model emerging with exciting developments around college courses being built into pupils' education programmes with employers skills utilised in terms of providing vocational advice and employability skills and more work experience opportunities for young people in the Anderson High School and Brae High Schools. Pupils in more remote areas would be unable to access these opportunities as a result of their location and the limited resources within Children's Services directorate.

f. Summary

In summary then, the secondary stages of Curriculum for Excellence should be a smooth, progressive and continuous experience for all pupils, which ensures they attain at the highest possible level at all times. As a consequence then:

- the retention of Secondary 1 to Secondary 4 junior highs schools in Shetland is no longer a tenable position to secure the best possible outcomes for our pupils in Curriculum for Excellence as it creates a split Senior Phase;
- from the statutory consultation feedback on the proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School, the option of a Secondary 1 to Secondary 2 school is not popular, and there is concern over splitting the end of the Broad General Education, and the impact this may have on pupils' smooth progression;
- the Shetland Learning Partnership Project will secure a common curriculum in all Shetland secondaries to ensure transition to another school at the end of Secondary 3, if it has to happen, is as smooth as possible. It will also develop flexible learning pathways for pupils through partnership working with further education and employers. It is not feasible to deliver these opportunities in seven settings.
- the final Report of the Wood Commission strengthens the need for work to develop flexible learning pathways and vocational educational opportunities to secure Scotland's economic future.

3 Amended Strategy for Secondary Education – Proposals

Educationally then, the case for change in the way secondary education is delivered in Shetland is clear. Wherever possible, pupils should experience their secondary education in a Secondary 1 to Secondary 6 school. Where this is not possible, then the point of transition to a different school must be at a time which causes least disruption to pupils' smooth progression through secondary. This is at the end of Secondary 3, at the end of the Broad General Education.

The proposals therefore, for the amended Strategy for Secondary Education resolve to secure this pattern of provision in Shetland through rationalisation of the secondary school estate. All proposed options are closure proposals and require statutory consultation under the Schools (Consultation) (Scotland) Act 2010.

- a) The proposed closure of Mid Yell Junior High School Secondary Department, or the discontinuation of Secondary 4 provision only, with transfer to the new Anderson High School;
- b) The proposed closure of Whalsay School Secondary Department, or the discontinuation of Secondary 4 provision only, with transfer to the new Anderson High School;
- c) The proposed closure of Baltasound Junior High School Secondary Department or the discontinuation of Secondary 4 provision only, with transfer to the new Anderson High School;
- d) The proposed closure of Aith Junior High School Secondary Department or the discontinuation of Secondary 4 provision only, with transfer to the new Anderson High School;
- e) The proposed closure of Sandwick Junior High School Secondary Department or the discontinuation of Secondary 4 provision only, with transfer to the new Anderson High School.

4 Amended Strategy for Secondary Education - Revised Timetable for Statutory Consultations

If the amended proposals for a Strategy for Secondary Education are agreed, the following table outlines how the resulting required statutory consultations would be carried out over the next two years to ensure that all pupil transfers which may result from any decisions can take place for August 2016.

Children's Services already has agreement for a statutory consultation timeline which commences on 19 September 2014, from the previously agreed Strategy for Secondary Education. The other timelines set out in the following table are indicative and are subject to Shetland Islands Council Business Programme for 2015/2016.

Proposed discontinuation of S4 or closure at secondary departments of Mid Yell Junior High School and Whalsay School	19/09/2014 Publish proposal paper and begin statutory consultation period	18/11/2014 Last day of statutory consultation period	16/12/14 End of Education Scotland window	19/01/2015 Publish Consultation Report	09/02/15 Education and Families recommendation 11/02/15 Shetland Islands council decision	08/04/2015 Last date for possible call in (if closure decisions made on 11/02/2015)
Proposed discontinuation of S4 or closure at secondary department of Baltasound Junior High School	August 2015 Publish proposal paper and begin statutory consultation period	Late September 2015 Last day of statutory consultation period	Mid October 2015 End of Education Scotland window	Late November 2015 Publish consultation report	Mid-December 2015 Education and Families recommendation and Shetland Islands council decision	Mid February 2016 Last date for possible call in (if closure decisions made on 18/12/15)
Proposed discontinuation of S4 or closure at secondary departments of Aith Junior High School and Sandwick Junior High School	October 2015 Publish proposal paper and begin statutory consultation period	Early December 2015 Last day of statutory consultation period	Mid January 2016 End of Education Scotland window	Beginning of February 2016 Publish consultation report	Beginning of March 2016 Education and Families recommendation and Shetland Islands Council decision.	Late April 2016 Last date for possible call in (if closure decisions made on 13/05/16)

Each junior high school would have its own proposal paper for statutory consultation. Each proposal paper would contain two options for secondary provision in that setting: a proposal to discontinue Secondary 4 education; and a proposal to close the secondary department.

As each of these secondary proposals affect a rural school, the new preliminary requirements in the Children and Young People (Scotland) Act 2014 will also apply to them. The preliminary requirements are due to come into force from 1 August 2014. These will mean that the Director of Children's Services will have to present a report to Committee outlining the preliminary requirements for each proposal in advance of commencing each statutory consultation. The preliminary requirements require a local authority to demonstrate it has fully considered the closure proposal, its potential impacts, and any reasonable alternatives, prior to moving to statutory consultation.

5 Key Implications of Amended Proposals for the Secondary School Estate

This section outlines the key implications of these proposals for service delivery: both in respect of the provision of Secondary 1 to Secondary 3 education; and the effect of closure of the secondary department.

a) Provision of a Secondary 1 to Secondary 3 Department in a Junior High School

The Curriculum

In all Shetland secondary settings the curriculum for Secondary 1 to Secondary 3 would be common, in accordance with Council policy. It would deliver the following subjects: English, mathematics, a foreign language, science, social subjects, music, physical education, art, home economics, religious and moral

education, information and communications technology, technical subjects and personal and social education.

Support for Pupils

All teachers, as part of their job remit, are expected to provide a degree of support and advice to pupils. Pastoral pupil support would be provided by a designated teacher and the school management team. Support for pupils with additional support needs would be provided by additional support needs staff as at present under the existing Managing Inclusion Guidelines.

Class Group Organisation

Class groups would be organised using nationally agreed class size maximums i.e. up to 30 pupils in a non-practical class group and up to 20 in a practical class group.

In settings where numbers allow, year groups will be composited for both non-practical and practical teaching. There will be a maximum of 25 pupils in such a composite class for non-practical subjects and 20 for practical subjects.

Management Arrangements

Each Secondary 1 to Secondary 3 Junior High School would be managed by a non-teaching Head Teacher supported by one or two principal teachers dependent on the pupil roll. The Principal Teacher(s) would have a 0.5FTE teaching commitment.

Teacher Staffing

The minimum number of teachers required at each of the junior high school settings as a Secondary 1 to Secondary 3 school to deliver the curriculum requirements in a Secondary 1 to Secondary 3 school is illustrated in Appendix 2.

Wherever possible, secondary teachers would be timetabled to teach for at least part of their week in a Secondary 1 to Secondary 6 setting. This would maintain their experience of teaching senior pupils and maintain their knowledge of National Qualification courses. If an individual part-time teacher wished to teach only in a Secondary 1 to Secondary 3 setting, their preference will be accommodated where possible.

b) Closure of a Secondary Department

It should be noted that, in accordance with existing policy, should any of the secondary departments close, the following management arrangements would apply to the remaining primary and nursery departments.

Sandwick

Sandwick would become a primary school with a nursery department and it would have a non-teaching head teacher. The Principal Teacher, Additional Support Needs post currently allocated to the whole school, would remain.

Aith

Aith would become a primary school with a nursery department and it would have a teaching head teacher. With current roll projections taken account of, the teaching head teacher post would carry a 0.45 full-time equivalent, teaching commitment.

Whalsay

Whalsay would become a primary school with a nursery department and it would have a teaching head teacher. With current roll projections taken account of, the teaching head teacher post would carry a 0.45 full-time equivalent, teaching commitment.

Mid Yell

Mid Yell would become a primary school with a nursery department and it would have a teaching head teacher. With current roll projections taken account of, the teaching head teacher post would carry a 0.67 full-time equivalent, teaching commitment.

Baltasound

Baltasound would become a primary school with a nursery department. As it is in a joint management arrangement with Fetlar Primary School it would have a non-teaching head teacher.

c) Financial Aspects

The table below, provides an initial indicative estimate of savings which would accrue from either the closure, or the provision of Secondary 1 to Secondary 3 education only at each existing junior high school.

	2014/15 Budget £000	Estimated Closure Savings/(Costs) £000	Estimated S1-3 Savings/(Costs) £000
Aith	599	377	54
Baltasound*	444	369	279
Mid Yell*	543	466	161
Sandwick	997	635	303
Whalsay	505	415	171
Additional Costs/Transfers	0	(434)	(298)
Total	3,088	1,828	670

* No additional Transport Costs have been included in the closure savings figures for Mid Yell or Baltasound transferring to Anderson High School, as this proposal has not previously been costed.

The above table shows the estimated savings that could be achieved from each proposal, however these figures will vary depending on the outcome of other reviews, for example the Clerical Staffing Review.

Full financial information will be provided if statutory consultation proposals for individual schools are undertaken.

d) The School Estate

Option of Secondary 1 to Secondary 3 Departments

Should provision of Secondary 4 education be removed from any current Junior High School secondary departments there will be little or no impact on running or maintenance costs.

Option of Closure of Secondary Departments

If the areas currently occupied by secondary pupils are vacated while continuing to form part of an active school, there would be a very small reduction in maintenance cost due to a reduction in normal wear and tear, utility use and the like. However, as the services and systems running throughout the school will pass through or are connected to these areas, they will still need inspection, service, testing and planned maintenance.

If a suitable shared use can be identified with an external service partner, the cost of running and maintaining these areas would be included in any agreement and would result in a reduction of costs to the Council.

If the areas currently occupied by secondary pupils are vacated and the building becomes non-operational and can be offered for disposal, then the existing maintenance budget for that building will be removed. However, it would appear that this would only be feasible for Whalsay School Secondary Department.

The other schools contained within this proposal share key services, systems and facilities (such as canteens) with their primary departments that cannot easily be separated.

Consideration should be given as to whether long term running and maintenance costs associated with a largely un-used building outweighed the costs of partial demolition or remodelling.

e) Transport Implications

During previous consultations, the travel implications for children of closing a school, or ending a stage of education, and moving them to another school, have been one of the primary concerns for parents. The main issues raised have been the travel times for children which will arise from any proposal and the quality of the roads over which they will travel. The maximum travelling time for a secondary child of 65 minutes (as far as possible), for a single journey was agreed at Shetland Islands Council on 20 September 2012.

Other Scottish Local Authorities have been contacted to see what their single journey times for secondary pupils were:

- the maximum travel time is 75 minutes;
- the average maximum travel time is 52 minutes;
- ranking travel times highest to lowest, Shetland is placed at Number 2 with a current maximum time of 65 minutes;
- the Western Isles is ranked Number 3 with a time of 60 minutes currently, and a policy allowance for a maximum single journey of up to 80 minutes;
- Orkney is ranked Number 6 with a time of 55 minutes.

All travel requirements, times, and costs, resulting from any proposal, would be looked at in more detail, as part of the statutory consultation process.

There would also be travel implications and expenses for staff redeployed under the Redeployment Policy and the Local Negotiating Committee for Teachers' Transfer Agreement

f) Community Impact

A significant amount of work was undertaken in 2012 to set out the likely effects on the local communities of the Blueprint for Education recommendations. These likely effects are largely unchanged. In summary, it was confirmed that the closure of secondary departments would still leave schools open to provide education for pre-school and primary pupils. Were schools to remain open for

pupils up to the end of Secondary 3, the additional space would potentially release more accommodation for the remaining pupils. Other community users of the school would continue to have access, again with the potential of additional space being available.

The Commission on the Delivery of Rural Education advocates the community use of schools and further, that local authorities, health and other community planning partners actively seek holistic solutions to enhance the viability of rural communities.

It should also be noted that many areas in Shetland have a well equipped, modern public hall and often a swimming pool and leisure centre, which are considered significant community assets.

However, Children's Services has learned from previous consultations, that local communities are fearful that the closure of a school, or any part of a school, will have a detrimental effect. Therefore, in recognition of the deep concerns those communities have about any such proposal, a socio-economic study would always be commissioned, and its findings would be included as part of the Consultation Report.

g) Other Impacts - Assessments

Children's Services will carry out an initial Integrated Impact Assessment on any proposal proceeding to statutory consultation. This Integrated Impact Assessment will then be updated in the light of feedback received during the statutory consultation period.

Children's Services will also commission a Health Impact Assessment on the potential impacts of any school closure proposal. In addition, Shetland Islands Council, as responsible Authority, carried out, under Section 8 of the Environmental Assessment (Scotland) Act 2005, a Strategic Environmental Assessment Gateway screening of the Strategy for Secondary Education agreed on 13 November 2013. The Consultation Authorities agreed with the view that the Strategy for Secondary Education was unlikely to have significant environmental effects. It is not expected that this amended Strategy for Secondary Education presents any different challenges from those outlined in the earlier strategy document.

h) Identified Risks

The following key risks for Children's Services would result from the implementation of the amended Strategy for Secondary Education:

- Children's Services would potentially lose professional staff due to lack of career or promoted opportunities;
- Current agreements on voluntary exits, which apply only to teaching staff in Scotland, may lengthen the timeline for implementation such that the achievable savings take too long to fit in with the Medium Term Financial Plan;

- The level of teaching staff travel, especially for those who do not drive or who do but do not have a suitable vehicle;
- A Transfer Agreement for teachers is now in place however a culture of movement between schools is not currently fully accepted;
- The extent of the required flexibility will have to be defined so that, for example, arrangements are considered for Secondary 4 natural leavers;
- Cross-school arrangements within a common curriculum to secure appropriate prior learning may take time to become embedded.

i) Development and Implementation Costs

The cost of implementing the amended Strategy for Secondary Education will be met mainly from within current resources, and be in relation to the work required on the statutory consultations and subsequent implementation of moving pupils and ensuring staff are treated fairly in accordance with Shetland Islands Council's Human Resources policies. There will be the one-off costs of exit packages. There will also be additional transport and hostel costs; these will be offset against overall savings.

j) Potential Advantages and Disadvantages of Secondary 1 to Secondary 3 Provision in a Junior High School Secondary Department

This section offers an initial assessment of the potential advantages and disadvantages of providing secondary education in a Secondary 1 to Secondary 3 setting.

Advantages	Disadvantages
<ul style="list-style-type: none"> • some pupils can learn in their communities up to the age of 15; • it is potentially easier to use the opportunities of the local environment to support skills development and to make learning relevant; • learning together as an Secondary 1 and Secondary 2 group gives a larger peer group, potentially challenging more able pupils and supporting others; • pupils will be able to experience the whole of their Senior Phase education in one location, joining a 6 year school, and so have access to wider opportunities offered; • when pupils transfer to the Senior Phase in a different school there are greater opportunities to take advantage of developments such as taking qualifications over two years, as the Senior Phase is delivered in one location; • those pupils who wish to leave at the end of Secondary 4 may decide to continue their learning at school in Secondary 5 and Secondary 6, as they will have the opportunity to see their learner pathway planned through to the end of the Senior Phase; • Access to the developments planned as part of the Shetland Learning Partnership. This will include access to HNC and workplace experiences. 	<ul style="list-style-type: none"> • transition from the Broad General Education to the Senior Phase needs to be handled very carefully as key learning will have taken place in Secondary 3 in preparation for the start of the Senior Phase; • there would need to be careful transition support for all pupils; • pupils from Baltasound Junior High School Secondary Department, Mid Yell Junior High School Secondary Department, Whalsay School Secondary Department and some from Aith Junior High School Secondary Department would have to leave home to stay an additional year at the Halls of Residence; • Secondary 1 to Secondary 3 schools are unproven models: there are no national examples; • If a teacher is not in one school for a whole day it results in teacher contact time lost by travel from school to school; • Recruitment of specialist secondary staff may be challenging under this model as there is a perception of “de-skilling” of subject teachers who do not enter pupils for qualifications; • possible risk of a high staff turnover of teachers and prolonged unfilled vacancies; • transfer to a different school for Secondary 4, with a different ethos and different policies may be difficult for some pupils; • It is potentially challenging for teachers who are not used to composite classes to teach to a combined Secondary 1 to Secondary 2 group; • Potential narrowing of pupil choice to ensure continuity for all pupils at point of transition.

k) Potential Advantages and Disadvantages of a Secondary 1 to Secondary 6 School

This section offers an initial assessment of the potential advantages and disadvantages in Shetland, given its geography, of providing secondary education in a Secondary 1 to Secondary 6 setting.

Advantages	Disadvantages
<ul style="list-style-type: none"> • no artificial breaks in secondary school education provision; • no unnecessary transition points; • pupils will experience the Broad General Education, from Secondary 1 to Secondary 3, in full and the Senior Phase, in full, from Secondary 4 to Secondary 6 in the same school, without a transition; • teachers are able to plan for progression in learning for each pupil from Secondary 1 to Secondary 6.; key staff know pupils from Secondary 1; • pupils can build upon opportunities for wider achievement, progressively, from Secondary 1 to Secondary 6; • pupils can experience a rich menu of qualifications in the Senior Phase; • pupils can access vocational pathways, work experience, college or university courses, volunteering, enterprise, leadership development and to work with local industries, throughout Secondary 1 to Secondary 6; • pupils can access the developments planned as part of the Shetland Learning Partnership; • pupils may be more encouraged to continue with their schooling in Secondary 5 and Secondary 6 if there was no mid-secondary transition; • older pupils are able to mentor younger pupils; • pupils are able to experience a continuous ethos and culture from Secondary 1 to Secondary 6; • pupil numbers are large enough to ensure that subject specialists work in departments with other colleagues delivering the same subjects; • staffing arrangements enable a wider range of subjects to be offered. 	<ul style="list-style-type: none"> • educationally, there are no disadvantages to Secondary 1 to Secondary 6 secondary provision, as this is the model adopted by almost all local authorities across Scotland. Any disadvantages, therefore, are in the context of Shetland's geography, which would require travel and accommodation to be provided for some pupils from the age of 12. The extent to which this is seen as a potentially social disadvantage is subjective; • more pupils would be required to stay at the Halls of Residence from Secondary 1 to Secondary 6; • pupils from the islands and some parts of the Shetland Mainland would spend less time learning in their own communities; • potential disruption to family life and community life; • a longer commute for some pupils.

6 Conclusions

The Amended Strategy for Secondary Education outlined in this paper presents a way forward for secondary education in Shetland. In doing so, it takes account of recent national developments in respect of the Wood Commission Report and the roll-out of the Senior Phase of Curriculum for Excellence. It deals with the advice given by Education Scotland in their report on the proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School by offering a way forward for all secondary pupils in Shetland to experience an unbroken Senior Phase, and continuity to the end of their Broad General Education. It takes account of the level of opposition to the Secondary 1 to Secondary 2 model of provision expressed through the consultation on Sandwick Junior High School.

In doing all of this, it also continues to offer an option to rationalise the secondary school estate in such a way as to provide as many pupils as possible with the maximum educational benefit of receiving their secondary education in a Secondary 1 to Secondary 6 school.

The indicative estimated savings, at present, from these proposals range from £670,000 to £1,828,000.

Amended Strategy for Secondary Education in Shetland July 2014

Context and Background Paper

1. Introduction

A successful motion at Shetland Islands Council on 9 June 2014 asked the Director of Children's Services to reconsider the way ahead within the Strategy for Secondary Education in Shetland and to come forward with a proposal for consultation on Secondary 1 to Secondary 3 **and** closure for each of the Junior High Schools: Sandwick Junior High School, Aith Junior High School, Mid Yell Junior High School, Baltasound Junior High School and Whalsay School, and to bring back a report to Education and Families Committee and Shetland Islands Council before the recess which includes a revised timetable.

This Background and Context Paper outlines the work undertaken since 2010 on the secondary school estate in Shetland, and the current policy context for the delivery of secondary education in Shetland.

2. Background

On 13 November 2013, Children's Services presented a Strategy for Secondary Education in Shetland to Education and Families Committee and to Shetland Islands Council. This work was the culmination of a comprehensive look at the current secondary education provision in Shetland which had commenced with councillors' request to Children's Services in February 2012, to 'Refresh of the Blueprint for Education' proposals.

At that time, Children's Services were asked to "undertake a refresh of the Blueprint for Education using existing information, taking account of the outcome of the Commission on the Delivery of Rural School Education deliberations and guidance, when available, considering the implementation of Curriculum for Excellence, the Senior Phase, the National Qualifications range and links with further education/other learning settings and based on the underpinning principles of the Blueprint for Education project of equality, quality and value for money, and taking account all new learning methods and Information Communication Technology links and facilities".

Children's Services reported back to Councillors on this work on 20 September 2012. At that meeting Shetland Islands Council approved a Statement for Education 2012-2017, a set of Commitments for Education 2012-2017 and a Plan for Delivering Education 2012-2017.

The Statement for Education in Shetland 2012-2017 and the Commitments for Education 2012-2017 were agreed by Shetland Islands Council and remain Shetland Islands Council policy.

Shetland Islands Council's Statement for Education 2012-2017 is:

"We will ensure the best quality education for all our pupils to enable them to become successful learners, who are confident individuals, effective contributors and responsible citizens. We will achieve this through the highest standard of teaching and learning delivered in modern, well-equipped school buildings which are financially sustainable".

Shetland Islands Council's Commitments for Education 2012-2017, which took account of the Principles of Education agreed by Councillors for the original Blueprint for Education in March 2009, are:

- Primary Education: we will provide primary education in all our remote isles with pre-school provision as and when required. We will organise primary education in establishments which are viable both educationally and financially sustainable.
- Secondary Education: we will organise education to provide the breadth of curriculum to best develop a young person's skills and particular interests in viable establishments/schools.
- Childcare: it will be developed in line with the Childcare Strategy. We will work with voluntary and private sector providers to secure more integrated and flexible services that meet local need.
- Youth Strategy: we will develop a Youth Strategy for Shetland which encapsulates activities children and young people are involved in across Shetland.
- Catchment Areas: we will consult on any change to a school's catchment area as part of any future statutory consultation process.
- Travel Times: we will organise transport to ensure that, as far as possible, pupils will not travel for longer than the current maximum single journey time in 2011/12.
- Transport: we will ensure School Transport is given high priority.
- Community involvement in Schools: we will work to ensure that: children's community identity is protected, opportunities are put in place for them to be participating in any new school community they are part of and the Youth Strategy is developed to enhance young people's participation in the communities they are part of.
- Use of Buildings: we will ensure that the potential use of school buildings will be part of the statutory consultation process.

With respect to the future of secondary education the Plan for Delivering Education 2012-2017 which was agreed at that time comprised of a number of statutory consultations proposing changes to the secondary school estate. The Plan with respect to secondary, was as follows:

Phase 1

Closure Proposal	Receiving School	Statutory Consultation	Proposed Transfer Date
Aith Junior High School Secondary Department	Anderson High School	2013	August 2014
Skerries School Secondary Department	Anderson High School	2013	August 2014
*Sandwick Junior High School Secondary Department	Anderson High School	2013	August 2016
Whalsay School Secondary Department	Anderson High School	2015	August 2016

*The statutory consultation regarding the proposed closure of Sandwick Junior High School Secondary Department was moved then from Phase 3 to Phase 1 following requests from Sandwick Junior High School Parent Council. This was approved by Education and Families Committee on 23 January 2013 and Shetland Islands Council on 18 February 2013.

As a result of the development of the Senior Phase of Curriculum for Excellence and community concerns about the agreed proposals, Children's Services put forward amendments to the secondary proposals agreed in the Blueprint for Education 2012-2017, to Education and Families Committee, and a special meeting of Shetland Islands Council on 11 September 2013. These proposed changes: The Next Steps, were put forward to avoid transitions between schools during a child's secondary education, if at all possible and, where they were unavoidable, due to Shetland's geography, manage them carefully. The proposals set out below were recommended as the Next Steps option.

- Skerries School Secondary Department proposed closure consultation should progress as planned with the aim of transferring pupils in August 2014 depending on the outcome of the consultation.
- Sandwick Junior High School Secondary Department closure consultation should progress as planned with the aim of transferring pupils to the Anderson High School in August 2016 depending on the outcome of the consultation. If the Anderson High School can accommodate the additional pupils from Sandwick earlier than 2016 that should be supported.

- Aith Junior High School Secondary Department proposed closure consultation should progress as planned with the aim of transferring pupils to the Anderson High School in August 2014 depending on the outcome of the consultation.
- Whalsay School Secondary Department should provide Secondary 1 to Secondary 3 education with pupils transferring to the Anderson High School at the beginning of Secondary 4. Similarly, provision of Secondary 4 education should be discontinued at Mid Yell Junior High School and Baltasound Junior High School, with pupils transferring to the Anderson High School at the start of the Senior Phase. Consultations on the proposed changes should take place during 2014 with the aim of enacting the changes from August 2015. Pupils who could realistically travel daily to Brae High School from Yell within the current maximum journey time of 65 minutes (where possible) should be offered the opportunity to do so.
- The inevitable transition required for the pupils from Whalsay, Mid Yell and Baltasound would comprise small numbers. This means that individual transition arrangements could be developed to ensure progression pathways were achieved. Given the educational imperative to minimise transitions, pupils from Whalsay, Yell, Unst and the Westside (outwith travelling distance) for whom placing requests to the Anderson High School are successfully made prior to Secondary 4, should in future, have their Halls of Residence fees waived.
- The principle of secondary pupils not having to travel more than 65 minutes, wherever possible, for a single journey will be adhered to. Pupils from Yell who can travel to Brae within that timescale will be given the option to either travel daily to Brae High School or attend the Anderson High School and be accommodated in the Halls of Residence. Options to offer pupils who reside in the Halls of Residence more opportunities to go home will be explored. For example, it should be possible to ensure that all Westside pupils who are outwith the 65 minute travel distance leave home on Monday mornings, travel home for one night mid-week (e.g. Wednesday night) and return home again on Friday evenings. They would therefore be away from home three nights per week rather than the anticipated five.

It was very important that those pupils living in Whalsay, Yell and Unst who have to make a secondary school transition due to geographical reasons were not disadvantaged.

However, on 11 September 2013, Shetland Islands Council resolved to postpone a decision on the proposed revisions to the Education Blueprint regarding Whalsay School Secondary Department, Mid Yell Junior High School and Baltasound Junior High School Secondary Department in order to allow five alternative options outlined at the Education and Families Committee meeting on 11 September 2013, to be investigated. These options were:

- the extant Blueprint recommendations (including revisiting the successful motions made in September 2012);
- the “Blueprint Next Steps” recommendations;

- a Telepresence driven model, where some teaching time could be replaced by having a teacher transmit lessons to a number of sites;
- a Hub and Spoke model (setting out the options for both one and two hubs); and
- retaining the status quo for the secondary school estate within the Medium Term Financial Plan.

In addition, clarification would also be provided on a federated schools model.

This work resulted in the comprehensive Strategy for Secondary Education Report which was presented to Education and Families Committee and Shetland Islands Council on 13 November 2013.

Between 11 September 2013 and 13 November 2013, the detail of each potential option for the delivery of secondary education in Shetland was developed. This work included the following for each option:

- a detailed description of how the option would work;
- the staffing implications of the option;
- the transport implications of the option;
- the potential community impacts of the option;
- the findings of an Integrated Impact Assessment on the option;
- the impact the option will have for the school estate;
- the legal implications;
- informal consultation feedback relevant to each option;
- the advantages and disadvantages of each option;
- the identified risks to Children's Services of implementing the option;
- and information on implementation timelines.

In addition, and also at the request of councillors, an independent educational expert, Professor Don Ledingham, was engaged to recommend a way forward, taking account of all the information which had been gathered on each option.

The recommendations in the Strategy for Secondary Education Report were from Professor Don Ledingham, and were as follows:

- a) Create an ambitious partnership between Shetland High Schools and the Further and Higher Education sector in Shetland;
- b) Create a Shetland Learning Campus;
- c) Rationalise secondary education provision in Shetland as set out below. The Council delegates the implementation of these resolutions to the Director of Children's Services.

Actions:

- Children's Services progresses statutory consultation on the proposed closure of Aith Junior High School Secondary Department according to existing Shetland Islands Council policy with a proposed transfer date for pupils of August 2014;

- Children's Services progresses with statutory consultation on the proposed closure of Sandwick Junior High School Secondary Department according to existing Shetland Islands Council policy with a proposed transfer date for pupils of August 2016 or earlier if the existing Anderson High School can absorb the pupils;
- Children's Services undertakes statutory consultation during 2014 on the discontinuation of stages of education in Whalsay School Secondary Department, namely Secondary 3 and Secondary 4, with transfer of pupils to the Anderson High School at the end of Secondary 2; to take effect from the start of the school session 2015/16 onwards;
- Children's Services undertakes statutory consultation during 2014 on the discontinuation of stages of education in Mid Yell Junior High School Secondary Department, namely Secondary 3 and Secondary 4, with transfer of pupils to the Anderson High School at the end of Secondary 2; to take effect from the start of the school session 2015/16 onwards;
- Children's Services undertakes statutory consultation during 2014 on the discontinuation of stages of education in Baltasound Junior High School Secondary Department, namely Secondary 3 and Secondary 4, with transfer of pupils to the Anderson High School at the end of Secondary 2; to take effect from the start of the school session 2015/16 onwards.

On 13 November 2013, Shetland Islands Council agreed to create an ambitious partnership between Shetland High Schools and the Further and Higher Education sector in Shetland, and they agreed to create a Shetland Learning Campus. However they did not agree to the proposed programme of rationalisation of secondary education as presented.

Instead of approving statutory consultation on the proposed closure of Aith Junior High School Secondary Department and Sandwick Junior High School Secondary Department, they instructed Children's Services to consult on the discontinuation of Secondary 3 and Secondary 4 in these secondary departments as well as in Whalsay School, Mid Yell Junior High School and Baltasound Junior High School.

The proposal to discontinue the provision of Secondary 3 and Secondary 4 at Sandwick Junior High School was the first proposal Children's Services put forward for statutory consultation as part of implementing the decisions of 13 November 2013. This statutory consultation took place between 13 February 2014 and 28 March 2014. The resulting Consultation Report was presented to Education and Families Committee and Shetland Islands Council on 9 June 2014. The Consultation Report recommended the discontinuation of Secondary 3 and Secondary 4 education at Sandwick Junior High School. This recommendation was not accepted.

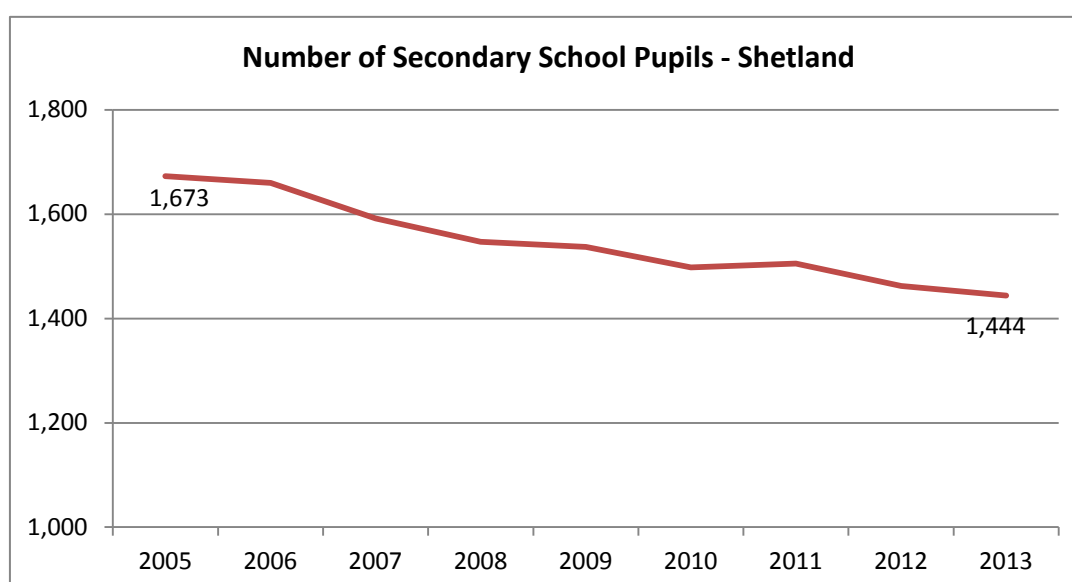
3. Statistics Relating to Secondary Education Provision in Shetland

The following section details a range of statistics relating to Shetland's current secondary education provision in comparison to other similar geographical areas.

School Estate and Secondary School Rolls

	Pupil roll September 2013	Capacity	Capacity Percent
Aith Junior High School	85	120	70.8
Anderson High School	895	1180	75.8
Baltasound Junior High School	18	60	30.0
Brae High School	196	300	65.3
Mid Yell Junior High School	42	90	46.7
Sandwick Junior High School	154	260	59.2
Skerries School	2	18	11.1
Whalsay School	52	96	54.2

Source: Scottish Government Census data 2013



Source: Scottish Government – School Roll figures 2013

Secondary School Estate - Capacity

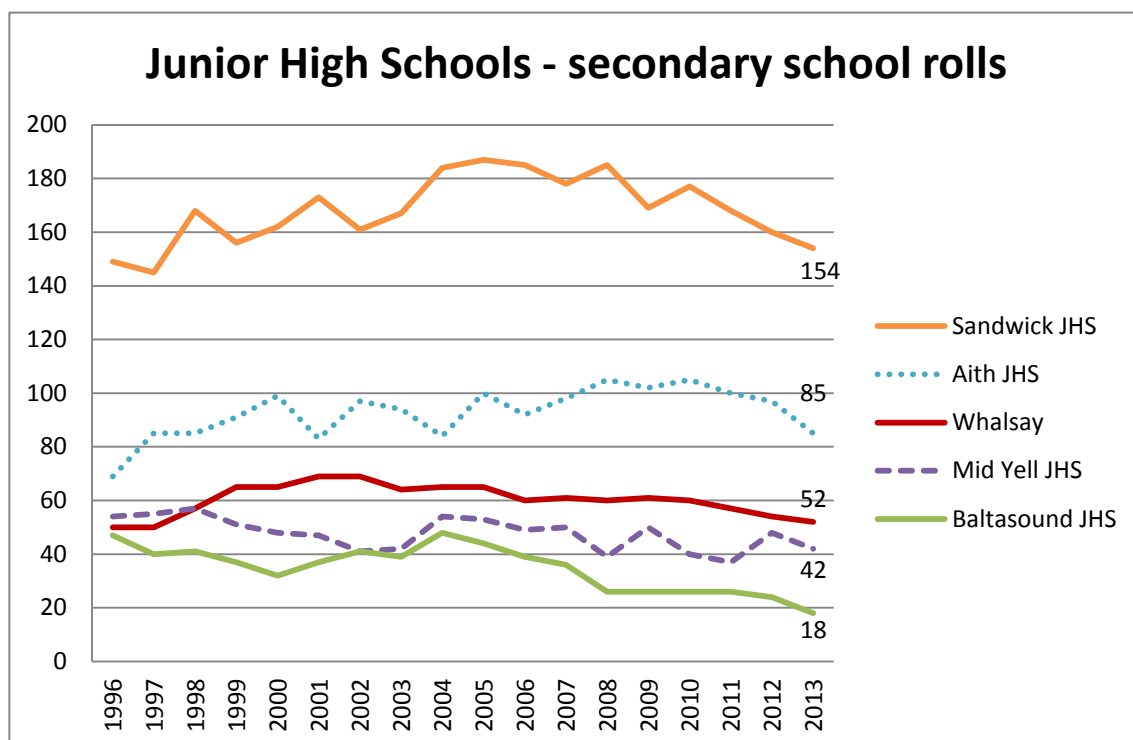
	<50% of capacity	50-<75% of capacity	75-<90% of capacity	90-<100% capacity	>100% capacity
Argyll & Bute	2	6	2	-	-
Eilean Siar	4	1	-	1	-
Orkney Islands	2	2	1	-	-
Shetland Islands*	3	4	1	-	-
Scotland	27	125	112	72	28

Source: Scottish Government – School Estate 2012

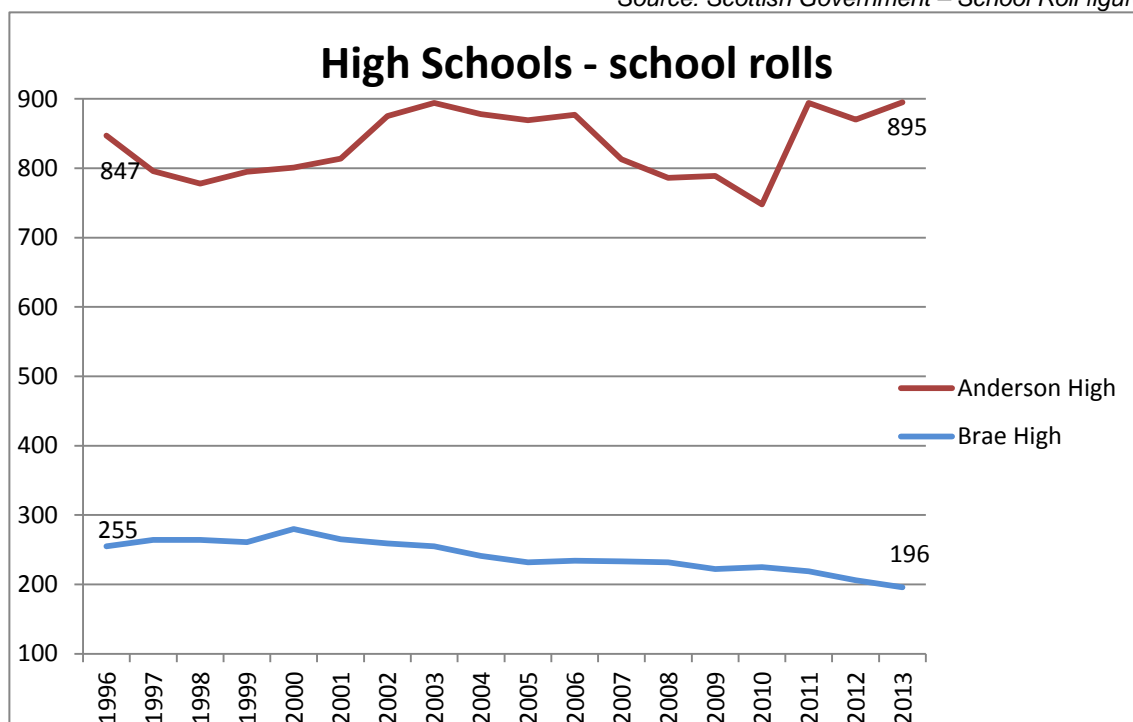
* Shetland figures 2013

Secondary School Cost per Pupil (£)	2010/11	2011/12	2012/13
Argyll & Bute	7,666	7,678	7,757
Eilean Siar	9,869	9,471	9,759
Orkney Islands	9,033	9,468	9,780
Shetland Islands	12,385	12,826	13,657
Scottish Average	6,422	6,321	6,427

Source: Improvement Service Benchmarking (from SG -Local Finance Return 2012/13)



Source: Scottish Government – School Roll figures 2013



Source: Scottish Government – School Roll figures 2013

New Placing Requests Accepted (2010/11 to 2013/14)

Catchment Area	Placement to:				
	Aith JHS	AHS	Baltasound JHS	Brae HS	Sandwick JHS
Aith Junior High School	-	7			
Anderson High School	2	-	3	8	3
Baltasound Junior High School		2	-		
Brae High School		7		-	1
Mid Yell Junior High School		1		1	
Sandwick Junior High School		41			-
Whalsay School		1		1	

Source: Placing Request applications (SIC Schools Service)

Projected Secondary School Rolls

(*does not include decrease for new Placing Requests in future years)

2014/2015

School Name	S1	S2	S3	S4	S5*	S6*	Total
Aith Junior High School	14	18	20	24			76
Anderson High School	138	131	128	165	205	116	856
Baltasound Junior High School	8	4	4	7			23
Brae High School	32	31	27	42	33	23	188
Mid Yell Junior High School	12	8	14	9			43
Sandwick Junior High School	35	36	36	37			144
Whalsay School	16	14	11	15			56
	255	242	240	299	214	139	1386

Figures taken from existing primary and secondary school rolls.

*S5 and S6 figures are based on Staying on Percentage of; S4 to S5 - 80% S4 to S6 - 56%

2015/2016

School Name	S1	S2	S3	S4	S5	S6	Total
Aith Junior High School	21	14	18	20			73
Anderson High School	137	138	131	128	206	144	884
Baltasound Junior High School	6	8	4	4			22
Brae High School	33	32	31	27	34	24	181
Mid Yell Junior High School	8	12	8	14			42
Sandwick Junior High School	41	35	36	36			148
Whalsay School	7	16	14	11			48
	253	255	242	240	240	168	1398

2016/2017

School Name	S1	S2	S3	S4	S5	S6	Total
Aith Junior High School	18	21	14	18			71
Anderson High School	145	137	138	131	170	119	840
Baltasound Junior High School	10	6	8	4			28
Brae High School	21	33	32	31	21	15	153
Mid Yell Junior High School	8	8	12	8			36
Sandwick Junior High School	36	41	35	36			148
Whalsay School	7	7	16	14			44
	245	253	255	242	191	134	1320

School Name
Aith Junior High School
Anderson High School
Baltasound Junior High School
Brae High School
Mid Yell Junior High School
Sandwick Junior High School
Whalsay School

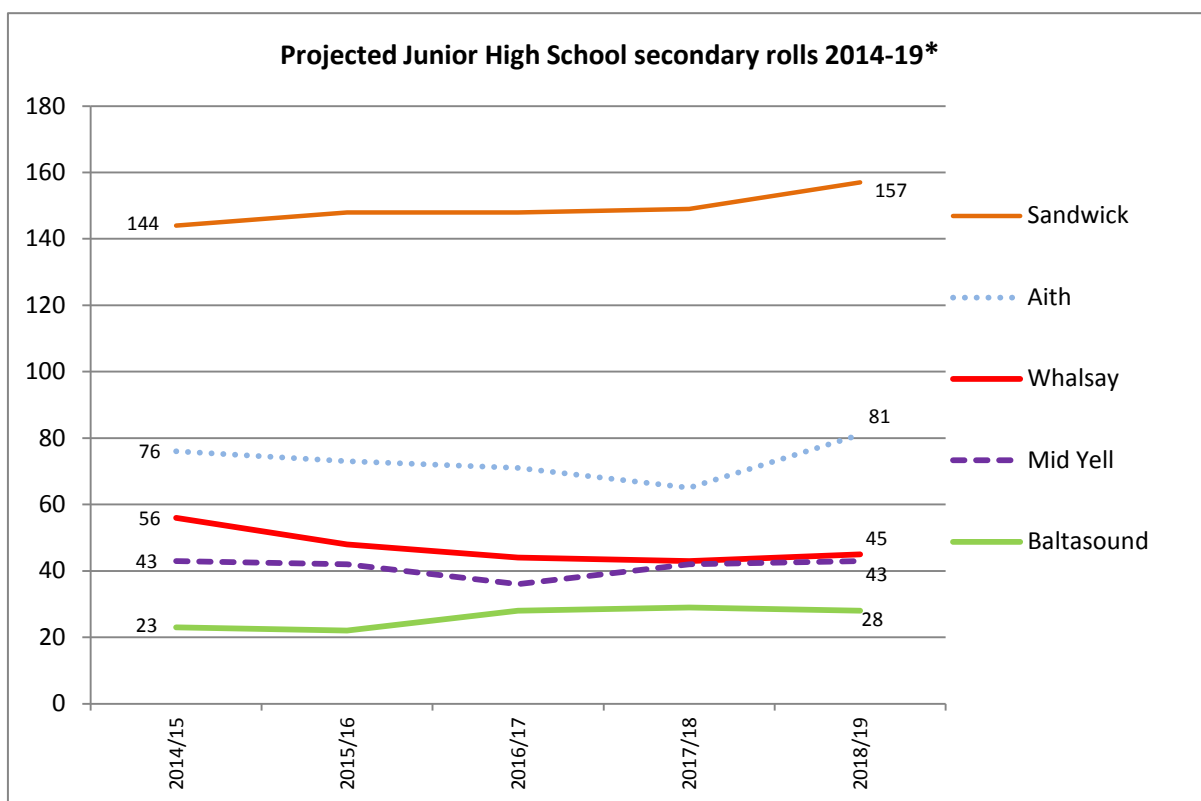
2017/2018

S1	S2	S3	S4	S5	S6	Total
12	18	21	14			65
142	145	137	138	167	118	847
5	10	6	8			29
27	21	33	32	24	17	154
14	8	8	12			42
37	36	41	35			149
13	7	7	16			43
250	245	253	255	191	135	1329

School Name
Aith Junior High School
Anderson High School
Baltasound Junior High School
Brae High School
Mid Yell Junior High School
Sandwick Junior High School
Whalsay School

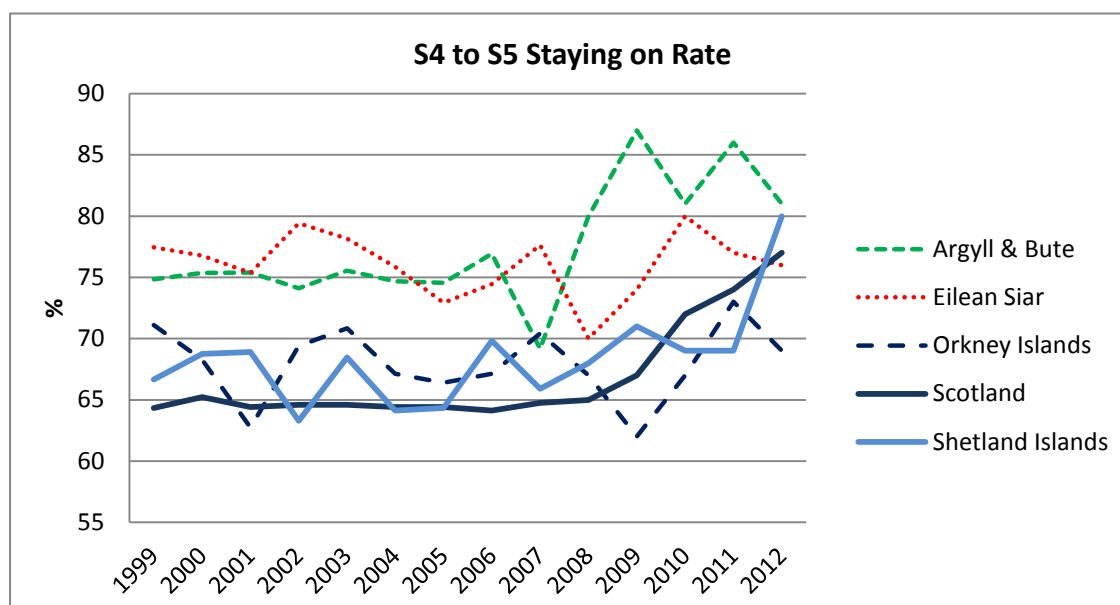
2018/2019

S1	S2	S3	S4	S5	S6	Total
30	12	18	21			81
141	142	145	137	177	116	858
7	5	10	6			28
23	27	21	33	26	14	144
13	14	8	8			43
43	37	36	41			157
18	13	7	7			45
275	250	245	253	203	130	1356



(*does not include decrease for new Placing Requests in future years)

Staying On Rates



Source: Scottish Government – Attainment Data 2012

Halls of Residence

	2006	2007	2008	2009	2010	2011	2012	2013
Janet Courtney Halls of Residence	61	61	59	59	59	60	60	57

Source: JCH figures as verified by Care Inspectorate

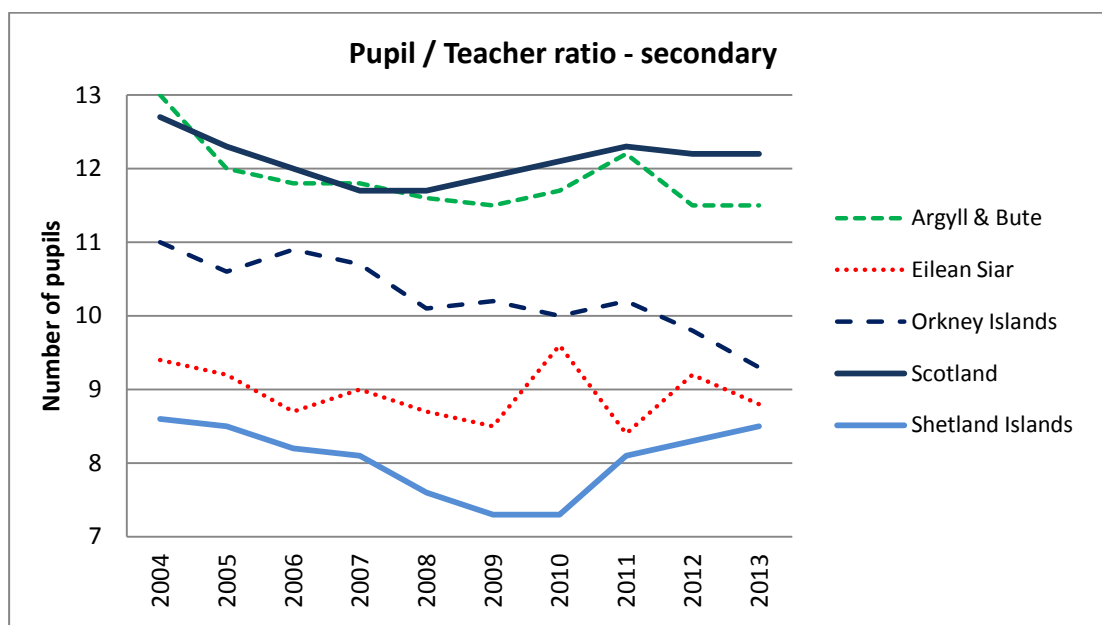
NB: The current capacity of the Janet Courtney Halls of Residence is 91. The capacity of new Halls of Residence to be built alongside new Anderson High School will be 100 places.

Pupils With Additional Support Needs

	with Additional Support Needs	with Co-ordinated Support Plan	with Individual Education Plan	with Other Support Needs	Child Plans	Assessed or Declared Disabled	% with ASN
Argyll and Bute	850	39	486	308	43	363	17
Eilean Siar	512	24	158	391	51	23	33
Orkney Islands	275	13	75	211	0	17	23
Shetland Islands	279	23	110	193	30	45	19
All local authorities	55,051	815	15,165	41,059	3,607	5,865	19

Source: Scottish Government – Pupil Census 2013

Secondary Staffing Levels



Source: Scottish Government – Teacher Census 2013

Secondary Teachers by Grade, 2013

	Head teacher	Depute head teacher	Principal teacher	Chartered teacher	Teacher	Total
Argyll and Bute	11	25	111 (26%)	9	278	434
Eilean Siar	3	10	38 (22%)	4	119	174
Orkney Islands	4	5	36 (28%)	0	83	128
Shetland Islands	5*	8*	40 (24%)	7	109	169

* Staffing ratio shared with Primary Departments

Source: Scottish Government – Teacher Census 2013

Centrally Employed Support Staff, 2013

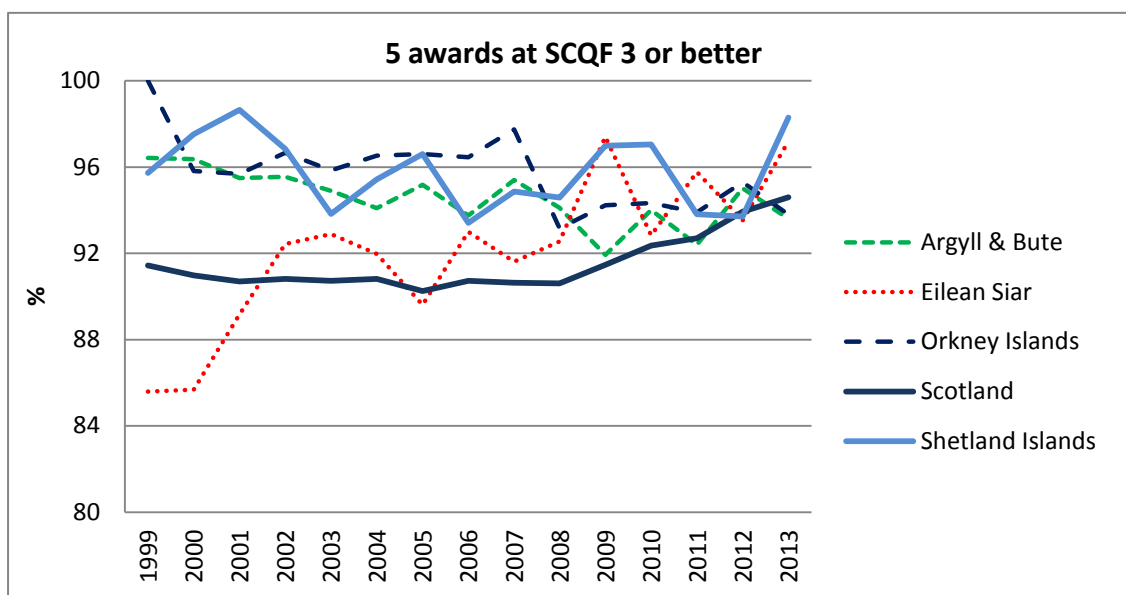
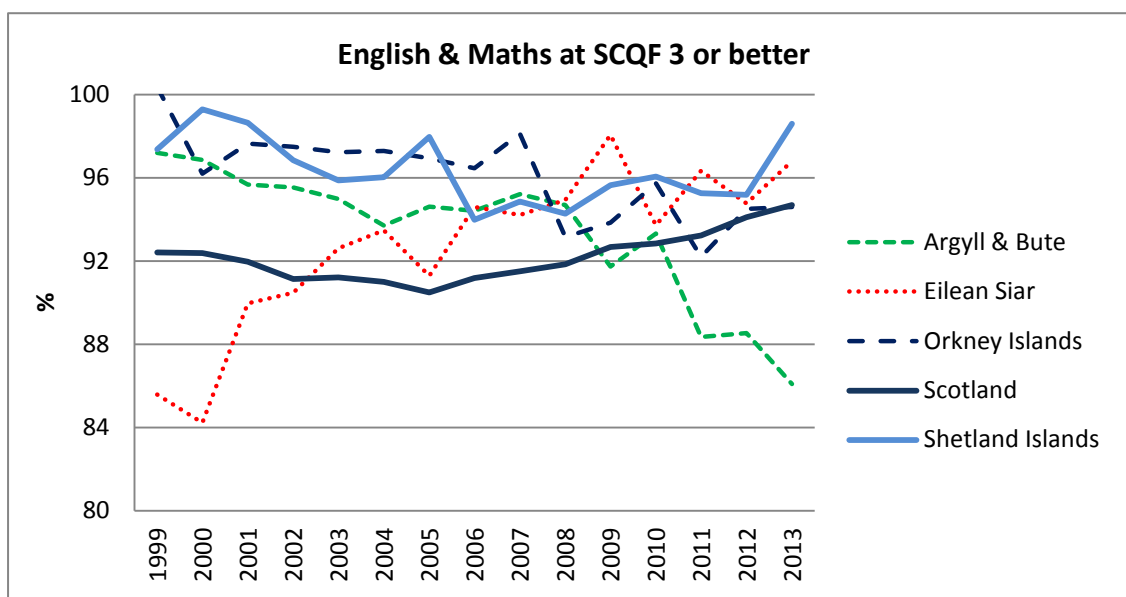
	Educational Psychologist	Peripatetic Music Instructor	Home-school link worker	Business Manager	Quality Improvement Officer	Other
Argyll & Bute	8	16	-	-	10	-
Eilean Siar	2	10	-	4	4	1
Orkney Islands	2	-	-	-	3	1
Shetland Islands	2	9	1	-	3	-

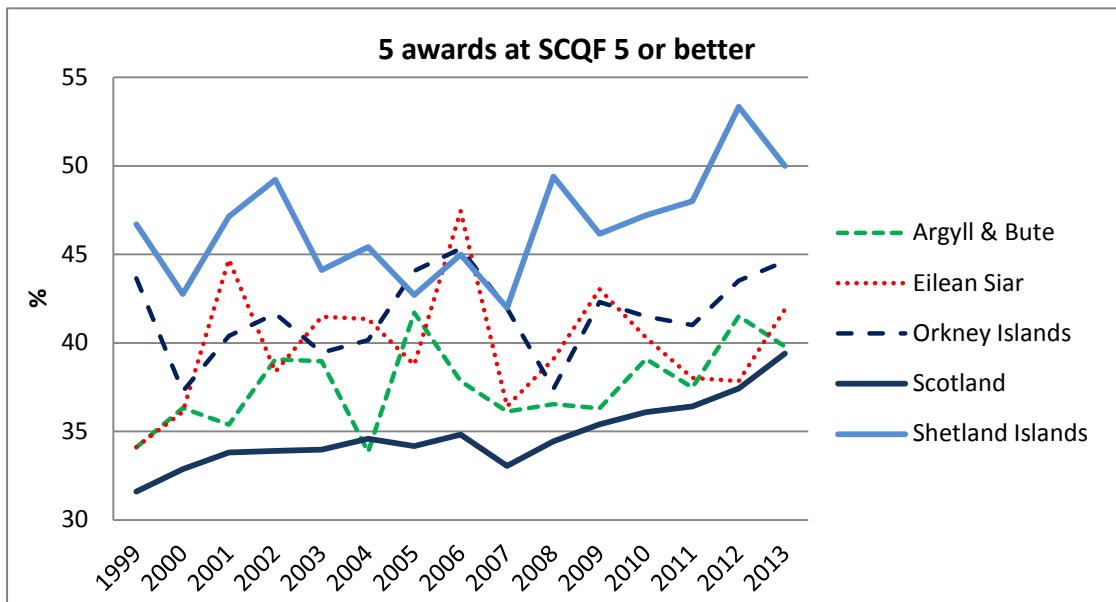
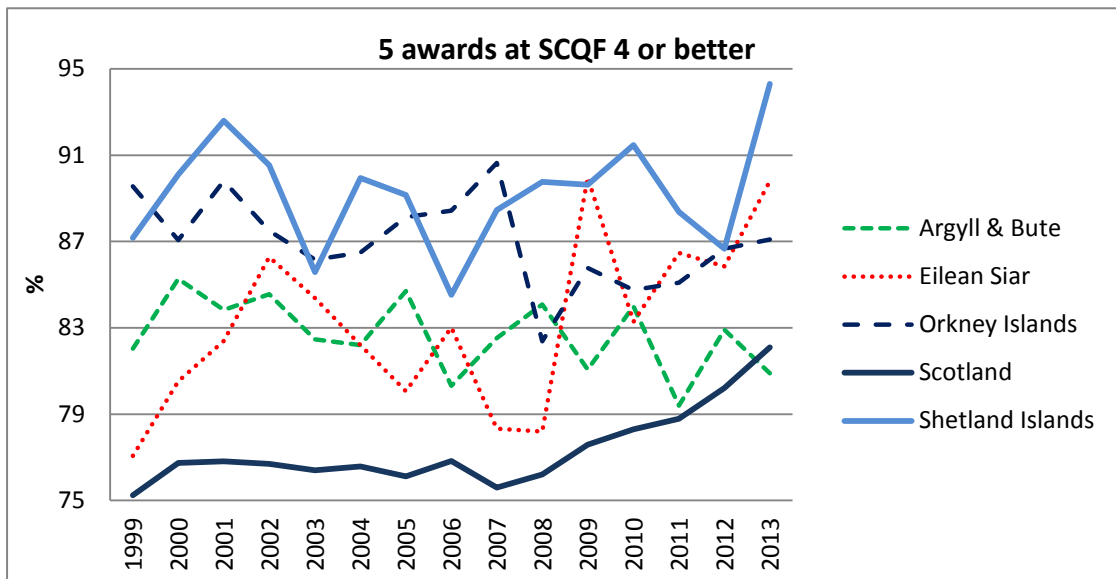
Source: Scottish Government – Teacher Census 2013

Attainment Levels

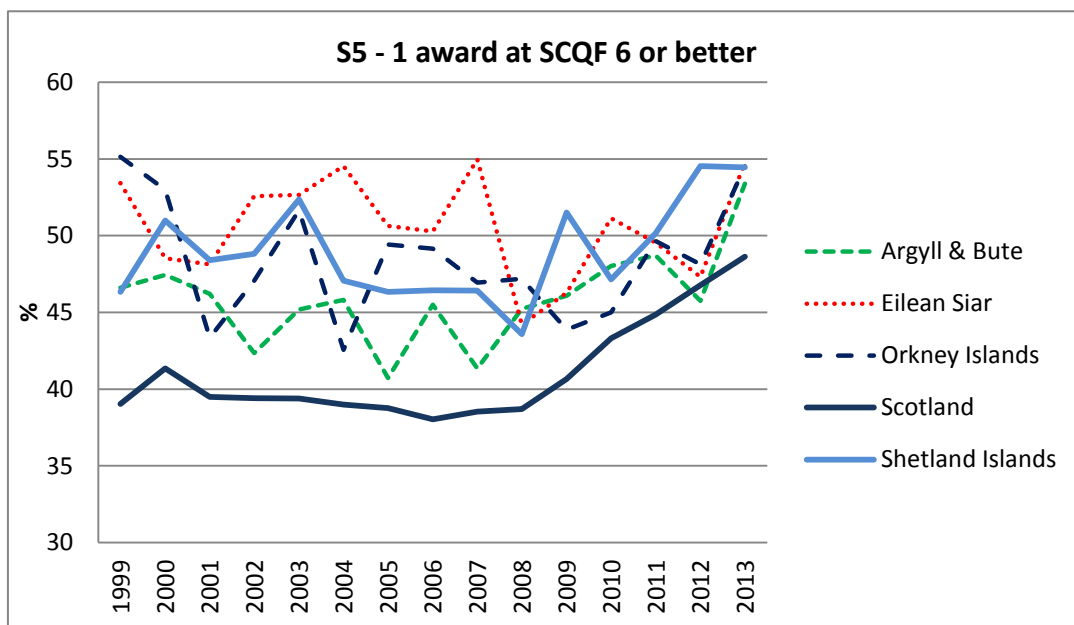
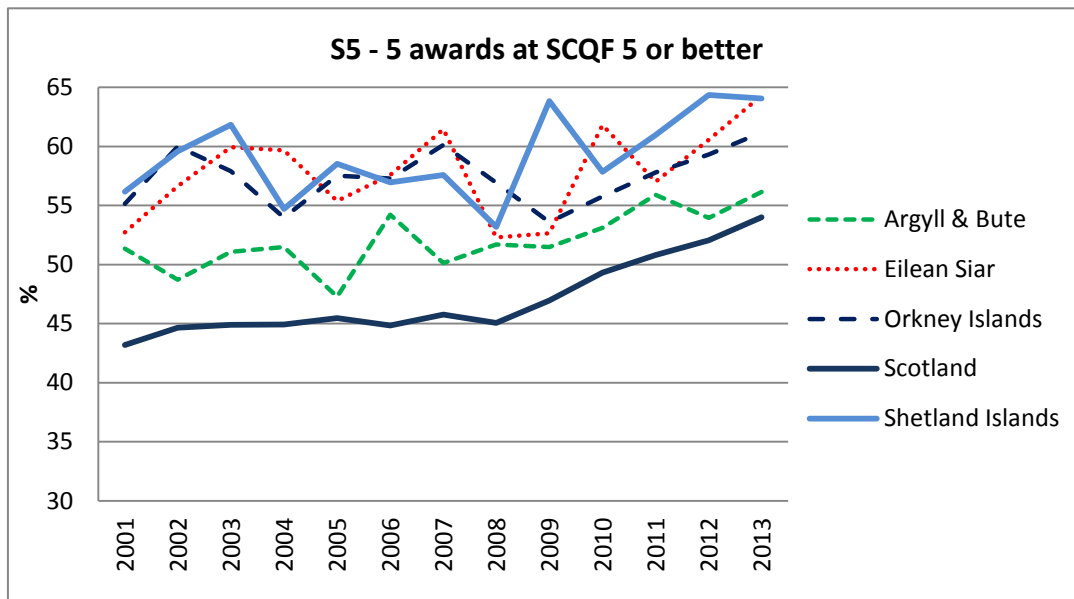
SCQF Level	SQA Qualification (former)	SQA Qualification (from 2013/14)
SCQF 3	Standard Grade (Foundation) / Access 3	National 3
SCQF 4	Standard Grade (General) / Intermediate 1	National 4
SCQF 5	Standard Grade (Credit) / Intermediate 2	National 5
SCQF 6	Higher	Higher

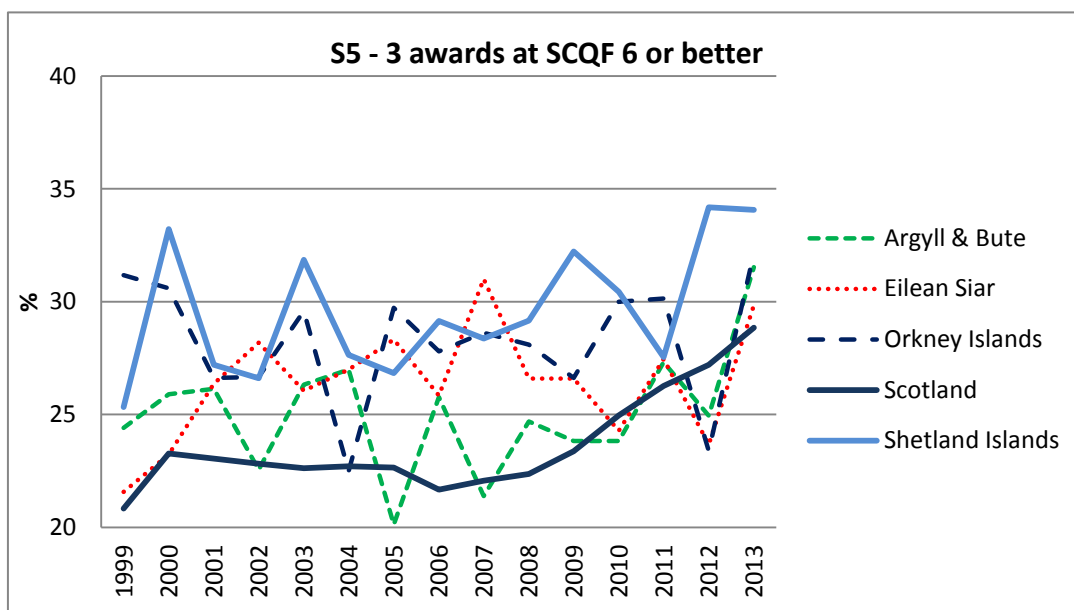
Secondary 4: National Attainment Comparisons





Secondary 5: National Attainment Comparisons

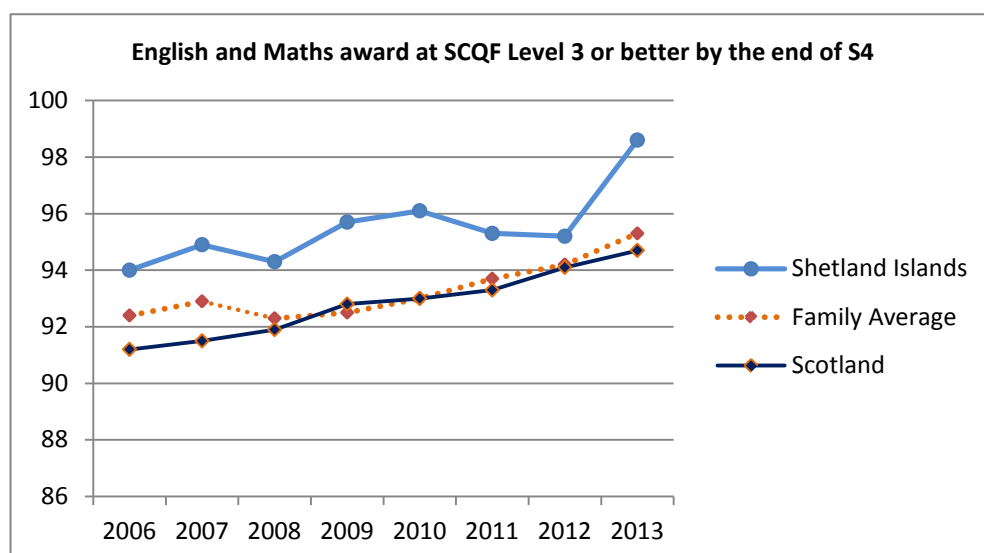


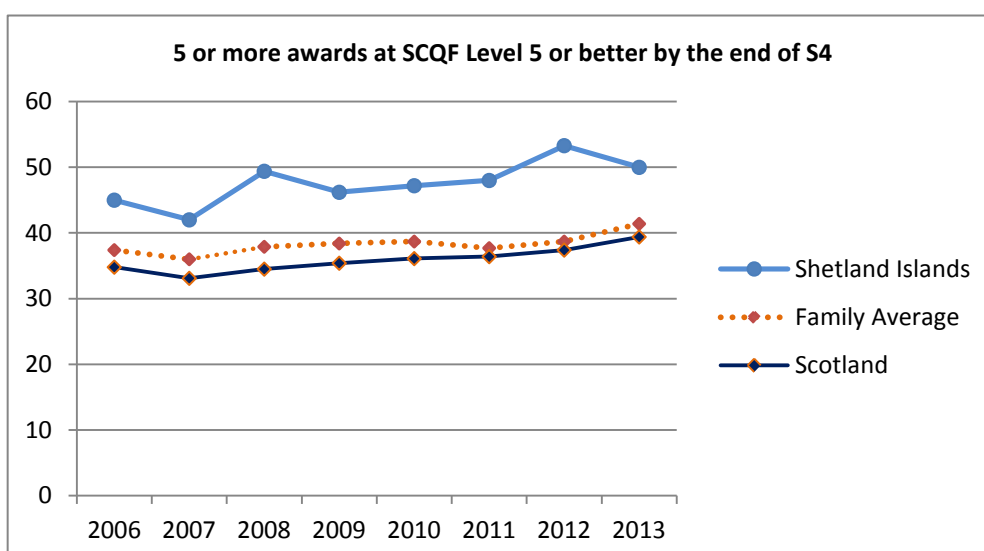
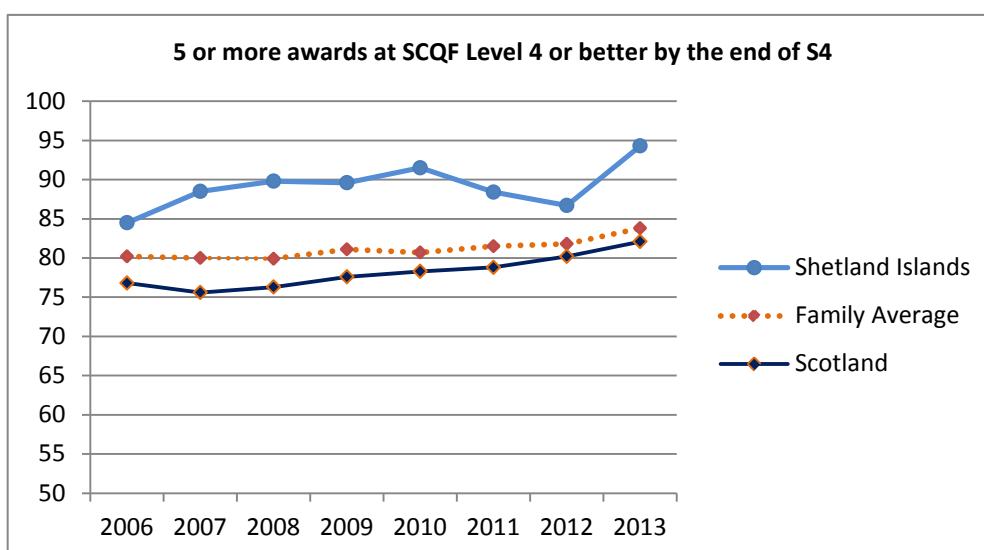
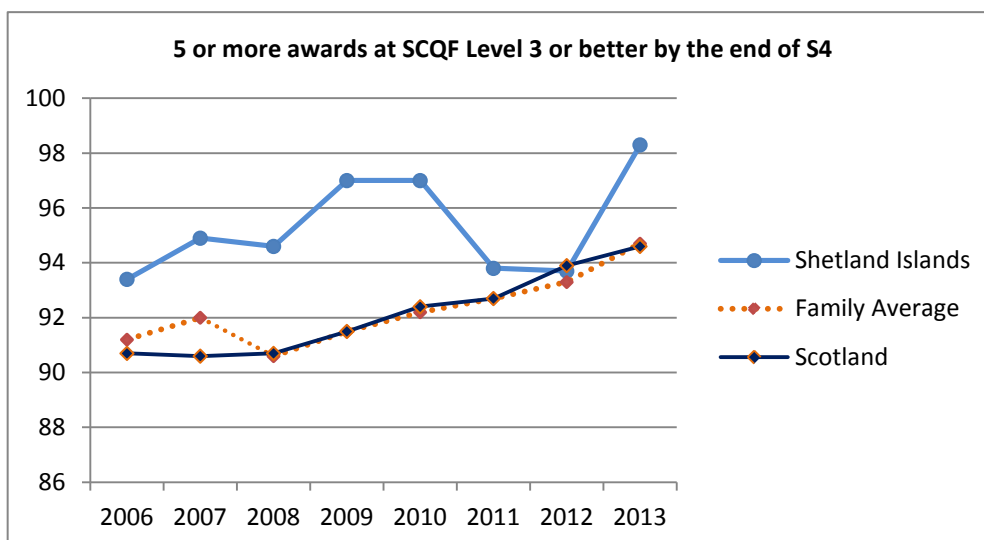


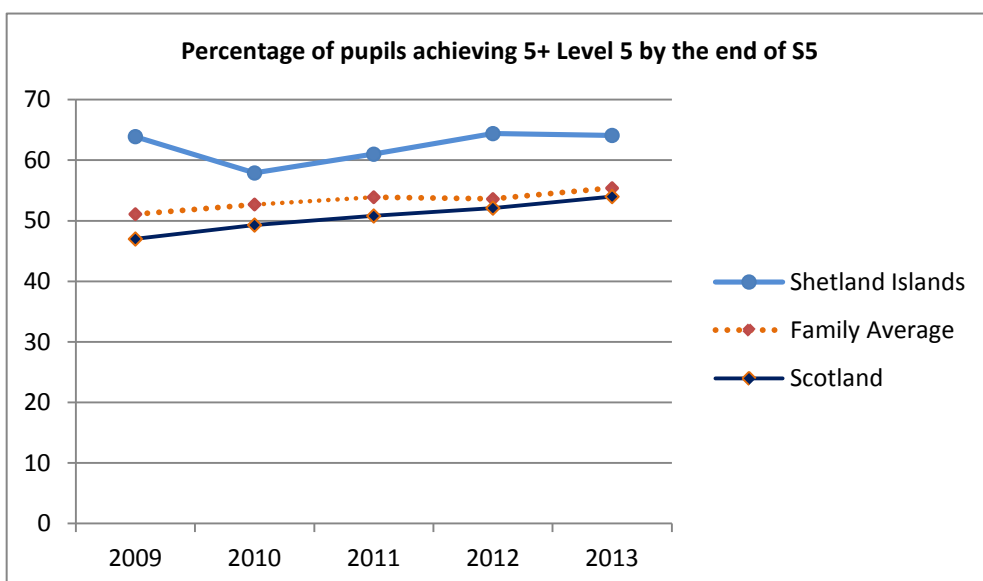
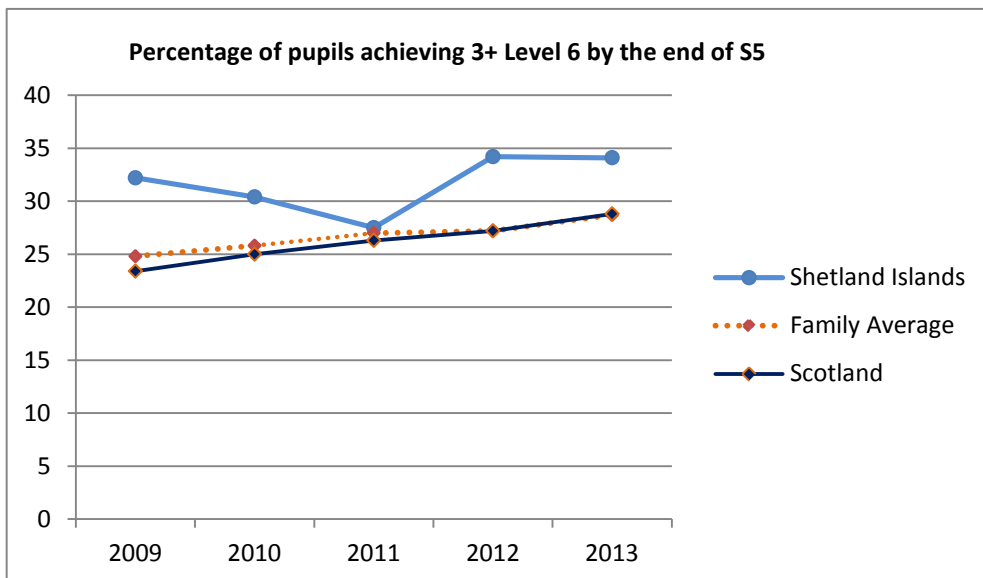
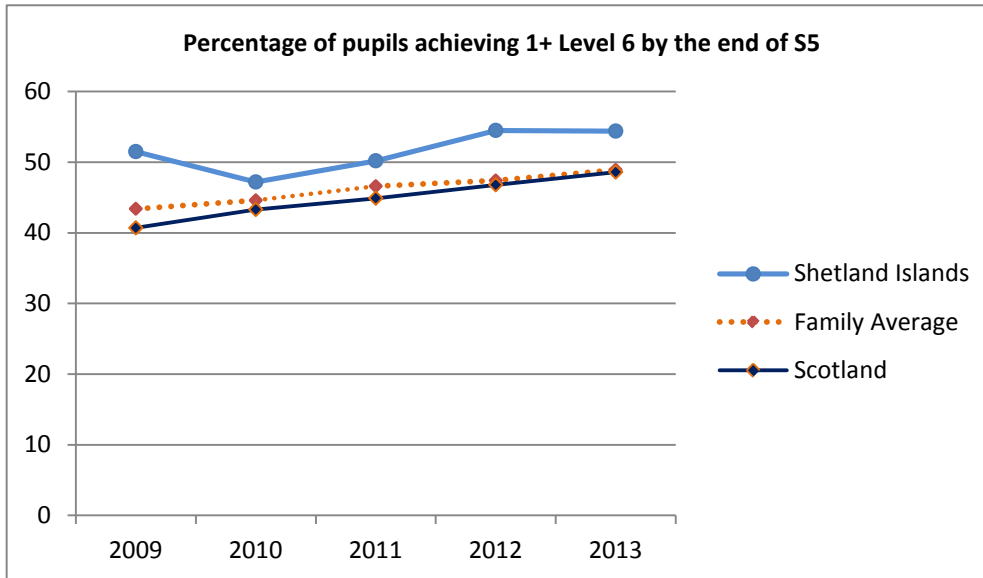
Source: Scottish Government – Attainment Data 2013

Attainment levels: Comparison with Education Scotland ‘family’ group

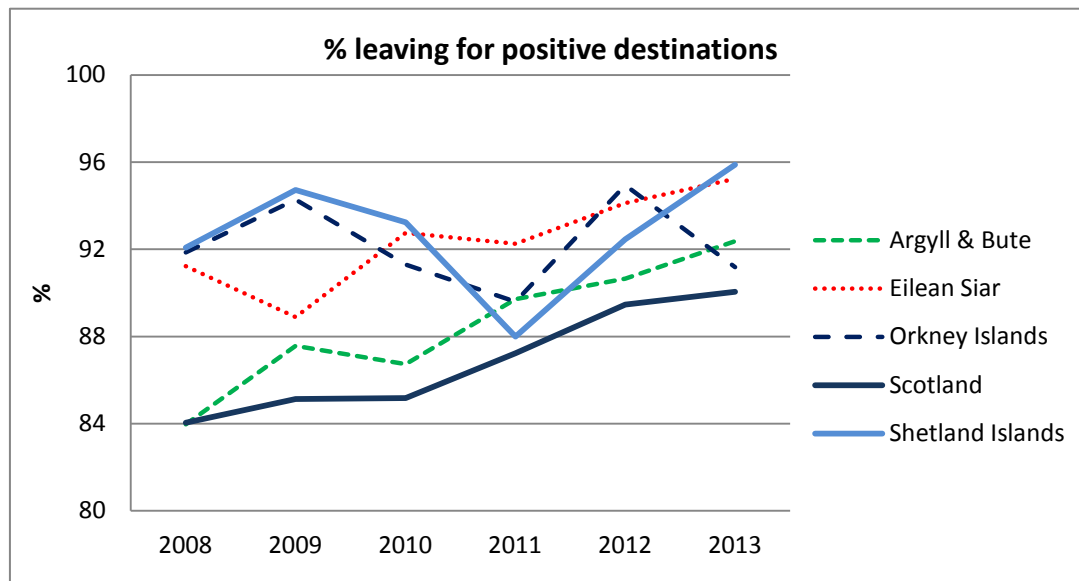
Education Scotland group Shetland with five other comparator authority areas considered to have similar socio-economic factors. These are Angus, Highland, Moray, Orkney, Scottish Borders. Below are the comparative figures for Secondary 4 attainment:







Percentage of School Leavers Going to Positive Destinations



Source: Scottish Government – Attainment Data 2013

4. Previous Formal Proposals Regarding Changes to the Secondary School Estate In Shetland

Since the original formal proposals for changes to the secondary estate were put forward in June 2010 as part of the Blueprint for Education, options for re-configuring the secondary school estate which would create a long term strategy for secondary education in Shetland have been challenging to reach consensus on. Outlined below are the different pieces of work on the future of the secondary school estate which have been undertaken since 2010. They serve to illustrate a period of considerable uncertainty for the community of Shetland as to how Shetland Islands Council plans to deliver secondary education in the isles into the future.

Blueprint for Education, June 2010, Agreed Proposals for the Secondary School Estate:

- Proposal to discontinue secondary education provision at Skerries School Secondary Department;
- Proposal to discontinue secondary education provision at Scalloway Junior High School Secondary Department.

Statutory consultation was carried out on both proposals between 30 August 2010 and 10 October 2010. Consultation Reports on both proposals were presented to Shetland Islands Council.

Outcomes

The closure of Scalloway Junior High School Secondary Department was agreed and took effect from August 2011. Skerries School Secondary Department remained open.

Refresh of the Blueprint for Education, September 2012, Agreed Proposals for the Secondary School Estate:

- Proposal to discontinue secondary education provision at Sandwick Junior High School Secondary Department;
- Proposal to discontinue secondary education provision at Skerries School Secondary Department;
- Proposal to discontinue secondary education provision at Aith Junior High School Secondary Department;
- Proposal to discontinue secondary education provision at Whalsay School Secondary Department.

Statutory consultation was carried out on the proposal to close Skerries School Secondary Department between 14 May 2013 and 28 June 2013. A Consultation Report was presented to Shetland Islands Council.

Outcomes

The closure of Skerries School Secondary Department was agreed and closure will take effect from August 2014.

Blueprint for Education: the Next Steps, September 2013, (not discussed at Committee):

- Proposal to discontinue secondary education provision at Sandwick Junior High School Secondary Department;
- Proposal to discontinue secondary education provision at Aith Junior High School Secondary Department;
- Proposal to discontinue Secondary 4 education provision at Whalsay School;
- Proposal to discontinue Secondary 4 education provision at Mid Yell Junior High School;
- Proposal to discontinue Secondary 4 education provision at Baltasound Junior High School.

Outcomes

These proposals were not discussed. Instead a Strategy for Secondary Education in Shetland report was prepared based on consideration of five options for the future of secondary education in Shetland and was presented to Education and Families Committee and Shetland Islands Council on 13 November 2013. The five options which were considered were:

- the extant Blueprint recommendations (including revisiting the successful motions made in September 2012);
- the “Blueprint Next Steps” recommendations;
- a Telepresence driven model, where some teaching time could be replaced by having a teacher transmit lessons to a number of sites;
- a Hub and Spoke model (setting out the options for both one and two hubs); and
- retaining the status quo for the secondary school estate within the Medium Term Financial Plan.

Strategy for Secondary Education in Shetland Report, November 2013, Agreed Proposals for the Secondary School Estate:

- Proposal to Discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School;

- Proposal to Discontinue Secondary 3 and Secondary 4 education at Baltasound Junior High School;
- Proposal to Discontinue Secondary 3 and Secondary 4 education at Mid Yell Junior High School;
- Proposal to Discontinue Secondary 3 and Secondary 4 education at Whalsay School;
- Proposal to Discontinue Secondary 3 and Secondary 4 education at Aith Junior High School.

Outcomes

Statutory consultation on the Proposal to discontinue Secondary 3 and Secondary 4 education at Sandwick Junior High School was carried out between the 13 February 2014 and 28 March 2014. The Consultation Report on this Proposal was presented to Education and Families Committee and Shetland Islands Council on 9 June 2014. The Report recommended the discontinuation of Secondary 3 and Secondary 4 education at Sandwick Junior High School.

However Education and Families Committee did not accept this recommendation. Instead a request was made to Children's Services to return to Education and Families Committee on 1 July 2014, and Shetland Islands Council on 2 July 2014 with an amended Strategy for Secondary Education in Shetland, considering closure or the provision of Secondary 1 to Secondary 3 education only in all five junior highs. This way forward was agreed by Shetland Islands Council.

5. Curriculum for Excellence in Context for Secondary Education in Shetland

This section provides a summary of the aspects of Curriculum for Excellence that particularly apply to the delivery of secondary education.

Almost all pupils in Scotland receive the whole of their secondary education in a school which is Secondary 1 to Secondary 6. This is the context against which the secondary phases of Curriculum for Excellence were developed.

Attending a Secondary 1 to Secondary 6 school enables pupils to progress smoothly through the learning levels of the remainder of their Broad General Education and then continue seamlessly into the qualifications and awards of the Senior Phase.

Pupils have six entitlements within Curriculum for Excellence. These are:

- Every child and young person is entitled to experience a curriculum which is coherent from 3 to 18;
- Every child and young person is entitled to experience a broad general education;

- Every young person is entitled to experience a senior phase where he or she can continue to develop the four capacities and also obtain qualifications;
- Every child and young person is entitled to develop skills for learning, skills for life and skills for work, with a continuous focus on literacy and numeracy and health and wellbeing;
- Every child and young person is entitled to personal support to enable them to gain as much as possible from the opportunities which Curriculum for Excellence can provide;
- Every young person is entitled to support in moving into a positive and sustained destination.

The quality of teaching is critical to prepare children and young people for the future. Teachers are now expected to include strategies which encourage pupils to take part, discuss, debate, question, research and apply their learning to local, national and global situations. There is a greater emphasis within Curriculum for Excellence on supporting pupils to develop essential transferrable skills for life, learning and work. These skills include understanding, synthesising, analysing, evaluating, applying, creating and systems thinking.

Pupils in Secondary 1 to Secondary 3 experience a Broad General Education, which enables them to work through “the Experiences and Outcomes of Curriculum for Excellence” (as published by Education Scotland) at third and fourth level. Their progression and their achievement in the Broad General Education are captured in their Secondary 3 profile, the content of which should properly inform the choices for qualifications which a young person then makes.

Pupils generally make their choices for course they will sit qualifications in towards the end of Secondary 3. Timetables change after the Spring Break for pupils commencing Secondary 4.

Pupils in Secondary 4 to Secondary 6 then experience a Senior Phase during which they undertake qualifications and awards that reflect their progression, ability and interests.

The diagram at Appendix 1a: Curriculum for Excellence in a Nutshell, The National Parent Forum of Scotland, Summary of Progression illustrates the levels within Curriculum for Excellence and explains the learning pathways in relation to the new qualifications.

The key features of the Senior Phase are:

- The Senior Phase can be treated as a single cohort, with pupils undertaking qualifications at the levels and stages that suit their individual learning needs, ensuring pupils are at all times suitably challenged according to their abilities, and at all times attain at the highest level possible;

- New qualifications – National 1 to National 5, New Highers, new Advanced Highers and Scottish Baccalaureates;
- Courses leading to qualifications may be started in Secondary 4, Secondary 5 or Secondary 6 and may be studied over variable time frames;
- Pupils should be offered a range of vocational courses, volunteering opportunities and work experience as appropriate to their needs and aspirations;
- Awards, National and Higher Certificates offered in collaboration with Further Education.

In session 2013 to 2014, Secondary 4 pupils in Shetland, in common with the rest of Scotland, were presented for the new National Qualifications with results in early August 2014. New Highers will be studied for during 2014/15 and new Advanced Highers in 2015/16.

A transition from one school to another during secondary education is not usual, but if it has to happen, it is not recommended at any time during the Senior Phase, as pupils are entitled to a coherent and flexible, planned Senior Phase. Therefore a school which offers Secondary 1 to Secondary 4 education only cannot provide this entitlement, and neither can the school which receives the pupils for the start of Secondary 5.

6. Secondary Education Provision in Other Local Authorities in Scotland

The delivery of secondary education in Scotland is almost entirely based around a Secondary 1 to Secondary 6 model of provision. The structure of Curriculum for Excellence in the secondary years was developed on this basis. Any divergence from this model, even in rural Scottish local authorities is now rare.

For example all secondary education in Argyle and Bute, and in Highland Council is delivered in Secondary 1 to Secondary 6 schools. The Western Isles now only has secondary education delivered in five establishments. Four of these are Secondary 1 to Secondary 6, and the fifth is a Secondary 1 to Secondary 2 junior high school, where the secondary department is jointly managed by the Nicolson Institute. Orkney Islands Council is the only other local authority besides Shetland Islands Council which has Secondary 1 to Secondary 4 education provision. Orkney has two Secondary 1 to Secondary 6 schools, three Secondary 1 to Secondary 4 schools, and one Secondary 1 to Secondary 2 school which is currently mothballed.

7. The Financial Context

In 2010, the Accounts Commission raised serious concerns regarding the leadership, governance and accountability of Shetland Islands Council, which had given rise to the unsustainable financial position of the Council. In its report the Accounts Commission stated, “The Council faces a challenging financial

future. It has agreed budget savings for 2010/11 but has yet to demonstrate how it can sustain its current level of services in future years whilst maintaining its target reserves balance and delivering its capital plans. This will require difficult decisions to be taken and clear and consistent leadership by elected members.” Following this report, Shetland Islands Council embarked on an Improvement Plan to address the Commission’s recommendations under the following headings:

- Leadership, Vision and Strategic Direction;
- Governance;
- Financial Management and Accountability;
- Community Planning;
- Asset Management.

The Accounts Commission’s follow up review in 2012 concluded that, “The Council is moving in the right direction and there is a clear commitment to improve. The Council’s self awareness has improved and it understands that it must focus on its priorities and what it needs to improve for the future.”

As part of the recommended improvements, the Executive Manager – Finance introduced the Medium Term Financial Plan which was initially approved by Shetland Islands Council in September 2012, and then subsequently updated and approved on 28 August 2013. It will be updated again on 2 July 2014. The Medium Term Financial Plan sets out the roadmap for Shetland Islands Council to achieve financial sustainability over the term of this Council and to align resources in accordance with the priorities of Councillors.

The UK economy is finally starting to show signs of a steady recovery, with the 2014 Q1 GDP figures showing 0.8% growth, which was the 5th successive quarter of economic growth.

However, the UK economy still remains smaller than it was 6-years ago in the spring of 2008. This represents the longest recovery in over a century, surpassing even the Great Depression of the 1930s.

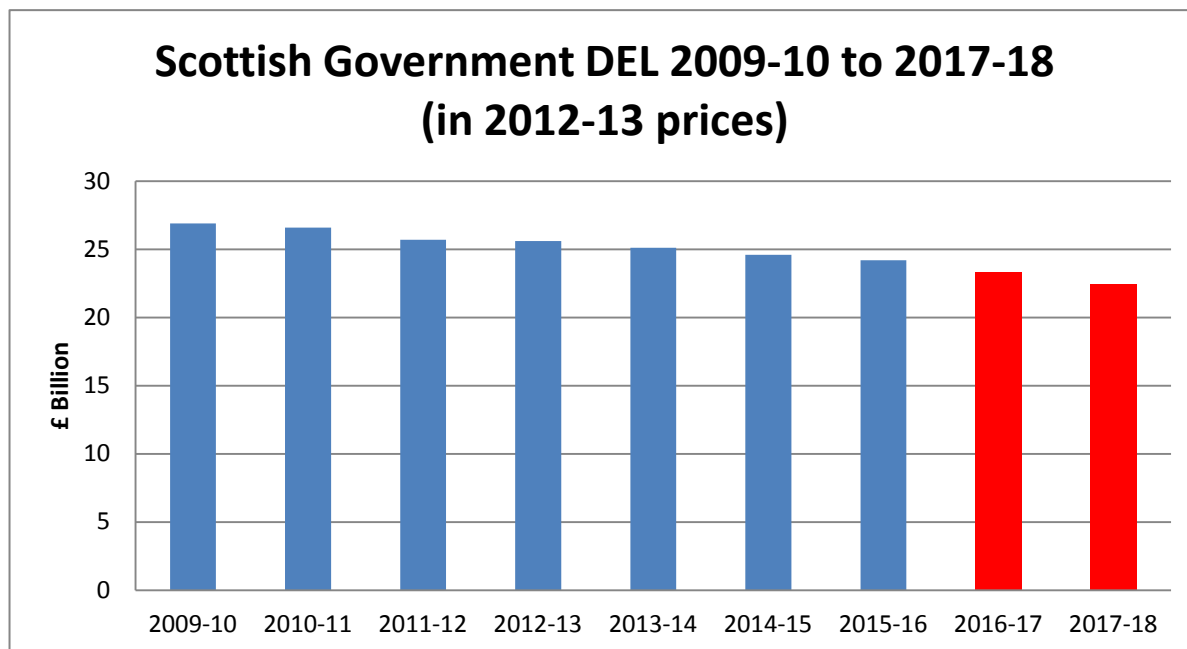
Despite the relative strength of the Shetland economy in weathering the global and UK economic situation, Shetland Islands Council’s financial situation continues to be adversely affected as a result of the reducing settlement that it is receiving from the Scottish Government each year.

The UK’s Public Finances have not improved at the rate at which the UK Government had projected, and therefore any recovery in Local Government’s financial settlement will be well beyond the term of the current Council. When this is coupled with the continuous cost pressures facing the Council, it is clear that further action is required to address the increasing natural drift between expenditure levels and available resources.

The table below highlights the reduction in expenditure that the Scottish Government has had available to spend on public services in the period from 2009/10 to 2017/18. The current year-on-year reduction in the amount of money

that the Scottish Government has to spend has a knock on effect for Shetland Islands Council.

Real Change in Scottish Government Discretionary Expenditure Limit (DEL) Expenditure



Shetland Islands Council approved its Corporate Plan 2013-2017 on 26 March 2014. This sets out the Council's vision and priorities for the remainder of the current term. The core priorities that have emerged are:

- ***Being a properly led and well managed council, dealing with the challenges of the present and the future, and doing that within our means;***
- ***Providing vital services for children and adults and the transport services we all need;***
- ***Mindful of how change could affect vulnerable and disadvantaged people;***
- ***Encourage strong communities;***
- ***Helping build a healthy economy;***
- ***Working with all our partners to achieve the best results possible.***

The Medium Term Financial Plan seeks to compliment each of the priorities above. It sets out a pathway to ensuring that the Council lives within its means, and targets available resources at priority areas.

The Medium Term Financial Plan proposes that the core Council services of Children's Services, Community Care and Transport should be relatively prioritised as far as that is possible. This is a reflection on the Council's statutory obligations in these areas, the fundamental scale and cost of these services and the Council's political commitment to sustain key front-line services as a priority.

In 2013/14, Children's Services budget was approved at £41.262 million, which equates to 37.8% of the total Shetland Islands Council Directorate budgets. By the end of 2017/18 in the Medium Term Financial Plan the target budget for Children's Services will have reduced to £37.288 million, however the share of the total budget will have increased to 38.46%.

The budget gap for Children's Services over the next three financial years is as follows:

	2015-16	2016-17	2017-18
	£000	£000	£000
Budget Gap	(715)	(1,720)	(761)

The Medium Term Financial Plan has been independently reviewed by the Society of Local Authority Chief Executives and Senior Managers who concluded that the greatest delivery risk is still around the ability of departments to make savings and manage budget pressures. Constant vigilance and monitoring will be needed year-on-year to ensure efficiencies and savings are delivered as planned.

In addition to the need to achieve financial sustainability, as detailed above, all public bodies in Scotland have a statutory duty to provide Best Value. The duty of Best Value, as set out in the Scottish Public Finance Manual, is:

- to make arrangements to secure continuous improvement in performance whilst maintaining an appropriate balance between quality and cost; and, in making those arrangements and securing that balance;
- to have regard to economy, efficiency, effectiveness, the equal opportunities requirements and to contribute to the achievement of sustainable development.

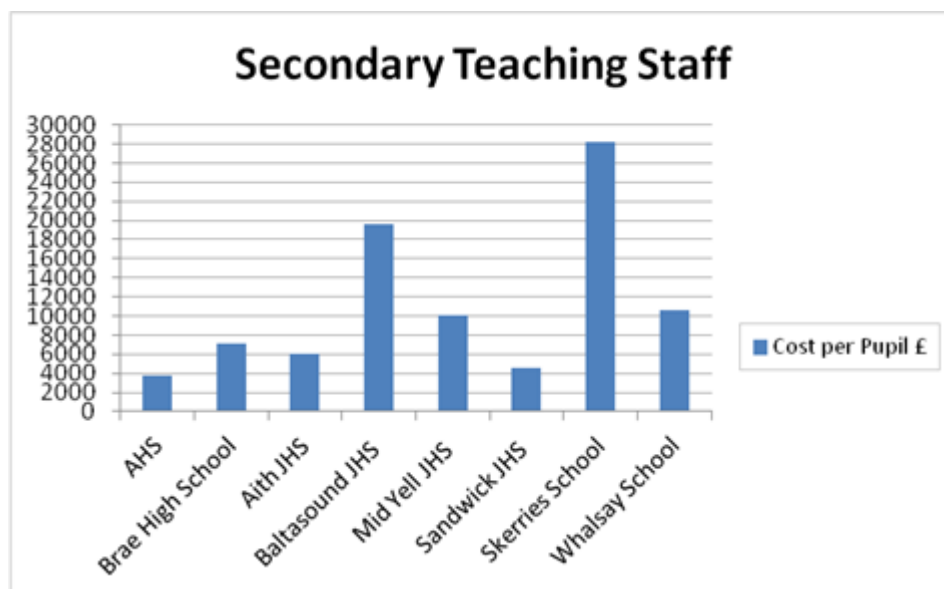
The Scottish Government Improvement Service has reviewed Education in its "National Benchmarking Overview Report 2014" and it concludes that for secondary education where the 2012/13 cost per pupil in Shetland is £13,657, which is £7,220 more than the Scottish average of £6,437 variations have been examined in terms of scale of council, population distribution and levels of deprivation, but none explain the variation that exists. The table below compares the cost per pupil in Shetland with other Island authorities:

Secondary School Cost per Pupil (£)	2010/11	2011/12	2012/13
Argyll & Bute	7,666	7,678	7,757
Eilean Siar	9,869	9,471	9,759
Orkney Islands	9,033	9,468	9,780
Shetland Islands	12,385	12,826	13,657
Scottish Average	6,422	6,321	6,427

The comparison shows that our cost per pupil in 2012/2013 was almost £4,000 higher than both Orkney and Eilean Siar, which are the most comparable to Shetland.

If you contrast this cost against our exam results at Highers (also reviewed by the Improvement Service) you will find that 30% of Shetland pupils achieve 5 or more awards at level 6 (Higher) against a national average of 25%.

Of the total 2013/14 budget for secondary education, 78% is directed towards the cost of teaching staff. The cost of teaching staff per secondary pupil in Shetland varies widely across the authority as shown in the chart below, indicating the level of inefficiency inherent in the provision of secondary education particularly within the small junior high schools in Shetland:



8. The Schools (Consultation) (Scotland) Act 2010 as Amended by the Children and Young People (Scotland) Act 2014.

The Schools (Consultation) (Scotland) Act 2010 (the Act) sets out the statutory consultation procedure to be followed when a school closure is proposed. The Act has been amended by the Children and Young People (Scotland) Act 2014 and changes to the statutory consultation procedure are due to come into force

on 1 August 2014 and in 2015. The amended statutory consultation procedure does not affect the options available for the configuration of local secondary education, but does alter the process to be followed.

In summary, the main amendments are:

Preliminary Requirements

The Director of Children's Services must present a report outlining the preliminary requirements which must be fully considered before a decision is taken to carry out statutory consultation on a proposal to close a rural school. In brief, the preliminary requirements are:

- (a) the reasons for formulating the rural school closure proposal;
- (b) consideration of whether there are any reasonable alternatives to the rural school closure proposal;
- (c) to make an assessment for the rural school closure proposal and each of the alternatives (if any) of –
 - The likely educational benefits;
 - The likely effect on the local community;
 - The likely effect of the travel arrangements.

Additional Consultation Requirements

The Proposal Paper and Notice issued to relevant consultees must contain additional information regarding the preliminary requirements and the financial implications of the closure proposal.

Correction of the Proposal Paper

There is a more detailed procedure to follow when there is notification of an alleged omission or inaccuracy within a proposal paper.

Presumption Against Closure of Rural Schools

A Council may not decide to implement a rural school closure until it is satisfied that it has complied with the amended statutory consultation process and that the closure proposal is the most appropriate response to the reasons for formulating the closure proposal.

Review following the Consultation Period

There is a more detailed procedure to follow after the consultation period to carry out a review of the closure proposal and prior to the publication of the Consultation Report.

Restriction on Closure Proposals

Once a decision has been taken not to implement a closure proposal, the Council may not publish a Proposal Paper concerning a further closure proposal in relation to the school during the period of five years beginning with the day on which the decision is made, unless there is a significant change in the school's circumstances.

School Closure Review Panel

If the Scottish Ministers have issued a call-in notice, they will no longer determine the outcome of the closure proposal. The matter will be referred to the newly formed School Closure Review Panels.

Progression in the Senior Phase

What is Progression?

Children and young people progress in their learning in different ways. Progression in learning is built into the learning levels of the Broad General Education (early years to S3) and into the qualifications and awards of the Senior Phase (S4 to S6/college). Assessment will ensure that children and young people are building on what they already know and can do, in order to gain more knowledge and skills. Progression is built into the learning levels of the Broad General Education and continues into the qualifications and awards of the Senior Phase.

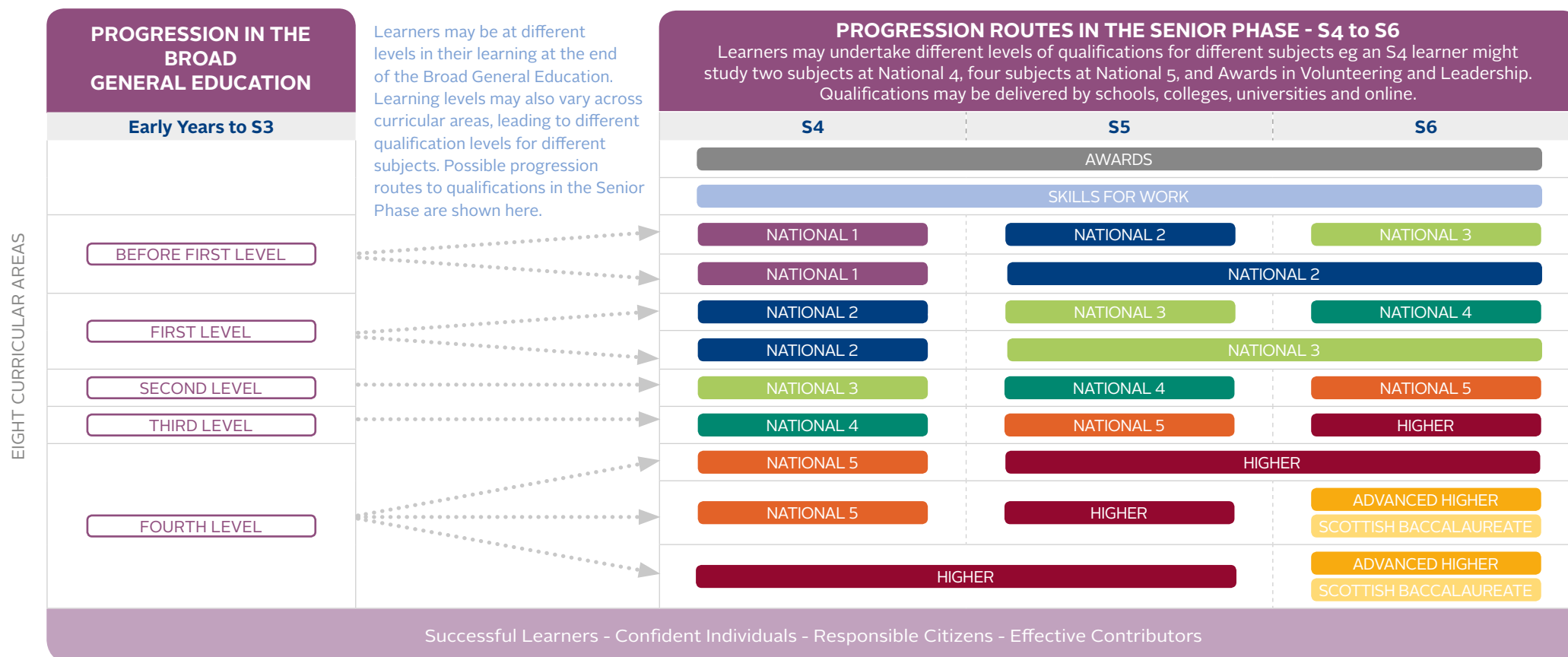
Progression in learning ensures that

- skills and knowledge are developed continually
- literacy, numeracy and health and wellbeing are developed and enhanced in all learning
- learners progress at their own pace with support from staff
- children and young people's interests are reflected and developed through choices within courses
- learners are engaged and motivated in their own learning through goal-setting, evaluation and planning next steps
- learning is effectively monitored, tracked and reported regularly to learners and parents/carers

Curriculum for Excellence learner entitlements

- A coherent 3-18 curriculum
- Personalisation and choice
- Health & Wellbeing, Literacy and Numeracy
- Eight curricular areas: Expressive Arts, Languages, Health & Wellbeing, Mathematics, Religious & Moral Education, Science, Social Studies, Technologies
- Opportunities to develop skills for learning, life and work

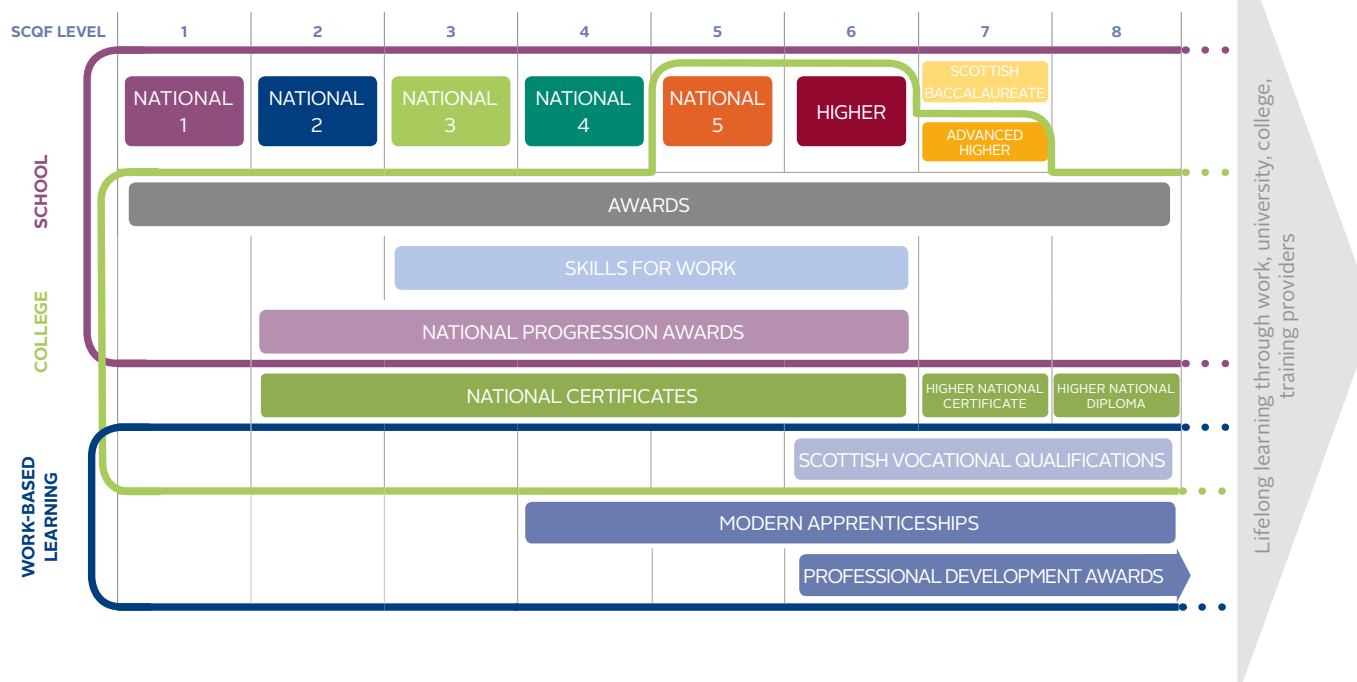
Every child is different, progressing in different ways and at different rates. Your school will reflect your child's progress and next steps in learning in profiles, school reports and parent meetings.



UNDERSTANDING PROGRESSION AND SQA QUALIFICATIONS

The table below shows the range of qualifications that is available. Learners can progress in different ways, choosing qualifications to reflect their interests and to enhance their knowledge and skills.

All SQA qualifications sit within the Scottish Credit and Qualifications Framework (SCQF) which has 12 levels ranging from Level 1 (National 1) to Level 12 (Doctorate).



SQA Qualifications

● ● ● ● ● ● ● ● **Curriculum for Excellence National Qualifications (40+ subject choices)** are Nationals 1 to 5, Highers, Advanced Highers and Scottish Baccalaureates.

● **Awards (14 options)** recognise wider achievement and skills development eg Leadership, Scottish Studies, Enterprise & Employability.

● **Skills for Work (22 options)** offer practical experiences linked to careers eg Food Technology, Travel and Tourism, Hospitality, Laboratory Science, Energy.

● **National Progression Awards (295+ options)** assess skills and knowledge in specialist vocational areas, linking to national occupational standards eg Aquaculture, Administration, Bakery, Construction, Digital Media, Performing Arts, Sport and Leisure.

● **National Certificates** develop knowledge and skills linked to national occupational standards eg Art and Architecture, Aeronautical Engineering, Media.

● **Higher National Certificates and Higher National Diplomas** provide practical skills and theoretical knowledge for employment or Higher Education eg Accounting, Nautical Science, Quantity Surveying.

● **Scottish Vocational Qualifications** are based on job competence. They form part of Modern Apprenticeship programmes.

● **Professional Development Awards** are for those already in a career wishing to extend their skills.

● **Modern Apprenticeships** offer young people aged over 16 paid employment alongside training in a wide range of sectors.

Further Information

- Scottish Credit and Qualifications Framework: www.scqf.org.uk
- SQA qualifications and SCQF levels: www.sqa.org.uk/files_ccc/readyreckoner.html
- Education Scotland: <http://tinyurl.com/olfukg4>

SQA Qualifications

- Curriculum for Excellence National Qualifications: www.sqa.org.uk/sqa/58948.html
- Scottish Baccalaureates: www.sqa.org.uk/baccalaureates/
- Awards: www.sqa.org.uk/sqa/41280.2540.html
- Skills for Work: www.sqa.org.uk/sqa/25259.998.html and www.sqa.org.uk/skillsforwork
- Scottish Vocational Qualifications (SVQ): www.sqa.org.uk/sqa/2.html
- National Certificates (NC) and National Progression Awards (NPA): <http://tinyurl.com/mm7mjzk>

Modern Apprenticeships

- www.myworldofwork.co.uk/modernapprenticeships
- Modern Apprenticeships, training and qualifications: www.sqa.org.uk/sqa/35912.html
- Modern Apprenticeship providers: www.mappit.org.uk

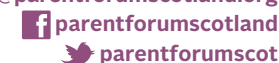
Choices, careers and other awards

- Careers advisors in schools, colleges and universities: www.skillsdevelopmentscotland.co.uk
- Tools to help choices: www.planitplus.net/schoolzone
- Work experience information: www.workit.info
- www.myworldofwork.co.uk/section/parents-and-carers
- The Open University's Young Applicants in Schools Programmes: www.open.ac.uk/choose/yass/
- Other awards: <http://tinyurl.com/kfvny44>

For our Nutshell summaries of National 1 to National 5 courses, revised Highers, Assessment and Skills, visit www.parentforumscotland.org



www.parentforumscotland.org
enquiries@parentforumscotland.org



Teacher Staffing Requirements in Junior High Schools as Secondary 1 to Secondary 3 Schools

Appendix 2

Secondary 1 to Secondary 3 Departments: Explanatory Notes

The following points should be noted when considering the table over leaf.

1. In accordance with the Shetland Learning Partnership Project, all secondary settings will have a common curriculum and a common timetable. The curriculum model has been developed to support delivery of all appropriate experiences and outcomes across all curricular areas. The timings have been developed against a 33 X 50 minute period week. The details used in the table should be considered for illustration purposes however a finalised model is unlikely to differ significantly.
2. The details in the table illustrate staff time requirements solely for delivery of the curriculum.
3. To ensure a balanced learning timetable, subject teaching delivery should be spread throughout the pupil week. The number of visits that a teacher makes to a school will depend on the amount of time allocated to that subject in the curriculum and the number of class groups in that setting.
4. A teacher's 35 hour working week should be considered as: up to 22.5 hours class contact, 7.5 hours for preparation and correction and 5 hours for collegiate activities. As mentioned above any travel time required during the working day will come from the class contact time allocation. Teachers therefore will be expected to spend a proportionate amount of preparation time and collegiate time in each of the setting to which they are allocated.
5. It is unlikely that any Secondary 1 to Secondary 3 setting will have any one teacher working in that building on a full time basis. The exception to this is where a teacher can offer provision of more than one subject or who may also provide pupil support or support for pupils with additional support needs.
6. It must also be noted that class contact time will be lost within the timetabling process. This cannot be quantified until details of actual settings and staff are taken into consideration.

Appendix 2

			Curriculum													
			Practical subject		Non Practical subjects		Aith		Baltasound		Mid Yell		Sandwick		Whalsay	
			3 classes		3 classes		1 Composite Class		1 Composite Class		2 Composite classes		2 Composite classes		2 Composite classes	
Curricular Area		Period Allocation /week	Teacher period reqmt. /week	Teacher FTE reqmt.	Teacher period reqmt. /week	Teacher FTE reqmt.	Teacher period reqmt. /week	Teacher FTE reqmt.	Teacher period reqmt. /week	Teacher FTE reqmt.	Teacher period reqmt. /week	Teacher FTE reqmt.				
English		4	12	0.44	4	0.15	8	0.30	24	0.89	8	0.30				
Maths		4	12	0.44	4	0.15	8	0.30	24	0.89	8	0.30				
Modern Foreign Languages		3	9	0.33	3	0.11	6	0.22	18	0.67	6	0.22				
Social Subjects	From: History, Geography and Modern Studies with Personalisation and Choice in S3	3	9	0.33	3	0.11	6	0.22	18	0.67	6	0.22				
Technologies	Technical	2	6	0.22	2	0.07	4	0.15	12	0.44	4	0.15				
	Home Economics	2	6	0.22	2	0.07	4	0.15	12	0.44	4	0.15				
	ICT	2	6	0.22	2	0.07	4	0.15	12	0.44	4	0.15				
Science	General Science with Personalisation and Choice in S3	4	12	0.44	4	0.15	8	0.30	24	0.89	8	0.30				
Expressive Arts	Art	2	6	0.22	2	0.07	4	0.15	12	0.44	4	0.15				
	Music	2	6	0.22	2	0.07	4	0.15	12	0.44	4	0.15				
PE	Core PE	2	6	0.22	2	0.07	4	0.15	12	0.44	4	0.15				
Religious Education		1	3	0.11	1	0.04	2	0.07	6	0.22	2	0.07				
Personal Social Education		1	3	0.11	1	0.04	2	0.07	6	0.22	2	0.07				
Pastoral Support		1	3	0.11	1	0.04	2	0.07	6	0.22	2	0.07				
Totals		33	99	3.67	33	1.22	66	2.44	198	7.33	66	2.44				
											Total	17.11				

**Shetland Islands Council****02 July 2014****Pension Fund – Investment Tender Exercises****F-034-F****Report Presented by Executive Manager - Finance****Corporate Services****1.0 Summary**

- 1.1 The purpose of this report is to seek partial exemption from the Council's Contract Standing Orders in regard to the requirement to advertise, in relation to three Pension Fund investment mandate tenders.
- 1.2 These three investment tender exercises were agreed as part of the new Pension Fund investment strategy, which was approved by the Council on 26th March 2014 (min ref 17/14). The tender exercises can be conducted under a selection process that does not require advertising in the Official Journal of the European Union (OJEU), but this is a requirement stated in the Council's Contract Standing Orders for contracts of this type, where the estimated cost is over £172k.
- 1.3 The Pension Fund is covered by European Union procurement legislation, as embodied in The Public Contracts (Scotland) Regulations 2012. Exemptions however do apply to certain types of services.
- 1.4 One such option is when the investments are in pooled funds, which the Pension Fund is intending to use. Effectively the Pension Fund is purchasing units in funds in the same way as any other investor. This is equivalent to making a direct investment, which allows the Pension Fund more flexibility in tendering.
- 1.5 The Pension Fund wishes to take advantage of this flexibility, which will shorten the appointment process, save time, reduce administration work and save costs whilst maintaining a competitive tender process conducted by the Council's investment consultants. The competitive elements of Contract Standing Orders will still apply.

2.0 Decision Required

- 2.1 That the Council RESOLVES to treat the three Pension Fund investment mandate tender exercises as a partial exception from the Contract Standing Orders, in particular Part 2 Operational Procedures, (2 (i) a) the requirement to advertise.

3.0 Detail

- 3.1 Hymans Robertson the Pension Fund's investment consultants conducted an investment strategy review of the Pension Fund during 2013/14, which resulted in a proposed new investment strategy. This new investment strategy was approved by the Council on 26th March 2014 (min ref 17/14). The new strategy requires three new investment mandates for; active equity, Diversified Growth Fund and an Alternative Credit Fund.
- 3.2 Hymans Robertson was asked to give a quote for tendering these three mandates, and to give any tendering options. Their quote gave two tender approaches, the OJEU process and the non OJEU process.
- 3.3 The main differences between the two approaches are:
- The non OJEU process will cost £19,000 per selection exercise. A full OJEU process will cost £33,000 per selection exercise.
 - The non OJEU process is quicker and less administrative, as it eliminates the initial advertisement in the OJEU journal and the other minimum timescales that would normally apply.
- 3.4 Under the non OJEU process Hymans Robertson would go straight to issuing tender requests to a list of about 8-10 preferred candidates, based on their knowledge of fund managers, their products and areas of expertise.
- 3.5 Hymans Robertson stated "The non OJEU process would still include a wide enough segment of the market to ensure the majority of the most highly rated funds are considered."
- 3.6 The Council's Procurement Section and Legal Section have been consulted on Hymans Robertson's proposals and they agreed a non OJEU process is permissible under the regulations. This will require a decision by the Council to apply a partial exemption to the tender process under Contract Standing Orders, in particular, Part 2 Operational Procedures, (2 (i) a) the requirement to advertise.
- 3.7 Fund managers who make it to the final selection in Shetland, to award the mandates, will give presentations to the Council. The final selection decision for each mandate is made by the Council.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities – A proper investment selection process is vital to produce effective fund managers to invest on behalf of the Pension Fund. This will ensure that the Pension Fund investments are properly managed under the new investment strategy, to allow the Council to maintain the long term affordability and stability of the Pension Fund.
- 4.2 Community /Stakeholder Issues – None.
- 4.3 Policy And/Or Delegated Authority – Contract Standing Order Part 2 - 2 (i) (a) the requirement to advertise, would normally apply. The exception requested is to allow Hymans Robertson to directly invite a long list of the most highly rated funds to tender as part of a competitive procedure.
- 4.4 Risk Management – Any tender exercise includes uncertainties and risks throughout the process from the information provided in tenders to the evaluation of the tenders and decisions taken. All these risks are managed and mitigated through the use of investment consultants to analyse, compare and evaluate the tenders.
- 4.5 Equalities, Health And Human Rights – None.
- 4.6 Environmental – None.

Resources

- 4.7 Financial – The Pension Fund will incur investment consultancy fees in relation to the tender exercises. These fees are essential to help find capable fund managers. The long-term performance of the Pension Fund is one of the criteria that can affect the overall funding level of the Pension Scheme. This funding level then influences the contribution rate the Council is required to make into the Pension Scheme.
- 4.8 Legal – None.
- 4.9 Human Resources – None.
- 4.10 Assets And Property – None.

5.0 Conclusions

- 5.1 The Council requires a robust and in-depth tender process, to ensure the Pension Fund's investments are managed by capable fund managers in line with the new investment strategy. For this purpose investment consultant Hymans Robertson is advising on the tender options, and will conduct a competitive process for the three tenders to ensure a thorough tender exercise is followed.

- 5.2 The proposal is for Hymans Robertson to conduct three non OJEU selection processes, and to invite a selection of candidates to tender for each investment mandate. The list of candidates would cover a wide enough segment of the market to ensure a competitive tender process for each mandate.
- 5.3 This proposal requires a partial exception from the Council's Contract Standing Orders, by approval of the Council from the requirement to advertise the contract.

For further information please contact:
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END

**Shetland Islands Council****2 July 2014****Our Islands Our Future – update report**

CE-04-F

**Report Presented by
Chief Executive****Chief Executive's Department****1.0 Introduction**

- 1.1 This report provides an update on the Our Islands Our Future (OIOF) campaign, and attaches the document “Empowering Scotland’s Island Communities”, for discussion.

2.0 Decision Required

- 2.1 Members are asked to NOTE the content of this report and the attached Appendix.

3.0 Detail

- 3.1 An update report on the OIOF campaign titled “Constitutional Update Report” was last considered by the Council at its meeting on 26 March 2014 (Min. Ref 19/14). At that time, discussions with the Scottish Government were progressing, in the lead up to the publication of their prospectus document. Discussions were also continuing with the UK Government, in anticipation of the “Concordat”.
- 3.2 The Scottish Government published “Empowering Scotland’s Island Communities” on 16 June 2014 and it was officially released by the First Minister at an event in Orkney. The document is effectively the Scottish Government’s response to the Our Islands Our Future campaign, which has been running for the past year. The full document is attached as Appendix 1.
- 3.3 Discussions with UK Government civil servants have continued. It is expected that the Concordat will be sent to our Council, Western Isles Council and Orkney Islands Council around the middle of July. As the development process has differed from that of the “Prospectus”, it is proposed that a special meeting of the Council be called for the end of July / early August to give Members an opportunity to consider the

document. Although this is technically within the Council's recess period, it is considered important that this matter is put in front of Members to allow consideration before the pre-referendum pre-election period, which starts on 22nd August.

4.0 Implications

Strategic

4.1 Delivery on corporate priorities

The OIOF campaign's strategic objective was to secure the best for Shetland, now and in the future. That is very much in line with the Shetland Islands Council's and the Shetland Partnership's objectives. Maximising the opportunities and managing the risks in significant constitutional reform is key to that.

4.2 Community/Stakeholder Issues

The Council Leader participated in the launch of the Scottish Government's "Empowering Scotland's Island Communities" document. That event received wide coverage through the media. The document is also accessible for future reference through the Council's website.

4.3 Policy and/or Delegated Authority

The implications of major constitutional reform could affect any of the arrangements with the Council's Policy framework and indeed the Council's constitution itself. Approving, adapting or amending any plan within the policy framework is reserved to Council (Part A - 3(1)).

4.4 Risk Management

Constitutional reform offers potentially significant opportunities for Shetland, but equally recognised, also present possible threats. This project is featured as a priority in the Council's Corporate Risk Register.

4.5 Equality, Health and Human Rights - None.

4.6 Environmental – None.

Resources

4.7 Financial

There are no direct financial implications arising from this report.

4.8 Legal – None.

4.9 Human Resources – None.

4.10 Asset and Properties – None.

5.0 Conclusions

- 5.1 This report provides a brief update on the OIOF campaign, and sets out the Empowering Scotland's Island Communities document for Members to discuss.

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23 June 2014

Appendix 1 - Empowering Scotland's Island Communities

END

> Empowering Scotland's Island Communities

June 2014

Island Areas Ministerial Working Group





> Empowering Scotland's Island Communities

June 2014

Island Areas Ministerial Working Group

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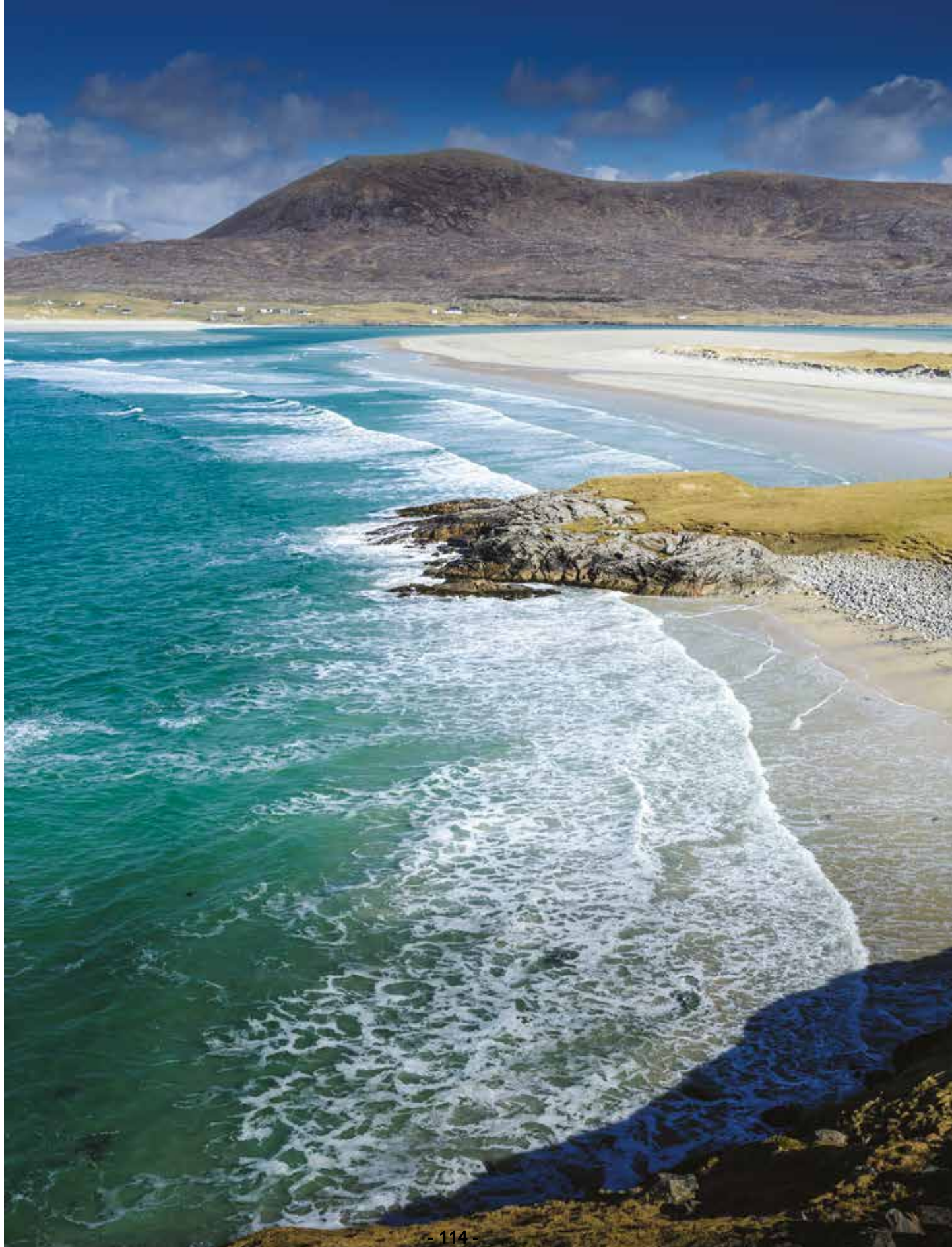
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Foreword

by the Chair of the
Island Areas Ministerial
Working Group

The forthcoming referendum on Scotland's constitutional future creates a once in a generation opportunity for democratic renewal.

Should Scotland choose to become an independent country we will see decisions about what happens in Scotland taken by those who care most about Scotland, the people who live and work here. That will see the wealth and resources of Scotland deployed in Scotland's best interests.

That is a hugely exciting opportunity for our nation.

In July 2013, as part of Scotland's journey toward independence, the First Minister set out the Lerwick Declaration.

> *We believe that the people who live and work in Scotland are best placed to make decisions about our future – the essence of self-determination; therefore we support subsidiarity and local decision making.*

The Lerwick Declaration has guided our engagement with Scotland's islands.

Meeting on Shetland, the Scottish Government established the Island Areas Ministerial Working Group to take forward the bold proposals set out as part of the Our Islands Our Future campaign by Shetland Islands Council, Orkney Islands Council and Comhairle nan Eilean Siar.

The working group has met six times over the last year and I commend the three Islands Councils on their ambition and their commitment throughout this process.

The Scottish Government recognises that, whilst the three Islands Councils are in a unique position, Scotland has altogether 93 inhabited islands, all of whose communities can benefit from greater empowerment.

On 16 April 2014 at a Cabinet meeting in Stornoway, we confirmed our support for constitutional protection for our islands.

This prospectus, *Empowering Scotland's Island Communities*, relates wholly to Orkney, Shetland and the Western Isles, and following my discussion with Highland, Argyll & Bute and North Ayrshire Councils we also propose nearly all of the measures as applying to the other Island Areas in Scotland. This is therefore a prospectus for all of Scotland's islands.

Increased power brings with it increased responsibility and accountability. In proposing this prospectus, both the Scottish Government and representatives from across our Island Areas have ensured that increased autonomy for island communities is the right package to ensure that Scotland's islands can address the challenges they face and seize the opportunities for economic growth that are available.

Twenty-first century technology can help bridge the geographical distance that currently constrains island ambitions. Renewable energy can power island economies and with greater empowerment communities can deliver a more sustainable future with better housing, lower fuel bills and better transport links. Capturing the abundance of natural resources and the ingenuity of island populations will increase employment, improve local services, grow island economies and benefit not just Scotland's islands but our country as a whole.

This prospectus is a package recommended by all members of the Island Areas Ministerial Working Group. It is predicated on the transfer of all powers to the Scottish Parliament that independence would deliver, to ensure decisions best determined by island communities are made by those island communities.

Independence provides a clear opportunity to extend the principle of self-determination and the Scottish Government's commitment to community empowerment. It is an opportunity for Scotland's islands to secure a better and more prosperous future; and it is an opportunity that I hope will be seized across all of our islands.



Derek Mackay MSP
Minister for Local Government & Planning

Foreword

by the Our Islands
Our Future Leaders

Almost exactly one year ago, on 17 June 2013, the three Islands Councils of Orkney, Shetland and the Western Isles launched the Our Islands Our Future campaign.

We did it believing, as we still do, that our island groups have particular characteristics and face particular challenges due to our geographic remoteness and small populations – and that empowering our local democracies as happens elsewhere in Europe’s Island Areas would allow us to unlock the potential of our islands for the benefit of all of our dispersed communities, and for the country itself.

Our belief is that this can be achieved by giving us the tools to sort things out for ourselves, as we are resilient and innovative, and care passionately about our communities. By letting us operate on a level playing field where our disadvantages are recognised and mitigated we can achieve the cohesion that is core to the goals of the European Union. By giving us the fiscal levers to invest in our areas and our communities we can drive sustainable economic growth.

Our campaign respects our differences but recognises that we have much in common, and that our arguments have more weight when they are made by all three of Scotland’s councils solely made up of islands.

Taking a non-party political view and expressing no opinion on independence, making arguments that were reasonable and well substantiated, we posed questions to the Scottish and UK governments and the opposition parties, fully aware that there would be no better time to do this than when Scotland is fundamentally examining its own constitutional status.

The campaign launch immediately drew a positive response from the media and our politicians.

The Scottish Government led with the First Minister’s Lerwick Declaration committing to subsidiarity and that the islands should have the ‘maximum degree of local decision making’.

This was quickly followed up by the establishment of the Island Areas Ministerial Working Group, which over six meetings has allowed us to submit our arguments for empowerment of our local democracies to the Scottish Government for their consideration and response, given substance in this prospectus for the islands.



We do not underestimate the ambition of our campaign, but neither do we underestimate the cultural and economic contribution the islands make to the country.

Our distinct cultures are evident in our musical exports, our Gaelic, Norse, and archaeological heritages, and every time we speak.

The economies of the three island groups rely on a small number of key industries which in the case of fishing, agriculture, aquaculture and oil and gas are of national importance. In the case of renewable energy the peerless resources around our islands and the international lead the islands have in testing and deployment have the potential to make a crucial contribution to national ambitions.

The sea and the seabed are vital to the very survival of our remote island communities.

So it is vital that the communities of the remote island groups acting through and with their Councils and Community Planning Partnerships have the leading role in the sustainable development and exploitation of marine resources, deriving an equitable share of the revenues from them, ensuring that development is not something that is just done to us.

Our remoteness means that connectivity of all kinds is fundamental to us, be it grid connections, postal services, digital communications, or crucially transport by sea or air, both internal to our Island Areas and external to the Scottish mainland.

To us the seas and ferries are our equivalents of roads and railways and buses and trains on the Scottish mainland. They are essential but often place a disproportionate financial burden on our Councils, and we are keen to work with the Scottish Government to address such issues and also to play a central role in design of efficient transport services.

All these issues and more have been discussed in our meetings and responded to by the Scottish Government in this prospectus.

We wish to thank Ministers and officers alike for the productive and helpful way they have worked with us through the deliberations and negotiations of the Ministerial Working Group, not least our chairman, Local Government and Planning Minister Derek Mackay MSP.

Though the Island Areas Ministerial Working Group may have come to an end, our ambitions for our Island Areas will not, and we hope to continue to work productively with the Scottish Government in the future.

We welcome the publication of this document as a very significant step towards realising our ambitions for Our Islands and Our Futures, and recommend it to our Councils and communities for consideration.



Councillor
Angus Campbell
Leader, Comhairle
nan Eilean Siar



Councillor
Dr Steven Heddle,
Convener and
Leader, Orkney
Islands Council



Councillor
Gary Robinson,
Leader, Shetland
Islands Council



Introduction

Scotland's islands are special. They are beautiful and diverse, enjoying rich histories, healthy economies and immense prospects for future growth. And just as Scotland's islands have played a vital role in our history, it is our shared responsibility to ensure all our islands play an essential part in Scotland's future.

The blend of Gaelic, Scots and Nordic cultures is a unique combination which shapes our islands. It is one of the pillars of a strong sustainable tourism industry, along with our superb natural environment, and underpins a thriving creative industries sector. Our food and drink products, including many well-known brands, enjoy global success. Newer industries are growing here too, including financial and business services, and our islands are already making a significant contribution to Scotland's growing success in renewable energy, learning from their previous role in the development of Scotland's oil and gas industry, all nurtured by the island campuses of the University of the Highlands and Islands (UHI).

On 18 September of this year, the people of Scotland will have the opportunity to determine their country's future. This prospect of constitutional change brings with it an opportunity to renew democracy at all levels in Scotland. Indeed, the prospect of the extension of the powers of the Scottish Parliament creates a unique opportunity to consider the right level for decisions to be made in all parts of Scotland. But democracy is first and foremost about people and communities and not parliaments, councils or governments.

In *Scotland's Future* the Scottish Government has set out the opportunities independence can provide for individuals, for households and for business. Crucially independence will ensure that the decisions about Scotland are taken by those who care most about Scotland, that is, the people who live and work here.

The Scottish Government believes that independence will ensure that the people of Scotland will be in charge of our vast wealth and resources and that we can choose to use that wealth to create more jobs and build greater economic security by tailoring economic policy to ensure Scotland's needs are met.

The Scottish Government believes that with independence Scotland's islands can benefit from that same opportunity – the ability to take decisions about their future, to design policies locally and nationally that are in tune with island needs and crucially to access the wealth and resources of the islands to deliver them.

Introduction

continued

Devolution has helped to raise the profile of Scotland's islands. Since 1999 policies developed by the Scottish Parliament have demonstrated a greater understanding of island life and island economies whilst successive Scottish administrations have recognised Scotland's islands as having an important part to play in our national life.

The Scottish Government believes that with independence we will be able to empower not only island communities to make decisions about the issues that affect them, but the Scottish Parliament will be empowered to consider the needs of island communities in new areas of welfare, taxation, telecommunications, energy, immigration, and wider economic policy. Scotland will also be a full member of the European Union and will argue the case for Scotland's priorities in Brussels, many of which directly affect island communities.

Strong communities are essential to the continued wellbeing of our islands. Social and economic development is fundamental to achieving growth and employment opportunities, particularly in remote, sparsely-populated areas. Supporting communities to build dynamic, creative, sustainable places is integral to improving the wellbeing of people on the islands and to building fairer and wealthier communities. Building on their diverse range of resources, opportunities and skills, our ambition is to see every community across the islands reach its full potential.

The people who choose to live and work on our islands are a significant resource with skills and knowledge that we must respect, nourish and unlock to help deliver our shared ambitions for the islands. In empowering islands we must also enhance the consideration of islands needs in national policies. That principle applies to all Scotland's islands. However we also recognise that the three Islands Councils are unique in serving only island communities – each has its own circumstances which present uniquely distinctive challenges in the delivery of public services and of national priorities. Common to all is their remoteness, peripherality and, in comparison to most other local authorities in Scotland, their small population sizes.

[Our Islands Our Future and the Island Areas Ministerial Working Group](#) Comhairle nan Eilean Siar, Orkney Islands Council and Shetland Islands Council (Scotland's three Islands Councils) were quick to recognise the constitutional moment, and formed the *Our Islands Our Future* campaign to press the case for their islands in the context of the independence referendum. In June 2013 they set out their



vision for the future of their three Island Areas. *Our Islands Our Future*¹ has been a bold campaign and has formed a key part of the debate over Scotland's future.

In July 2013 the First Minister, Alex Salmond, set out the Scottish Government's support for the empowerment of all of Scotland's islands in the Lerwick Declaration, stating *"that the people who live and work in Scotland are the best placed to make decisions about our future – the essence of self-determination; therefore we support subsidiarity and local decision making."*

The Scottish Government formed the Island Areas Ministerial Working Group together with the *Our Islands Our Future* leaders (see Appendix 1), to consider how a future Scottish Government, with the powers of independence, could recognise the needs of our unique and remote Island Areas and empower and continue to support our island communities.

Empowering Scotland's Island Communities

This prospectus is the culmination of the Group's work over the last ten months, and constitutes measures recommended jointly by Scottish Ministers and Islands Council Leaders.

The prospectus should be considered as a coherent package of measures. It does not attempt to describe or address every function or aspect of community development across our islands.

The proposals set out in *Empowering Scotland's Island Communities* have, however, been identified by the Group as reflecting the clearest opportunities available to the Island Areas at this time.

The principles and circumstances outlined above were at the heart of the Island Areas Ministerial Working Group's considerations. The consequences and implications of proposed changes needed to be properly explored and understood, with the optimal balance of responsibility for service delivery between central and local government needing to take account of what the communities who both use and finance public services desire. The agreed focus of the Group's actions is detailed in Appendix 1.

The work of the Group, the benefits of which will spread to all of Scotland's islands where appropriate, has had a strong platform to build on. The current arrangements for public service delivery in the islands have developed and evolved over many years, and continue to do so through the strong partnership approach

¹ <http://www.orkney.gov.uk/Council/C/our-islands-our-future.htm>

Introduction

continued

between the Scottish Government, public bodies, local authorities, the third and independent sectors, and communities themselves.

As well as recent developments, our work was informed by the detailed work of the independent Montgomery Committee², whose 1984 report on Islands Councils' functions contained a central recommendation that "there should be no reduction in the powers of the Islands Councils, and the opportunity should be taken whenever possible to consolidate, develop and extend these powers". The Committee also found that there may be circumstances where legislation should include a provision to vary their application to the Island Areas.

The Group endorses those findings, and has tested a number of areas to come up with proposals to enable a new phase of democratic renewal in our islands. At the time of the 2011 Census, Scotland had 103,702 people living across its 93 inhabited islands. The proposals in this prospectus are of interest for everyone in these island communities.

The Group developed these proposals based on three underpinning objectives:

- » promoting islands voice;
- » harnessing island resources; and
- » enhancing islands wellbeing.

The package of proposals balances the risks and rewards that come with increased responsibility and opportunity. Many are also applicable to other comparable parts of Scotland – and, especially, nearly all are applicable to the other island communities within Highland, Argyll and Bute and North Ayrshire local authority areas. This reflects the outcome of Scottish Ministers' separate discussions with representatives of those three Councils, although the development of this prospectus primarily reflects the work of the Island Areas Ministerial Working Group.

This package of measures is based on the transfer of all powers to the Scottish Parliament with independence – it requires certain responsibilities to be transferred from Westminster to Holyrood before they can be transferred to the islands. The Scottish Government is committed to implement all the measures described in this prospectus upon the transfer of powers that independence

² Committee of Inquiry into the Functions and Powers of the Islands Councils of Scotland (1984), Cm9216.

would deliver, subject to formal consultation arrangements and, where legislation is required, the scrutiny and will of the Scottish Parliament.

This prospectus is by no means the final word on actions to come, but it does form a package that is both logical and bold, and which sets the course for further empowering Scotland's islands. The Scottish Government will continue to engage with the islands regarding opportunities for their communities.

Wider advantages of independence

As well as the specific advantages for islands described in this paper, the Scottish Government has set out the advantages and opportunities of independence for Scotland as a whole, from which our island communities will also benefit, in *Scotland's Future*:

- » To create a more democratic Scotland. The Scottish Government believes that the people of Scotland are the ones who will do the best job of running our country. We will not get every decision right, but more often than not the choices we make for our economy and our society will be better for Scotland than those made at Westminster. With independence, Scotland will always get the governments we vote for. For half the time since 1945, Scotland has been ruled by Westminster governments with no majority in Scotland.
- » To build a more prosperous country and boost employment. The key economic powers necessary to deliver growth and prosperity remain with Westminster. Scotland is blessed with a range of economic strengths and advantages: substantial natural resources, a strong international brand, world-class universities and research, and a range of world-leading industries including food and drink, life sciences, the creative industries, energy, tourism, insurance, wealth management and engineering. Despite all of Scotland's strengths, over the past 30 years our economic growth rate has been lower than the UK average and lower than that of comparable nations across Europe. Independence would make the Scottish Parliament and Government responsible for the full range of decisions on taxation and other economic policies, as well as employment law and all aspects of economic regulation, would be taken in Scotland and tailored to Scotland's needs.
- » To become a fairer society. Within the UK, Scotland is part of an increasingly unequal society. With independence we can build a more equal and fairer Scotland, where the many benefits of a rich and active society are shared and where we work together to advance our nation as a whole.



Why Scotland's islands are special

Scotland's unique and special islands

In recognising the potential of our islands it is essential to recognise the challenges and opportunities that our island communities face.

Just as the Scottish Government believes independence will better enable Scotland to address the issues we face as a nation, so autonomy and empowerment for the islands should provide island communities with the means and the support of national government to address the challenges they face and to seize the immense opportunities that are available.

Scotland's islands are recognised as places where communities take responsibility for shaping their future; where social enterprise as a sector is innovative, strong and growing; where community asset ownership and service delivery are well established and supported; and where unique cultural assets, including Gaelic, play a significant role in creating vibrant, strong communities.

With independence we will no longer rely on Westminster to recognise or support these aims. Instead the Scottish Parliament, Scottish Government, Islands Councils and other island stakeholders will be able to meet island needs and to support island communities in grasping these opportunities, building sustainable economic growth and securing the benefits such as increased island populations that will result.

Island priorities

Islands by their very nature are special places with special requirements. For example, the Western Isles, Shetland and Orkney each have their own strong sense of identity, just as the Argyll islands differ from Arran; yet what they share is an abundance of natural resources and a pride in their cultural traditions.

> *Just as the Scottish Government believes independence will better enable Scotland to address the issues we face as a nation, so autonomy and empowerment for the islands should provide island communities with the means and the support of national government to address the challenges they face and to seize the immense opportunities that are available.*

Why Scotland's islands are special

continued

Our islands include many fragile areas, characterised by factors such as declining population, scarcity of economic opportunities, proportionately fewer young people, geographical and transport challenges, and below average income levels. The issues of remoteness, and of how best to deliver services for the benefits of Scotland's islands efficiently and effectively, remain. Island Areas still face challenges of connectivity to the mainland transmission network in relation to taking advantage of the opportunities of on and offshore renewable energy development. And the remote nature of our islands will always present transportation challenges that must be addressed.

These challenges form the basis of the *Our Islands Our Future* campaign and the Island Areas Ministerial Working Group has focused on the way in which empowerment of our island communities can address these issues.

The Scottish Government and its public bodies, together with the local authorities covering the islands, are fully aware of the particular opportunities and challenges in Scotland's islands, and using the powers of devolution we collaborate closely with local communities and other stakeholders. This focus is reflected, for example, in the collaborative work of the Convention of the Highlands and Islands, and in the strategic priorities of Highlands and Islands Enterprise, which are to:

- » Support businesses and social enterprises to shape and realise their growth aspirations
- » Strengthen communities and fragile areas
- » Develop growth sectors, particularly distinctive regional opportunities
- » Create the conditions for a competitive and low carbon region

Scotland's people are best placed to make decisions about our future, and to know what is needed to deliver sustainable and resilient communities. This recognition is central to the Scottish Government's outlook, including its proposals in the recently launched Community Empowerment (Scotland) Bill, and its joint work with COSLA³ to strengthen community planning. And building on that work upon independence, with island-proofing of Government policy-making duly embedded, our islands will have

³ Convention of Scottish Local Authorities

more input to policy-makers on a regular basis. The Scottish Government believes that independence provides the best opportunity to extend the partnership that exists between Scotland's island communities, their local authorities and the Scottish Government into new areas.

> *Islands by their very nature are special places with special requirements.*

The Community Empowerment (Scotland) Bill will help to shift the balance of power towards communities. It will give them new rights to have their voices heard in relation to the design and delivery of public services, in the community planning process and at their own initiative, and it will make sure that their proposals to take over public sector assets are properly considered.

The Bill will also reinforce the Scottish Government's message that it expects all local authorities, and other public sector bodies, to support communities to become more empowered and to participate in the decisions made by those bodies. Those authorities that are already doing this well should not find the Bill onerous, but it will make others catch up to that best practice.

Funding for Islands Councils

Budgets distributed according to need

Ensuring island communities, like all communities, can fulfil their potential requires a fair allocation of resources.

Independence would give Scotland access to all of our wealth and resources. Decisions on the level of public expenditure and its allocation will be a matter for the people of Scotland and the government they elect, rather than decisions at Westminster.

The devolution of local government funding to the Scottish Parliament has enabled the Scottish Parliament to provide protection for local government, despite real-terms cuts in Scotland's overall funding imposed by the Westminster Government. For example, in recent years, decisions taken by Westminster governments have resulted in an 11 per cent reduction of Scotland's budget. This has taken place despite the opposition of the Scottish Government. And in 2013-14 the Scottish local government settlement represented a flat cash settlement on a like-with-like basis, whereas the UK settlement reduced English local government spending power by 1.7 per cent.

Why Scotland's islands are special

continued

Funding for the Islands Councils

Because the distribution of the local government budget is designed to properly account for characteristics such as remoteness, dispersed populations and characteristics unique to island communities, Shetland, Orkney and Eilean Siar receive greater funding from the Scottish Government, per head of population, than any other local authority in Scotland. The other local authority areas with significant island populations – Argyll & Bute, Highland and North Ayrshire – all receive block grant funding per head of population above the Scottish average.

In addition to their needs-based share of Grant Aided Expenditure, the Islands Councils also benefit from the Special Islands Needs Allowance (SINA), which recognises the increased cost of delivering services to island communities and allocates extra funding to those authorities. SINA redistributes around £20 million each year to authorities with island communities. The three Islands Councils receive around 85 per cent of this sum, reflecting the agreed means of distributing SINA to reflect the additional costs associated with public service delivery in such communities.

Financial autonomy

Local authorities in Scotland now have greater autonomy in determining how to spend their budgets. Prior to 2007, central government required local authorities to spend particular proportions of their budgets on particular services, thereby constraining the choice of locally elected members to adjust spending to meet local needs. This 'ring-fencing' of budgets has reduced from a total of £2.7 billion, across of all of Scotland's 32 local authorities in 2007-08, to just over £240 million in 2014-15.

The Scottish Government is providing local authorities with total funding of over £10.6 billion in 2014-15 and this will be maintained in 2015-16. This continues the protection of local government's share of the total of Scottish budget, in stark contrast to elsewhere in the UK.

Additionally, the Islands Councils and communities will accrue extra spending capacity as the community benefits described elsewhere in this prospectus are realised to help empower them and address specific island challenges.



On independence, the Scottish Parliament will have the opportunity to design a tax system for Scotland which reflects a collective view of the social and economic model which the country wishes to pursue. The Scottish Government has committed to building a simpler system of taxation after independence, following our model of collaborative policy development, as seen in the implementation of tax powers devolved under the Scotland Act 2012. The application of derogations and localised concessions is determined by EU law. The Scottish Government notes the Islands Councils' proposals for targeted measures such as to address fuel poverty or reduced VAT for construction and will invite the Islands Councils to contribute to a programme of work reviewing the inherited UK tax system following independence, with a view to identifying reforms that would allow all of Scotland to gain from the full benefits of a modern and efficient tax system.



Promoting islands voice

Since the advent of devolution Scotland's islands have not only benefitted from policies on health, education, and justice being set by the Scottish Parliament but have seen their particular concerns addressed through legislation on, for example, crofting, Gaelic, transport and agriculture.

Since 2007 Scotland's cabinet has met at locations across Scotland's islands, and Scottish Ministers and parliamentary committees have regularly attended Scotland's islands to conduct their business and engage with island communities.

In addition the Scottish Parliament has provided a platform for Scotland's islands to be celebrated and for the concerns of island communities to be raised.

Independence will extend the advantages of devolution for the islands to the whole range of government activity. Instead of trying to influence Westminster, island communities and authorities will have direct access to the Scottish Government and Scottish Parliament to scrutinise the impact of government policies on the islands and present their views.

On a wide range of policy areas affecting the future of our islands engagement with the European Union has a vital role to play. Only as an independent Member State can the Scottish Government negotiate directly on Scotland's behalf, taking account of the impact on island communities, and the islands' voice and representation within the European Union.

Island-proofing and an Islands Act

In *Scotland's Future*, the current Scottish Government committed to bring forward a Bill for an Islands Act on independence, to implement the measures across this prospectus that require legislation.

This is a landmark proposition – a chance for the fullest public and parliamentary input and scrutiny, to ensure public service arrangements are fully aligned with our islands' current and future needs and aspirations. The Islands Act would place a duty on the Scottish Government and other relevant public authorities to 'island-proof' their functions and decisions, where those functions and decisions will have an islands impact.

Promoting islands voice

continued

The principle of island-proofing is one of building a broad-based islands awareness into the decision making process of all parts of the public sector. Island-proofing consists of considering the particular needs and circumstances of island communities when the Scottish Government and other relevant public authorities are exercising their functions and making decisions. The Scottish Government commits itself to this principle, and the Islands Act will formalise the approach in statute.

As part of island-proofing the Scottish Government would consider:

- » when legislating in areas with an impact on island communities, whether particular functions and responsibilities could be given to island communities;
- » when legislating, whether there was a particular need for differential application of legislation for island communities;
- » the applicability of the principles contained within the Reference Framework on Regional Democracy of the Congress of Local and Regional Authorities of the Council of Europe; and
- » when developing, formulating and implementing policy, the needs and circumstances of island communities.

The Scottish Government will ask the Parliament to consider amendments to the Scottish Parliament's Standing Orders to reinforce island-proofing within the Parliament's procedures, especially its legislative procedures, as the Parliament evolves to take account of the responsibilities of independence. Island-proofing will also provide a framework to take account of the recommendation of the 1984 Committee of Enquiry and Functions and Powers of the Islands Councils of Scotland (the Montgomery Committee) that Acts of Parliament can in certain respects be varied or adjusted in their application to Island Areas, where there is a reason to do so.

The Scottish Parliament already has the power to vary the application of legislation by geographical area. The process of island-proofing would provide an opportunity to consider, on a case-by-case basis, whether this might apply to particular pieces of legislation.

Islands Minister

The Scottish Government will create a post of 'Minister for Island Communities' in the first government of an independent Scotland. This post will provide a focus for island issues and a voice for island communities within the Government on all issues and ensure islands voice is represented at all times.

Legal and constitutional status

Recognising island status

The Scottish Government recognises that the island groups of Orkney, Shetland and the Western Isles are Island Regions which, alongside their significant natural resources and important place in Scotland's economy, also face significant and long-standing geographic or demographic challenges as reflected in Article 174 of the Treaty on the Functioning of the European Union.

The unique nature and requirements of Scotland's islands will be recognised in Scotland's interim constitution, ahead of the establishment of a formal constitution, through an Islands Act and island-proofing, the legislative protection of island constituencies and by the appointment of an Islands Minister.

In addition, Scottish local government will also benefit from constitutional recognition available under independence.

> *The unique nature and requirements of Scotland's islands will be recognised in Scotland's interim constitution.*

The Scottish Government will ensure that the special status and needs of Scotland's islands and the principle of subsidiarity as it relates to the place of Scotland's islands within the EU are recognised in its planned Islands Act.

The Scottish Government will use Scotland's influence as a Member State of the EU to pursue joint objectives to further establish and enhance island access to networks in the areas of transport, telecommunications and energy infrastructure. This will take account of the need to link the island regions with the central regions of the Union in terms of Article 170 of the Treaty on the Functioning of the European Union.

Promoting islands voice

continued

Constitutional status

One of the early priorities in an independent Scotland will be the development of a permanent written constitution.

As set out in *Scotland's Future*, Scotland's permanent written constitution will be prepared, post-independence, by a constitutional convention in a widely participative and citizen-led process. The independent Scottish Parliament elected in May 2016 will establish the convention, including its membership and working procedures. Once established, the convention will work autonomously of both Parliament and Government. Therefore the Scottish Government will not control the membership of the convention or the subjects which the convention might choose to include in the permanent constitution. However, in *Scotland's Future* the Government sets out provisions the Government plans to propose for the Convention's consideration. The Government also plans to propose a provision recognising the unique position of Scotland's islands, building on the affirmation given by the First Minister in the Lerwick Declaration that the Scottish Government is committed to subsidiarity and local decision making.

Island communities and Islands Councils will be able to make proposals to the constitutional convention for inclusion in the permanent constitution; the Scottish Government would also expect that membership of the convention would reflect Scotland's diversity, including our island communities.

The Islands Councils intend to propose a provision for the permanent constitution which would reflect the principles contained in Articles of the Treaty on the Functioning of the European Union concerning issues such as subsidiarity, taking account of peripheral regions including islands, and reducing disparities in development of less favoured regions including islands. The Scottish Government believes that the convention would find such proposals a helpful and welcome contribution, and supports such an approach.

The Scottish Government will publish, for consultation, the draft Scottish Independence Bill, which provides for the interim constitution for an independent Scotland. This Bill, which will be published in June, will give Scotland's islands recognition in the interim constitution from the point of independence.



Following a vote for independence, this Bill, along with a refreshed Scotland Act, will be legislated for and will form the basis for Scotland's governance from the point of independence, and until the constitutional convention completes its work in preparing the permanent constitution. The draft Bill will also contain a wider protection for local government across Scotland.

Parliamentary constituencies

Under devolution the Scotland Act 1998 currently provides statutory protection for the Orkney and Shetland parliamentary constituencies. We believe this protection should be extended to the Na h-Eileanan an Iar constituency as the only other all island constituency. This will be done when legislating for the refreshed Scotland Act during the transition to independence.

Scotland's Future confirms that the Scottish Parliament will continue to be elected using the same electoral system as at present and would maintain the same number of Members. Scotland's islands are well represented in the Scottish Parliament across six constituencies and two parliamentary regions, with 20 MSPs in total representing our island communities.

Powers of the three Islands Councils

Local government is an integral and essential element of the overall good governance of Scotland – the public services it provides, along with those delivered by bodies such as the NHS, the Scottish Fire and Rescue Service and Police Scotland, help form the bedrock of our society. Local authorities also have a statutory responsibility to convene Community Planning Partnerships that bring together public agencies to plan and deliver services in their area.

Local people are a resource with skills and knowledge that we must respect, nourish and unlock to help deliver shared outcomes. The need to apply local knowledge to the delivery of national policies was never more the case than in the three Island Areas. Common to all is their remoteness, peripherality and, in comparison to most other local authorities in Scotland, their small population sizes.

Promoting islands voice

continued

Local democracy is important to the wellbeing and sustainability of island communities. Recognising this importance, the Scottish Government supports provision in a written constitution to embed the status and rights of elected local government. This would enable Scotland to guarantee the principle of local self-government in line with the European Charter of Local Self-Government. Such constitutional recognition is normal in developed democracies such as Germany, Denmark and Sweden, and should also be the case in a modern Scotland. In contrast to the UK's lack of a written constitution, under which local government could be dissolved by politicians, independence offers the opportunity to guarantee local democracy.

The Scottish Government commits that the three Islands Councils will continue to enjoy all such special powers as they have at present, and there is no intention to legislate to diminish those powers or to adjust the territorial jurisdiction of the Councils. This position is with particular reference to the provisions contained within the Zetland County Council Act 1974 and the Orkney County Council Act 1974, both of which would continue in an independent Scotland.

The Scottish Government will progress as required any proposals from Comhairle nan Eilean Siar regarding which provisions from the 1974 Acts would also be relevant and appropriate for the Western Isles to have.

Enhanced representation for Scotland's islands within the EU

The Scottish Government would welcome a strong islands voice in the European Union.

In the event of a 'yes' vote in the referendum on 18 September 2014, the current Scottish Government will encourage greater representation for Scotland's island communities within the EU. This would be set out in a Memorandum of Understanding between the relevant parties. The following opportunities for enhanced island representation will be considered:

- » The islands to collectively nominate one of an independent Scotland's members of the Committee of the Regions, subject to agreement with COSLA.

- » The islands to provide input to the position to be adopted by the Scottish Ministers at meetings of the Council of the European Union on policy areas which will have a significant impact on the Islands, including through participation in delegations to meetings of the Council of the European Union where appropriate.
- » The appointment of a person within the Scottish Representation to the EU to specifically consider the interests of the Islands, and, where appropriate, host representatives of island communities and the Islands Councils.

Throughout this prospectus where the interests of Scotland's islands relate strongly to areas of EU policy we have considered ways in which the voice of Scotland's islands can be better represented.

> *Throughout this prospectus where the interests of Scotland's islands relate strongly to areas of EU policy we have considered ways in which the voice of Scotland's islands can be better represented.*

State aid

Scotland's islands are very much a 'market apart', facing issues of accessibility and insularity where local businesses tend to compete with each other rather than with mainland competitors whilst often facing higher marginal costs arising from, say, higher transport and energy costs than the equivalent businesses elsewhere. One key element of EU Law is State aid rules, which aim to limit public resources that distort competition and trade within the EU. For example, de minimis aid is limited to €200,000 (currently around £160,000) per beneficiary within any three consecutive years.

If it can be demonstrated that a particular intervention will not distort the wider national and EU markets, then the State aid rules would not be applicable – including limitations on the type of activities supported, the size of the beneficiary or the proportion of aid given.

Promoting islands voice

continued

Independence would allow Island Areas to be better represented within the institutions of the EU by Scotland as an independent Member State. The Scottish Government would work to ensure the EU takes island issues such as physical isolation, importance of transport infrastructure, and dependence on sectors such as fisheries and tourism into account in State aid rules. In future reviews of regulations, an independent Scotland would be able to make its own representations directly to the Commission without the Westminster Government's veto or reprioritisation of views. The Scottish Government commits to ensuring that the Island Areas would be represented in the Scottish delegation at State aid meetings with the European Commission, where the islands have a particular and significant interest.

The Scottish Government will take action to ensure that the application of State aid rules on Scotland's islands is appropriate and effective. Scottish Government State aid advisers covering all policy areas will be made available to local authorities with islands. By being able to access such expertise, especially in the policy areas of most importance to the islands such as agriculture, forestry, fisheries, renewables, tourism, and small business development, the Councils will be better able to develop measures to assist their economies in compliance with State aid rules. For schemes that require notification to the Commission, the Scottish Government will deploy its expertise and resources in Brussels.

More immediately, the European Commission has recently consulted Member States on the proposed new fisheries State aid regulations. The Scottish Government has submitted a Scottish response, after consulting our stakeholders across Scotland, citing the issues raised by the islands and including a request that the de minimis threshold be increased from €30,000 to at least €60,000 and opposing the proposed exclusion of aid for small fishing boat engines. We have also asked the European Commission to continue to allow aid to be given for the permanent and temporary cessation of fishing activities. Scotland's concern is that the implementation of a discard ban could see many whitefish boats going out of business. The removal of these articles is inconsistent with the European Maritime and Fisheries Fund (EMFF). If accepted, these amendments would allow public bodies to better assist the fishing sector, encourage sustainability and help them to respond positively to the pressure of market and regulatory constraints which are disproportionately burdensome for small companies.



Regional aid and assisted area status

The assisted areas map for the UK for 2014-20 was approved by the Commission on 21 May 2014. This map sets the regions in which companies are eligible for regional aid – enhanced capital aid which is permitted under State aid rules in recognition of the barriers faced by the selected regions. These barriers are typically defined by low GDP per capita, high unemployment and population sparsity, based on Europe-wide criteria.

For the 2014 map, for example, there was a significant risk that neither Shetland nor Orkney islands would meet the criteria for regional aid coverage at all. This would have exacerbated the additional costs of doing business in a remote area by removing a significant source of support for investment. The Scottish Government therefore worked closely with the Orkney and Shetland Islands Councils to set out evidence which secured the assisted areas designation by the Commission. Although the rules are changing across Europe to make it much more difficult to support large companies, this successful collective work towards negotiations means that businesses in the islands will remain eligible for the vital enhanced capital support permitted by these rules until at least 2020, when the rules are next reviewed.

EU funding

We recognise the importance of European structural and rural development funds to the communities of the Island Areas. These issues are addressed in detail in other parts of this prospectus.

The Scottish Government supports closer islands involvement in the management and monitoring of EU funding. This will include involvement in Scotland Rural Development Programme (SRDP) and Structural Funds governance.

Further to the Scottish Government's invitation for this purpose, the Islands Councils have agreed to nominate representatives to sit on the Rural Development Operational Committee (RDOC) and Joint Programme Monitoring Committee (JPMC) for SRDP, ensuring a direct islands voice.

Promoting islands voice

continued

A new model for public service delivery

One model of public service delivery considered in detail by the Island Areas Ministerial Working Group was the concept of one local public authority delivering all services in its area. This is consistent with the principle of subsidiarity and has significant potential to ensure particular functions properly reflect local needs and wishes, with more direct accountability between the providers of the service and the local electorate as users of the service. The counter to this is that certain services more readily lend themselves to being provided by central government, usually to allow financial risks to be spread across a broader base or to exploit the efficiencies of scale. These are perhaps exemplified by the provision of specialist health care requiring a sufficiently large population to establish and maintain expertise and clinical experience or the reduced global reach of a local economic development agency compared to one operating on a national basis. Indeed these considerations and trade-offs are at the heart of any consideration of whether a particular function or responsibility might best reside at which level of government.

The Scottish Government and local government have recently been working with partners to strengthen Community Planning. These processes bring partner bodies together to identify joint priorities and commit resources accordingly in line with local community needs and aspirations. The Islands Councils are atypical in Scotland in that each local authority boundary is coterminous with each local NHS Board area – more typically one NHS Board operates across a number of local authority areas.

> *The unique circumstances of each Island Area should allow such collaborative working to be further developed and new models for public service delivery explored.*

An early benefit of these circumstances will be in the delivery of more integrated health and social care on the Western Isles, Orkney and Shetland Isles. Already, Comhairle nan Eilean Siar and Shetland and Orkney Islands Councils, working with their NHS partners, have capitalised on the scope for a more integrated approach to deliver improved outcomes for their communities and through programmes such as the Early Years Collaborative.

These established joint working arrangements mean the implementation of the Public Bodies (Joint Working) Scotland Act 2014, which will ensure the better integration of health and social care, is well placed to advance in the Western Isles, Orkney and Shetland.

The policy ambition for integrating health and social care services is to improve the quality and consistency of services for patients, carers, service users and their families; to provide seamless, joined-up, quality health and social care services in order to care for people in their homes or a homely setting where it is safe to do so; and to ensure resources are used effectively and efficiently to deliver services that meet the increasing number of people with long term and often complex needs, many of whom are older.

Once the chosen means of collaboration between each Council and NHS Board has successfully bedded in, the unique circumstances of each Island Area should allow such collaborative working to be further developed and new models for public service delivery explored.



Harnessing islands resources

The principles of subsidiarity and local decision-making underpin this prospectus, not least in the area of marine resource management and utilisation. Local communities across our islands should be primary beneficiaries from income extracted as rental and royalty payments on activity around their shores. This should especially be the case where the exploitation of those resources is primarily for national benefit, has significant environmental, community and social impacts and carries significant environmental risks.

Our vision is that future development of the islands and the seas around them are planned and managed for all our benefits through an agreed arrangement of national, regional and local partnerships, with the Scottish Government and local authorities as central partners having a share in these responsibilities.

The Islands Councils have strong track records stretching over 40 years in local management and commercial extraction of marine resources, through formal arrangements such as works licensing under the Zetland and Orkney County Council Acts and agreements with the oil industry. These arrangements have worked well to local and national benefit.

The Scottish Government is clear that our energy future lies in renewables playing a key role in a balanced energy mix, which represents a far more cost-effective means of electricity generation than the next phase of expensive nuclear plants that the Westminster Government is committed to build. Renewable energy resources present an opportunity to bring about a transformational change to island economies. Scotland's islands have seized the potential of their natural resources to support community ownership and development such as on Eigg and Gigha, whilst Shetland is set to benefit from a local ownership stake in the Viking windfarm proposal which has the potential to bring up to £30 million revenue a year to the local community.

With the right support, the three Island Areas combined have the potential to supply up to five per cent of GB electricity demand by 2030 in a clean, green and cost-effective manner that supports local communities.

Harnessing islands resources

continued

The Scottish Government believes that independence will allow enhanced deployment of these resources and the full realisation of the associated socio-economic benefits, including through maximising the opportunity for community ownership and community benefits.

Our natural resources include those in our seas and the use of our land. Fishing and aquaculture are two of the most important industries in the islands – by virtue of their contribution to the islands’ economies, the direct and indirect employment they provide, and the high level of local ownership. The importance of the fishing industry is amplified by its potential to make a significant long-term contribution to the islands’ economies, and by the limited alternatives that can provide comparable levels of employment and local income. At present Scotland receives only 1.4 per cent of the current European Fisheries Fund or 40 per cent of UK allocation, despite representing 58 per cent of sea fishing and 85 per cent of UK aquaculture. With independence we will be able to put aside the current unfair allocation within the UK and negotiate a fairer share of European fisheries budgets reflecting the size of those industries to help our fishing and aquaculture sectors, and the wider seafood processing industry.

> *Local communities across our islands should be primary beneficiaries from income extracted as rental and royalty payments on activity around their shores.*

Farming and crofting are both a way of life and a crucial part of the economies of Scotland’s islands. The increasing profile of island produce has significant economic potential for our islands, just as the environment and natural habitat of our islands is a major attraction for tourists. The natural resources of our islands are at the mainstay of island economies.

Community benefit

Principles of community benefit from renewables

The positive effects from our islands’ natural offshore renewable energy resources, their industrial exploitation and supply-chain activities may not always be felt by ‘host’ island communities. Therefore steps should be considered to facilitate community benefit to help to ensure that tangible benefits are realised across island communities.



The principle of community offshore renewables benefit is a ‘package’ of benefits which can be delivered to island communities in a number of ways. This package should generally be designed in discussion with the community, and should be spread across a geographical area of beneficiaries, and across a framework of topics. In this way, it will be ensured that communities of geography, communities of interest and Scotland as a whole can all maximise the benefits from our renewable energy resource.

The Scottish Government recognises that offshore renewable energy sites vary greatly. This is why these principles are designed to be flexible and open to modification to ensure the most effective outcome is reached for each site.

Community benefit packages will vary from project to project, depending on a range of factors including: scale; technology; location; and nature of the project in question. The principle of community benefit is therefore that each package should be tailored to reflect the characteristics of the development.

Island opportunities

As outlined in this prospectus, Aquaculture and Crown Estate rental incomes are particular opportunities for island communities (and others) to secure community benefit that can help to empower them to fulfil their potential.

Role of the Islands Councils

The Scottish Government recognises that Islands Councils can have a central role in ensuring that community benefit is shared equitably and strategically to communities in their island groups. In such cases, the Islands Councils would each be responsible for administering their own fund, including determining how funds are spent, who would benefit and the level of benefit. The Council would have a strategic role in aligning the distribution of benefit with national and local priorities, securing agreement as required within Community Planning Partnerships to assure the direction of benefit towards communities.

In developing community benefit packages the Islands Councils can have a central role in making investment for community ownership to benefit all communities in their island groups, and in ensuring that community benefit can be shared equitably and strategically to all communities in their island groups.

Distinction from compensation

Community benefit provisions should not be confused with any compensatory or disturbance payments or provisions. Any such compensation arrangements should be separate from any community benefit proposals.

Community ownership of renewable energy

In distinction from community benefit, the Scottish Government's target to see 500 MW of renewables in community and local ownership by 2020 has a potential value of up to £2.4 billion over the operating lifetime of those schemes.

This target includes the scope for communities to invest in or share ownership of commercial schemes, and we are working with an industry stakeholder group to maximise this investment opportunity, as well as offering practical support to communities through the Community and Renewable Energy Scheme (CARES) and the Renewable Energy Investment Fund (REIF). Community and local ownership of renewable energy is the real prize for communities, including those on the islands, and the Scottish Government is working to realise this ambition.

Community benefits payments from commercial schemes offer a much smaller scale but nonetheless important opportunity to spread the benefits of our renewables resources to communities. In the past 12 months, about £6 million has been provided to Scottish communities from over 3 GW of (mainly) onshore wind schemes.

Crown Estate

Crown Estate seabed income from leases and other legal agreements

The Crown Estate is a property portfolio owned by the Crown, and includes a range of land and property, rights and responsibilities in Scotland.

We believe that the marine assets of island communities are key to their future and the wealth that is generated should be reinvested to safeguard that future.

The current responsibilities of the Crown Estate Commissioners enable them to generate income from leasing and other legal agreements in the islands.

The Scottish Government agrees with the Islands Councils that marine activities in the territorial waters of Scotland adjacent to the islands can have impacts on the community as well as delivering financial benefits to the local economy. The Scottish Government committed in *Scotland's Future* to ensuring the island communities benefit by receiving more than 50 per cent of Crown Estate seabed leasing revenues.

The marine assets of island communities are key to their future and the wealth that is generated should be reinvested to safeguard that future. The Scottish Government will therefore ensure that 100 per cent of the net income from the islands seabed is passed to island communities.

The income from leasing and other legal agreements in the islands associated with the Crown Estate Commissioners' current responsibilities will include, but will not be restricted to, income from leasing and other legal agreements for cables, pipelines, aquaculture, wave, wind and tidal devices, piers, local authority harbours and moorings in territorial waters.

> *We believe that the marine assets of island communities are key to their future and the wealth that is generated should be reinvested to safeguard that future.*

The Scottish Government acknowledges each Council's Community Planning and leadership role for their islands. Net income from activities within 12 nautical miles would be passed to individual Councils and each will be responsible for administering their own fund, including determining how funds are spent, who will benefit and the level of benefit. There is potential for each Council to administer their own fund jointly with development trusts and other types of funds in order to maximise opportunities for pump priming projects that can deliver social and economic benefits and empower local communities.

Resources would be distributed to each Council one year in arrears directly based on net income generated.

As part of these arrangements we wish to remove the lack of transparency associated with the income generated by the Crown Estate Commissioners. Scottish Ministers and the Islands Councils will ensure transparency on revenues generated and how they are spent.

Crown Estate control

The Scottish Government and the Islands Councils recognise that the status quo on the Crown Estate is not tenable and supports reform. The Scottish Government will propose a framework to provide the Islands Councils greater involvement in the management of the Crown Estate marine resources.

This framework will involve local authorities and communities by:

- » ensuring that decision making on the Crown Estate is subject to broader objectives including community benefit and community development as well as revenue raising;
- » guaranteeing that Councils can influence and plan for how Crown assets in the waters around each group of islands are used through the Councils' lead role on regional marine planning;
- » transferring from the Crown Estate Commissioners to the Islands Councils control of the management of the foreshore and the limits of jurisdiction of local authority harbours and marinas, subject to measures to ensure that community aspirations are met. Appropriate arrangements would be developed separately for independent trust ports, community interest company owned/operated harbours and those owned by Caledonian Maritime Assets Ltd (CMAL) servicing the lifeline ferry network;
- » ensuring that Councils and communities are consulted on the strategy for leases and other legal agreements including pricing;
- » ensuring the Councils and communities are consulted on novel proposals for leases and other legal agreements; and
- » ensuring that the islands can benefit from use of assets currently administered by the Crown Estate Commissioners through the income distribution arrangements outlined above.

Marine planning

In order to properly harness the natural resources of our islands and to empower island communities it is important islands do not just receive income from marine resources but play a part in developing appropriate strategies to ensure their sustainable use.

Independence, along with the transfer of functions from the Crown Estate, provides an opportunity to enhance the role of islands in the sustainable management of marine resources.



Statutory regional marine planning for the Island Areas (to 12 nautical miles) will be formally delegated to local Marine Planning Partnerships, in which the Council will play a lead role. The regional plans which are developed will then bind future decision-making by any public authority impacting the marine environment, allowing the islands to set the strategic direction for their own waters and to promote sustainable development which best reflects local priorities.

Work in this regard is already underway in Shetland. The Scottish Government is also working with Orkney Islands Council, alongside the Highland Council, on a pilot marine spatial plan which will inform future work, with a view to formal delegation of planning powers to both Orkney and the Western Isles by 2016.

The regional marine plan, and appropriate consultation with the Marine Planning Partnership and other local interests, will influence national licensing decisions in relation to large scale commercial offshore developments. Where the delegation of marine licensing powers for other activities can be demonstrated to be beneficial to the operation of the planning system and to promote sustainable development locally, the Scottish Government will take forward such delegation.

> *The Scottish Government also supports the development of a ‘planning brief’ approach to issues which require an integration of marine and terrestrial planning, and will take this approach forward with interested partners.*

Fisheries

The Scottish fishing industry has much to gain from independence. Supporting our fishing communities and seafood sector will always be a priority for Scottish governments.

Scotland receives just 1.4 per cent of European fisheries funding despite landing 8 per cent of the European Union’s wild caught fish and accounting for more than 12 per cent of EU aquaculture production. Scotland is the world’s third largest salmon producer with 85 per cent of UK aquaculture production by volume.

With independence, for the first time, Scotland will have a direct say in European fisheries negotiations. Independence will give Scotland's fishermen and those in the aquaculture sector their own distinct voice in Europe, with Scotland participating at every level in the EU policy process.

In 2013 the volume and value of all sea fish landed into Shetland alone was over 73,000 tonnes worth some £73 million.

The Common Fisheries Policy of the EU states 'Small offshore islands which are dependent on fishing should, where appropriate, be especially recognised and supported in order to enable them to survive and prosper.' We support that principle; however we do not believe that this principle has been reflected in the management of the Common Fisheries Policy (CFP) by the EU or the position taken on fisheries by successive Westminster governments.

Independence opens up the opportunity for direct discussion between Scotland, other EU Member States and the European Commission on the development and application of EU fisheries policy. At present discussions with Europe must be conducted by the UK or on a position agreed with the UK, even where it is not in the interests of either Scotland as a whole or our island communities.

As an independent Member State, Scotland would be fully represented in discussions on the CFP. As part of our commitment to enhancing islands voice the Government will work with the islands to seek to agree with the EU authorities approaches to implementation of the Scottish CFP which reflect this principle.

> *In 2013 the volume and value of all sea fish landed into Shetland alone was over 73,000 tonnes worth some £73 million.*

The Scottish Government proposes that Islands Councils be given collective representation on the Fisheries Management and Conservation Group (FMAC) and on the Inshore Fisheries Management and Conservation Group (IFMAC). The Scottish Government will also explore with FMAC the case for an islands sub-group.

Under the reformed CFP, Scotland is represented on the North Sea and North West Waters regional fisheries management groups. With independence the Scottish Government will ensure that islands' interests are given a voice in these groups' discussions where they touch upon issues affecting Scotland's islands.

The Scottish Government sees regional marine planning as a potential framework for supporting devolution of aspects of fisheries management to the islands, alongside other possible mechanisms such as regulating orders.

As Scotland's role increases with the powers of independence, the Scottish Government will work with islands which wish to put forward proposals for regulating orders with a view to developing them, where appropriate, into effective frameworks for local management of inshore fisheries. Such proposals should come from islands and island communities themselves as part of enhanced responsibility for fisheries management.

The Scottish Government will continue to work with the islands on key challenges such as the discard ban to ensure that their particular needs and circumstances are taken into account.

Aquaculture

The Scottish Government recognises the scale, importance and further potential of the aquaculture industry for the islands, and commits to close and active partnership continuing between the Government, the Islands Councils and communities and the industry itself.

The Scottish Government is committed to the principle of community benefit generally, and its earliest application, from activity that takes place in the waters around the islands, comes from aquaculture in particular. The Scottish Government has made commitments elsewhere in the prospectus as regards Crown Estate revenues which will apply to aquaculture as a sector.

The Scottish Government sees regional marine planning as a framework for supporting the development and sustainable growth of aquaculture, with due regard to the marine environment, and the islands are well placed to take advantage of the potential opportunity for larger offshore fish farms. The Scottish Government will work with the Islands Councils, the aquaculture industry and those involved in the regulatory framework to develop a 'planning brief' for aquaculture, similar to those that already exist in terrestrial planning, which will underpin the further development and sustainable growth of the sector. The process of developing a planning brief will, inter alia, include a 'Community Benefit Charter' which will seek to maximise the broadest benefits to the community, including but not restricted to more fish farm jobs; more onshore secondary processing jobs; training, further education synergies and local supply chains.

The Scottish Government agrees that the Islands Councils be given collective representation on the Ministerial Group for Sustainable Aquaculture, and that with independence future Scottish governments should reflect island interests in aquaculture discussions at EU Agriculture and Fisheries Council meetings.

To further support the sustainable growth of the aquaculture sector, the European Maritime and Fisheries Fund may assist, within the terms of the Regulation, in the development of aquaculture and onshore processing facilities, and the provision of skills and scientific or technical knowledge through support for training and networking, and elements of marketing and promotion.

Energy

Support for the growth of renewables on the islands

The Scottish Government has a long-standing objective for Scottish islands, with their rich natural resources, to participate fully in the growth of renewable energy generation in Scotland. This requires electricity grid connections to the mainland network, long-term renewables support mechanisms and systems of regulation and transmission charging that do not discriminate against renewable energy generators on the islands.

As this Government set out in *Scotland's Future*, it is unacceptable that consumers now face rising energy prices, increased fuel poverty and the risk that our renewable energy ambitions are not fulfilled. The Scottish islands in particular can play a crucial role in unlocking these issues and that is why, following independence and the establishment of a Scottish regulator, the Scottish Government



will ensure that the regulated energy market supports renewable energy generators on the islands and the development of the necessary island grid connections. Using these enhanced powers within a single GB market for electricity and gas, the Scottish Government will:

- » Pursue a fairer transmission charging regime for islands renewables in line with moves towards a single integrated market for electricity at EU level. The current GB transmission charging framework discriminates against generators in Scotland and the Scottish Government has campaigned over many years alongside Islands Councils for change that addresses this particular barrier to development of renewable energy on the islands.
- » Endeavour to set market support provisions at a level that enables the required island grid connections to be built.
- » In taking forward its market and regulatory objectives, have particular regard to European Directive 2009/28/EC, Article 16(7) which states: *“Member States shall ensure that the charging of transmission and distribution tariffs does not discriminate against electricity from renewable energy sources, including in particular electricity from renewable energy sources produced in peripheral regions, such as island regions, and in regions of low population density”*.
- » Consider what additional financial mechanisms can be deployed and what alternative models of operation it could support to enable the delivery of island grid upgrades.
- » Provide continued support for innovation and investment in marine renewable technologies, which carry such enormous potential for our island communities.

Stronger representation for the Islands in national energy strategy

Upon independence, Scotland will have responsibility for the oil and gas industry in Scotland’s waters. Scotland will also directly benefit from the revenues generated from this resource for the first time since the start of North Sea oil production in 1975.

In *Scotland’s Future*, the Scottish Government sets out proposals to establish a Scottish Energy Fund. This fund will invest revenues from oil and gas production for two purposes: to provide investment for future generations; and to provide income that can smooth receipts from oil and gas revenues. The economic rationale

for establishing such funds is powerful and they have been successfully implemented in the vast majority of natural resource-rich countries, with the UK being a notable exception. However, Shetland was able to secure long-term local revenues, through various sources, from the industry's operations at Sullom Voe.

The Scottish Government has actively promoted island communities' role in Scotland's energy future. With independence the Scottish Government will ensure a stronger voice for the islands in the development of the Scottish Government's approach to energy.

The Scottish Government will establish a new strategic energy committee and will ensure there is representation from the Islands Councils alongside the industry regulators and representatives of the industry itself.

With regard to the oil and gas industry, the committee will discuss matters such as upstream licensing and regulation, environmental issues, and decommissioning activities. This will give island communities, for the first time in forty years, a say in the long-term strategic development of the upstream oil and gas sector.

The Scottish Government also plans to establish an Energy Partnership with the Westminster Government to provide for joint control of the approach to the energy market and ensure Scotland's long-term interests are better served. The Scottish Government will explore with the Islands Councils how they, alongside representatives of other key regions, can help steer the Scottish Government's approach under this new Energy Partnership.

Oil and gas community impact

The Scottish Government recognises that oil and gas-related activities can have social and economic impacts on island communities, in terms of both costs and benefits, that must be carefully considered. The Scottish Government agrees in principle that community support should be considered to help offset any adverse impacts.

Upon independence, the Scottish Government will work with the island communities in question to find ways to mitigate any adverse community impacts from oil and gas activities, consistent with our commitments made to the industry set out in *Scotland's Future*.

Ports and harbour infrastructure

The Scottish Government will seek to maximise the economic benefits to Scotland from the offshore renewables and oil and gas industries, including substantial opportunities in the supply chain. The Scottish Government supports the participation of island businesses in the service sector, including marine energy and offshore decommissioning.

Local authority and trust-owned quayside infrastructure on the islands used by offshore renewables and the oil and gas industries are likely to require upgrading and expansion to ensure Scotland maximises economic benefit from these natural resources. Upgraded facilities may also help the islands access the significant economic opportunities presented by offshore decommissioning in due course.

The Scottish Government will continue to consider financial support to provide a contribution to help fund such capital projects in the islands.

> *The Scottish Government recognises that oil and gas-related activities can have social and economic impacts on island communities, in terms of both costs and benefits, that must be carefully considered.*

Fuel prices and efficiency

The Scottish Government believes that independence provides the opportunity to maximise the benefits of our energy wealth. The planned continuation of a GB-wide market will ensure that Scotland's huge renewable energy resources continue to supply low-carbon energy to GB consumers at cost-effective prices and prevent energy shortages and price spikes across these islands.

The Scottish Government has published *Good Practice Principles for Community Benefits from Onshore Renewable Energy Developments*, which encourage the drafting of local strategic community action plans to guide community benefit spend to local needs, including targeted energy efficiency improvements, which can help to reduce fuel poverty.

Recent energy price increases highlight more than ever the need to use all the powers available to us to help people with their energy bills. Under independence, Scottish consumers will benefit from having a more powerful regulator acting on their behalf, with strong powers to ensure that markets are working efficiently in Scotland. An independent Scotland will also be free to design a new means of funding and delivering energy efficiency improvements to Scottish homes that is fairer and better suited to our needs.

The Scottish Government is keenly aware of the difficulties facing all households in off-gas areas in keeping their homes warm and their fuel bills down. In particular, it is recognised that delivery of energy efficiency measures is often difficult in Island Areas. To help tackle this issue the Scottish Government is looking to target our funding programmes to best meet the needs of off-gas grid households. The Scottish Government has therefore enhanced support for those faced with fuel poverty by enabling increased uptake of the Energy Assistance Scheme. Scottish Government funding for area-based fuel poverty schemes is distributed across all local authorities in Scotland and is allocated on the basis of need, taking into account levels of fuel poverty and the types of properties within rural and Island Areas. This year's funding will also support delivery in rural and remote areas by providing specific funding to be used to deliver heating and insulation improvements for low income and vulnerable households in off-gas grid properties. As part of the 2014-15 Home Energy Efficiency Programmes allocation to Councils, the three island authorities received over £4.5 million funding to deliver energy efficiency measure to fuel poor households in the islands.

The Scottish Government furthermore offers a wide range of other help to both households and businesses to improve energy efficiency, reduce fuel demand and consequently reduce fuel bills. This involves financial help through grants and loans, as well as advice and support. Where possible, activities also complement UK-wide schemes to make sure households in Scotland can take advantage of initiatives such as the Green Deal, Renewable Heat Incentive, and Feed-in Tariffs.

The current Westminster scheme to address fuel poverty and improve energy efficiency is operated through energy companies. The costs of programmes like the Energy Company Obligation (ECO) and Warm Homes Discount are met by householders through their energy bills irrespective of income. As set out in *Scotland's Future*, affordable home energy and the ability of vulnerable consumers to



heat and power their homes is of utmost concern and with the powers of independence the Scottish Government will make a permanent and ongoing cut in household energy bills of £70 a year, by removing the costs of the Warm Homes Discount and the Energy Company Obligation from bills.

The Scottish Government will continue to work closely with the islands in developing energy efficiency schemes and would welcome the opportunity with independence to explore what further support can be made available as a result of Scotland's increased responsibilities to understand better the specific difficulties facing island communities in tackling fuel poverty.

Crofting and agriculture

There is a wide diversity of agricultural activity across our Island Areas. For example, whilst crofting is dominant in the Outer Hebrides and Shetland, Orkney's agricultural sector is of a greater scale due to the presence of full-time farming business units, and is the biggest employer outwith the public sector. Location and distance to markets is perhaps the most significant challenge to the viability of the crofting and agricultural sectors across the islands.

The Scottish Government recognises the benefits of crofting and agriculture to the islands, and will continue to work closely in partnership with Islands Councils and communities. Specifically, our wider plans for island-proofing of relevant policies will apply directly with regard to crofting and agriculture.

The Scottish Government is establishing a Crofting Stakeholder Forum to discuss matters of mutual crofting interest. Local government will be invited to participate, and the Government will work with COSLA to ensure proportionate representation for the islands, in light of the importance of crofts to Scotland's island communities. This will help ensure that island crofters are fully represented and engaged with Government policy-making, and can articulate their needs and aspirations directly.

While independence may not affect the management of agricultural policy, it does demonstrate the benefits being an independent member of the EU can deliver. If Scotland had been independent during the last CAP negotiations, we would have qualified for an additional €1 billion in direct farm payments to 2020, and been able to argue for hundreds of millions of Euros more in rural development funding, including significant funds to benefit Scotland's islands.

European regulation and funding arrangements also have an important bearing on island crofters and farmers. With independence, Scotland will be able to negotiate fairer allocations for rural development – similar to those achieved by other Member States such as Ireland and Finland, who have demonstrated what independent countries can achieve within EU negotiations when they are able to reflect their own needs and priorities.

The Scottish Government fully recognises the effects and implications for the islands, and has met with the Highlands and Islands Agriculture Support Group on a number of occasions during the design phase of CAP reform. Views and opinions have been fully taken on board. Despite reduced budgets negotiated at the UK level and the prevailing move to area-based payments, the Common Agricultural Policy (CAP) package, announced by the Cabinet Secretary for Rural Affairs and the Environment on 11 June 2014, delivers a favourable outcome which will allow many island farmers and crofters to benefit.

The Scottish Government's overall package includes island-specific measures, such as an additional top-up to island beef producers leading to an uplift of around €65 per calf under the Beef Voluntary Coupled Support (VCS) Scheme in recognition of their higher costs and specific support for Island Areas within the Less Favoured Area Support Scheme (LFASS), and also includes specific measures for crofters including a separate capital grant scheme within the new Scotland Rural Development Programme (SRDP).

On looking forward, the Islands Councils have now agreed, at the invitation of the Scottish Government, to nominate representatives to the Rural Development Operational Committee (RDOC) for the Scotland Rural Development Programme (SRDP). This will help ensure that our islands continue to be directly involved in decision-making as we move forward into the implementation phase of the new SRDP.

In terms of crofting development, HIE will engage in partnership with others to fulfil its role and promote Crofting Community Development. The Scottish Government will support the engagement of the councils in this regard.

The Scottish Government currently operates the Croft House Grant Scheme, which supports construction of affordable housing on working crofts. The Scottish Government plans to undertake a review during the course of 2014-15 and will consult the Islands Councils on any proposed legislative or other changes. The review will include consideration of grant rates.

> *The Scottish Government recognises the benefits of crofting and agriculture to the islands, and will continue to work closely in partnership with Islands Councils and communities.*

Scotland's public services and public service employment can bring economic benefits to Scotland's islands as well as bringing services closer to the people they work with. The Scottish Government will consider when expanding the functions of organisations such as the Crofting Commission which have a close working relationship with the islands whether there is benefit in locating additional staff and resources on the islands alongside existing public sector bodies.



Islands economic development

Scotland's Future sets out the Scottish Government's vision for an independent Scotland. *Scotland's Future* makes the case that by providing the ability to tailor all economic levers to Scotland's own circumstances, strengths and preferences independence would enable Scotland to raise economic growth levels to match those in comparable independent European countries, while also increasing equality and wellbeing across Scotland both individually and between different areas.

Scotland's Future also recognises "that our island communities have challenges and opportunities that differ from those in other parts of the country." Independence would offer greater scope for close and regular engagement between local and central government, therefore allowing economic development policy to be customised to best respond to challenges and support opportunities within the islands.

For example, the Scottish Government have committed to establishing a Fair Work Commission upon independence to advise the government on the minimum wage as well as factors relating to individual and collective rights which contribute to fairness at work and business competitiveness. In examining these issues the Commission will explore and advise on the specific circumstances and considerations facing our islands businesses.

In addition, the Islands Councils may use additional tools available as a result of independence to support sustainable economic growth and to boost wealth and job creation on our islands. This would be supported by the areas of empowerment and additional responsibility set out in this prospectus, along with the funding that could become available through both community benefit and the revenues from seabed leases.

Supporting current economic opportunities

The economies of the Outer Hebrides, Orkney and Shetland are all impacted by issues of geography, such as distance from main markets, costs of business, peripherality, sparseness of population and demographic imbalance. To explore their respective economic opportunities and priorities, the Minister for Energy, Enterprise and Tourism, accompanied by senior representatives of HIE and Skills Development Scotland (SDS), visited each Islands Council in early 2014.

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There are clear economic growth opportunities and success stories in all Scotland's islands. These include strengths in the energy sector, underpinned by a natural resource asset base in oil and gas and the emerging renewables sector, as well as sectors like food and drink, aquaculture, creative industries, tourism and life sciences. These strengths, combined with potential supply chain opportunities and the opportunity to improve island connectivity, will drive future sustainable economic growth on the islands.

Start-up and growing businesses are supported via Business Gateway services which are delivered through local authorities, while Highlands and Islands Enterprise (HIE) support the development of businesses with the greatest growth potential as well as supporting the strengthening of communities. As the Scottish Government's economic and community development agency for the whole of the Highlands and Islands, HIE plays a strategic role across the region and is of a sufficient scale to share expertise and pool resources to meet the needs of local areas.

In particular HIE's sectoral expertise and its role as a stakeholder in Scottish Development International (SDI) gives local area teams access to high calibre sectoral specialists and knowledge of international markets which help inform local development priorities within a context of regional, national and global opportunities and challenges. HIE also provides access to support programmes in areas such as entrepreneurship, leadership and innovation and has in place a specialist advice service which is tailored to the needs of businesses from right across the region.

Under current arrangements, superfast broadband provision in the Highlands and Islands should reach 84 per cent of the region's households by the end of 2016, underpinning business performance and community growth. HIE also has particular resource and expertise in areas such as European policy, State aid rules, transport, research and economic analysis which can be deployed to inform and support local area teams and partners in dealing with issues and challenges as they emerge.

In addition to accessing these pan-Highlands and Islands services, which 13 staff based in Orkney, Shetland and Outer Hebrides help deliver, there are 29 staff employed in area-based teams across the three Island Areas. Through these area teams HIE provide account management support to 82 businesses, 39 social enterprises and 15 communities across these islands.



This engagement is helping deliver economic growth on the islands at present while ensuring that the Scottish Government, through HIE, and Councils are well positioned to take full advantage of the economic and employability levers which independence would make available.

Developing island innovation

Utilising existing powers the Scottish Government has established four Enterprise Areas comprising 15 strategic sites, including Arnish in the Western Isles as well as Hatston and Lyness in Orkney. Enterprise Areas are locations with clear opportunities and offer a package of support to encourage early investment, boost growth and stimulate job creation.

Progress has been made at these sites since their designation in April 2012. However, the scale of development and job creation has been constrained by the delays in upgrading grid connections to the islands. To enable these locations to fully benefit from Enterprise Area status, and to maximise the renewables opportunities presented by their natural resource asset base, the Scottish Government will extend the timeframe for Enterprise Areas at Hatston, Lyness and Arnish by three years to 2020.

Alongside this the Scottish Government supports the establishment, by Councils, of local Island Innovation Zones (IIZ) to provide a clear focus on the specific opportunities available in each Island Area and to enable all key partners to coordinate and tailor their support to best meet the needs of the local businesses with greatest potential for expanding.

> *The Scottish Government supports the establishment, by Councils, of local Island Innovation Zones (IIZ).*

An IIZ could provide a brand around which to focus promotional messages, articulating the economic growth opportunities available to potential investors and indigenous businesses. As the specific opportunities and business base, including supply chain potential, differ across the island communities, IIZs would be for islands to develop and take forward working with partners, to identify and secure the most appropriate and tailored local support. This could include streamlined planning commitments, bespoke skills development support, targeted business rates relief (utilising

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powers proposed in the Community Empowerment Bill) as well as other measures appropriate to local circumstances. The Scottish Government and its agencies will engage with the islands as they develop their IIZs, including in the context of the Scotland CAN DO programme, which seeks to support a range of activities promoting a more innovative and entrepreneurial Scotland.

A Scottish Government with the powers of independence could consider what further support it could offer an IIZ subject to the proposals from Islands Councils.

The Scottish Government also encourages the Islands Councils, working in collaboration with HIE and SDS, to further deepen their engagement with private businesses on the islands to ensure support is tailored to meet the needs of the local business communities. Where significant international companies are major employers, and can act as anchors around which to build local economic resilience and embed supply chain links, the Scottish Government will work with the Islands Councils to engage the appropriate decision-makers within these businesses and encourage them to explore how their activities can most effectively benefit local residents and support the development of sustainable communities.

Taxation

Independence would mean that all taxes in Scotland would be set by the Scottish Parliament in line with the needs of the people of Scotland.

Decisions about what specific taxes to apply in an independent Scotland, and at what level, would be taken by the Scottish Parliament and Government of the day.

Scotland's Future sets out the Scottish Government's approach to taxation including early priorities such as action on Air Passenger Duty, Corporation Tax and the abolition of the Married Couples Tax Allowance.

With independence the proximity of Scotland's islands to those making the decisions on taxation and the greater accountability of the Scottish Parliament will enable communities and organisations to make representations for changes to taxation.



As set out in *Scotland's Future*, this Scottish Government plans a simple and transparent tax system after independence designed to minimise the opportunities for tax avoidance. Over the course of the first independent parliament, the Scottish Government and Revenue Scotland will work together to simplify the tax system to reduce compliance costs, streamline reliefs and help to reduce tax avoidance, with a target revenue gain of £250 million a year by the end of the first term. In particular, this Government will task Revenue Scotland to reduce compliance costs for small and medium sized businesses that generate valuable employment.

The Scottish Government would intend to invite representatives of island communities to contribute to a programme of work to review the inherited UK tax system following independence and to begin to reform the inherited tax system in order to realise the full benefits of a modern and efficient tax system. This will provide an opportunity to ensure that we are building a tax system which meets the needs of the whole of Scotland, including our island communities.

Business rates

Supporting businesses to flourish is a key part of promoting resilient communities and sustainable places in our islands. One of the ways of delivering that support is through the tax regime, specifically through the use of business rates.

There is a wide range of business rate relief schemes set nationally, which benefit small businesses or those in particular sectors or geographic areas. For example, in 2013, 2,800 premises on Orkney, Shetland and the Western Isles have benefitted from the Scottish Government's Small Business Bonus Scheme, paying zero or reduced business rates. This gave them the opportunity to invest those funds instead into maintaining and expanding their business or creating new jobs.

The Scottish Government believes that Councils should have further flexibility to incentivise business or to support key industries in their areas and that this power will be of particular value to the Islands Councils. As part of the Community Empowerment (Scotland) Bill the Scottish Government is introducing a new power to allow Councils to create localised relief schemes.

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There are legitimate concerns on Scotland's islands about the costs faced by construction and engineering firms who have much to contribute to the local economy. Once the Bill is passed, it will be possible for local authorities to choose to offer additional rates relief to such firms, or to other sectors at their discretion, helping local business to boost job creation and to build sustainable island economies. It would be open to Councils with islands to consider whether they wish to apply local reliefs specifically on their islands only.

Community ownership

Community ownership or control of land or buildings can help make island communities more attractive to live in, supporting economic regeneration and sustainable development. The community right to buy, introduced by the Land Reform (Scotland) Act 2003 came into effect in June 2004. The Community Empowerment (Scotland) Bill will amend this right, and provide a framework for community bodies representing communities across Scotland to purchase abandoned or neglected land without a willing seller, in order to further the achievement of sustainable development of land. It will also make it easier for communities to define their "community" in a greater variety of ways, not just by postcode, but for example as the community of a particular island or group of islands.

The public sector also owns a range of land and buildings that community bodies may feel they can make better use of. The Bill will introduce a right for community bodies to request to purchase, lease, manage or use public sector assets. The body which owns the asset will have to assess the benefits of the community body's proposals against the current use, and there will be a presumption that transfer will be agreed, unless there are clear reasons against it.

Skills

Developing a local skills base to meet the need of both residents and businesses is of the utmost importance to Scotland's islands and a necessity for economic growth. Companies of all sizes active on the islands have a crucial role to play in upskilling in line with industry needs, including through apprenticeships under the Modern Apprenticeship Programme.



To support and enable this activity the Scottish Government, through Skills Development Scotland (SDS), is committed to developing evidence and understanding of our islands' strategic workforce skills requirements. SDS has a team of dedicated staff located throughout Scotland, including local bases in the Western Isles, Orkney and Shetland. These teams will continue to support the development of appropriate skills, education and apprenticeship provision suitable for the unique circumstances in each of the Island Areas, including through the development of sectoral Skills Investment Plans (SIPs) and Regional Skills Assessments. SDS has also committed to engage with Community Planning Partnerships covering Island Areas to progress activity resulting from the imminent Highlands and Islands SIP.

Other specific initiatives include the Scottish Government's active promotion of the Modern Apprenticeship Programme to employers across the islands. As of 2013 Quarter 3, SDS had supported almost 300 residents within the three Island Areas to start a Modern Apprenticeship (MA) in 2013-14⁴. In addition, over 150 Employability Fund starts had been supported across the three Island Areas in 2013-14. This Fund is administered by SDS, while services are developed and delivered at a local level to ensure they meet individual needs and complement existing locally-funded offers in helping islanders develop the skills needed to secure a job or progress to more advanced forms of training.

The Scottish Government will work together with island communities and partners to continue to develop relevant and purposeful further education, higher education, and skills training capacity on the islands which delivers training for vital local industries of national significance such as oil and gas, marine resources and renewable energy. This important work will continue in the context of local implementation of the Highlands and Islands SIP, and the Scottish Government's response to the recent Commission for Developing Scotland's Young Workforce (Wood Commission) Report.

⁴ Modern Apprenticeship figures by local authority for 2013-14 are due for publication on 17 June 2014

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Engineering and construction

The engineering and construction sector in the islands is characterised by small light-engineering, fabrication and manufacturing businesses, in addition to civil-engineering and construction contracting firms. The 2011 census found that the proportion of employment in the construction sector (11 per cent) was of greater importance to the islands when compared to the rest of Scotland (8 per cent).

The islands possess an abundance of natural resources which could be utilised to greater effect to attract investment to their respective areas. The islands could become global players in renewable energy generation and manufacturing - with supply chain activities identified as a key driver for developing the local economy. Further significant island participation in support and supply-chains including decommissioning is an opportunity. A key challenge is to address economic under-performance in the manufacturing sector - particularly given historically high levels of engineering training and skilled workforce. This may be through apprenticeships and training in the oil and gas sector.

> *The islands possess an abundance of natural resources which could be utilised to greater effect to attract investment to their respective areas.*

The Scottish Government and its agencies, Highlands and Islands Enterprise (HIE) and Skills Development Scotland (SDS), will work with the Islands Councils, including Business Gateway, to strengthen the capacity on the islands to form a valuable supply chain of engineering and construction companies operating on the islands. Actions will include:

- » supporting sector-wide development to ensure a sustainable construction industry;
- » supporting growth businesses in the engineering industry, in particular where they add value to the supply chain in other growth sectors such as energy;
- » identifying skills needed in the engineering and construction industry and to support training;
- » skills development to help people living on the islands maximise their employment prospects within the engineering and construction industry; and



- » *Scotland's Future* sets out the economic and industrial policies that Scotland could follow on independence to boost productivity, innovation, research and development and encourage exports across Scotland's economy. The suite of economic measures proposed could all benefit the islands economies.

In taking forward these policies the Scottish Government will consider innovative ways to ensure Scotland's islands benefit from investment in economic growth.

Initiatives identified in *Scotland's Future* include:

- » Developing a new industrial strategy for Scotland, including support for investment, strengthening the role of the Scottish Investment Bank, expanding skills development and expanding our manufacturing base, with a particular focus on maximising the manufacturing opportunities of our offshore energy potential.
- » Boosting innovation through direct and indirect financing such as credit loans and guarantees and tax based incentives that are aimed at encouraging investment in innovation activities in research and development.
- » Increasing participation in the workforce through transformational childcare, and an immigration system that best meets Scotland's needs.

Public procurement

It is essential that public sector procurement, worth around £10 billion annually, delivers the maximum possible public benefit to our economy and communities. The Scottish model of procurement seeks to maximise the contribution that public procurement can make to Scotland's economic prosperity. That approach views procurement as an integral part of the whole process of policy development and service delivery. The Procurement Reform (Scotland) Bill, passed by the Scottish Parliament in May 2014 will help us accelerate improvements in the procurement system and help tackle unnecessary inconsistencies for suppliers doing business with the public sector.

EU law does not allow discrimination in favour of businesses based in Scotland. Removing barriers to SME participation in public procurement markets could contribute significantly to Scotland's economic growth.

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In the Western Isles the Comhairle has a policy to include community benefit clauses in all contracts unless there is reason why this would not be feasible. It is potentially the case that further community benefit can be 'squeezed' out of these contracts to secure better terms for local businesses in terms of sub-contracting and local employment – with guarantees that address youth employability issues with regard to direct employment opportunities and training/skills-development through vehicles such as formal apprenticeships. The Procurement Reform (Scotland) Bill will require that public bodies consider including community benefit clauses in all new major public sector contracts and where they are not appropriate, explain why in the contract notice.

The Scottish Government made representations to the European Commission over the reform of procurement legislation. The First Minister has made clear that the Scottish Government would use its position as an independent Member State to argue for changes to the EU approach to procurement. Taken together, the Procurement Reform (Scotland) Bill and the new EU Procurement Directives will put a sound statutory framework around the Scottish Model of Procurement, simplifying standardising and streamlining procedures for businesses and public bodies alike; and placing sustainable and socially responsible purchasing at the heart of the process.

The Scottish Government will continue to work with Scotland's islands on the implementation of the Procurement Reform (Scotland) Bill and the wider procurement framework during summer 2014, including on opportunities to enhance local business opportunities.

Planning

The Scottish Government is committed to a place-based approach to planning with a high level of local flexibility having already been achieved through planning reform. The National Planning Framework is the spatial expression of the Government Economic Strategy. It sets out our long-term strategy for growth and investment, envisaging Scotland as a successful, sustainable place; a low-carbon place; a natural, resilient place; and a connected place. The Scottish Planning Policy takes forward this vision and sets out how planning can lead to significant and positive change on the ground.



The National Planning Framework's vision for growth highlights the importance of the islands and coasts of Scotland for our future economy. Whilst cities are recognised as key drivers of the Scottish economy, equal recognition is given to the major opportunities for development arising in the three Island Areas, not least from marine renewable energy, but also from their wider economic strengths, world-class environmental quality and quality of life. In spatial terms, the NPF supports improved digital and transport connectivity, prioritises the infrastructure required to unlock the islands' renewable energy potential, and recognises key island towns as hubs for investment and services.

The Scottish Government has further demonstrated its commitment to the island perspective by undertaking systematic 'island-proofing' of the emerging Scottish Planning Policy (SPP) – supported by the Islands Councils within a short-life working group on planning. This has led to, for the first time, explicit references to the specific issues for planning in the Island Areas within the SPP, and a tailoring of relevant policies to reflect local circumstances.

The Scottish Government will extend the life and scope of this working group beyond the SPP proofing work to allow us to work with the Islands Councils to explore key issues, such as the links between marine and terrestrial planning, in more detail. The scope of this work will be defined in collaboration with the islands' Heads of Planning. Rather than simply a forum for discussion, the Scottish Government is committed to identifying and taking forward workable solutions that will provide further flexibility in planning, more efficient resourcing, and a sharper focus on island-specific planning issues.

Transport

It is widely recognised that transport is an essential part of any and all economic activity. The associated assets and infrastructure, and the businesses and communities that use them, are all vital components of strong, vibrant and sustainable island economies.

The Scottish Government recognises the particular importance to the Islands Councils of local partnership in the decision-making arrangements for transport, and of fairly-priced and affordable travel both to/from and within the island groups. These two principles are central to our future actions.

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Governance

Recognising the unique challenges of connectivity to our islands and the extent to which strong communities and local business rely on effective and fairly-priced transport links, particularly the vital importance of the lifeline ferry services from the mainland to the remote Island Areas, the Scottish Government will begin dialogue with island communities and other stakeholders to consider partnership governance arrangements.

These may entail strengthening existing arrangements, based on collaboration between Transport Scotland, regional transport partnerships and Councils, or creating an additional parallel body focused on island transport issues, for example, a twice-yearly islands transport forum. The Scottish Government is committed to governance arrangements that fully account for island-specific views, and will work with stakeholders to consider and ensure this on an ongoing basis.

Fares

The Scottish Government is committed to assessing the affordability of ferry travel to and from island communities, with the aim of bringing in fairer fares for islanders, tourists and businesses. The Road Equivalent Tariff (RET) will soon be rolled out to all the remaining ferry routes in the Clyde and Hebrides Ferry Services network. This will offer passengers, cars, small commercial vehicles and coaches significant fare reductions on a further 14 ferry routes from the start of the 2015-16 winter timetable.

Recognising the different circumstances of the routes and fares to and from the Northern Isles, the Scottish Government will continue to engage with Orkney and Shetland Islands Councils to discuss the future arrangements for fares to and from the mainland. The Scottish Government is clear that RET arrangements would not always be beneficial on the Northern Isles ferry services, as the distances involved could mean increases across a range of ferry fares.

> *The Scottish Government stresses its commitment to fair fares for inter-island ferry services.*

As part of their responsibilities to their communities, the Islands Councils are responsible for setting and agreeing fares for the inter-island ferry services that they provide. Where the Scottish Government are not responsible for the delivery of those lifeline routes, the Scottish Government will discuss the appropriate form and timing of any roll-out of RET with the Islands Councils. The Scottish Government stresses its commitment to fair fares for inter-island ferry services.

Scottish Ministers have actively pressed the European Commission over a number of years for greater flexibility in the maximum length of ferry contracts, previously limited to six years. Following this lobbying, the European Commission recently issued revised guidelines substantially supporting the position that the Scottish Government has taken on this issue. Such increased flexibility in the length of ferry contracts is particularly useful in future contracts where there is likely to be significant investment in vessels by operators. With independence and a stronger voice in Europe, the Scottish Government will be able to represent the concerns of our islands directly in all transport matters.

Air services

The Scottish Government invests around £30 million per annum to support air services to the Highlands and Islands. This comprises the cost of running HIAL airports, the Air Discount Scheme and the Public Service Obligation (PSO) routes. The Scottish Government remains committed to the long-term provision of these facilities.

In particular, the Scottish Government is committed to maintaining the existing Air Discount Scheme so that residents of remote and island communities can continue to access discounted air travel. The Scottish Government notes the wish of the Islands Councils for the scheme to be extended to include certain types of business travel, and invites the Councils to produce a costed and legally compliant business case for consideration by the Scottish Government. As an independent EU Member State, Scotland would be better able to make direct representations to the EU in support of such a facility and in building on the current aid of a social character.

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As part of our continued transport investment, the Scottish Government has begun the process of purchasing two new aircraft which will then be operated by the airline that secures the contract to provide the PSO routes between Glasgow and Campbeltown, Tiree and Barra. The Scottish Government will engage with island passengers, businesses and other community interests to consider what improvements can be made to those routes. The Government will also consider whether any economies of scale can be delivered by bundling Transport Scotland and local authority air routes into one package, and whether management of the contract should be undertaken at a more local level.

Inter-island ferries and fixed links

Inter-island ferries in some areas, particularly the Northern Isles, are provided by the local authorities and funded on a different basis from Calmac services. The Scottish Government understands the significant financial challenges that can fall on individual local authorities, and is committed to the principle of fair-funding in the provision of ferries and ferry infrastructure.

The Scottish Government recognises that the provision of transport services should not place a disproportionate financial burden on any Council such that it could be counter to the principles of Article 170, with particular reference to the revenue and ferry replacement costs of the internal ferry services of Orkney and Shetland, and commits to meaningful negotiation now to conclude this issue.

The Scottish Government also recognises the level of interest in some Island Areas in fixed links, welcomes proposals from the islands and commits to considering any such proposals, sharing relevant information and facilitating networks and learning with other countries such as Norway. The Scottish Government considers that with independence and EU membership, Scotland will be better able to access EU funding to support investment in infrastructure, such as fixed links, and will work with the islands as described elsewhere in this prospectus to maximise the potential benefits. In doing so, it will make use of the specialist European funding support which Transport Scotland is putting in place to help access opportunities for transport-related projects.



Fuel duty regulator

Scotland's Future recognises that the cost of fuel is a key cost to consumer and businesses. With independence, this Scottish Government plans to examine the benefits of introducing a Fuel Duty Regulator mechanism to stabilise prices for business and consumers and how this could be made to work alongside our Scottish Energy Fund.

Digital connectivity

The Islands Councils are seeking a commitment to put in place a universal service in relation to broadband and mobile communication services; specifically:

- » all properties in the islands should be able to access Next Generation Broadband at prices similar to that of the rest of the country; and
- » mobile communication services should provide coverage and connectivity across the Islands.

The Scottish Government is committed to achieving the best possible digital connectivity in Scotland's remote and rural areas, including islands, whether through next generation broadband or mobile broadband services.

Next Generation Broadband

The significant investment being made in Next Generation Broadband (NGB) infrastructure will extend access across the islands over the next two years, but the Scottish Government is working with HIE, Community Broadband Scotland (CBS) and the Islands Councils to go even further. Work already underway includes supplier engagement as part of the Superfast Extension Programme, to understand what technology solutions could be deployed in future, as well as support for emerging community-based projects via CBS.

The Scottish Government calls on the Islands Councils, HIE and CBS to continue this collaboration with the aim of maximising the number of premises with broadband access in the three Island Areas. The Scottish Government stands ready to continue to support this process. A working group, drawn from islands representatives, Scottish Government, CBS and HIE, met in March to take stock of connectivity across the islands and a follow-up session is currently being arranged. This will provide the

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continued

opportunity to discuss current and planned roll-out via the Digital Scotland Superfast Broadband (DSSB) programme and options for those premises unlikely to have NGB delivered as part of this, whether through CBS or the Superfast Extension Programme.

The Scottish Government is pleased to note that CBS is already working with many island communities to support the development of projects. A key part of this is clarifying the eventual reach of the DSSB programme and identifying those postcodes that will not be served by upgraded infrastructure. Additional survey work is underway in Shetland to identify those premises and to therefore provide the certainty that communities need to bring projects forward.

A key underlying principle of this work is that best use is made of existing assets, such as the network owned by Shetland Telecom and any infrastructure delivered through the SWAN (Scotland Wide Area Network) programme. More widely, the Scottish Government is exploring how fibre infrastructure, currently used for non-telecoms purposes (such as controlling windfarms or monitoring electrical substations), could be used to provide backhaul for communities. CBS is in discussion with owners of this infrastructure to explore feasibility and overcome potential barriers.

The Scottish Government recognises the economic and social importance of broadband access to remote and rural communities across Scotland. Telecoms regulation is currently reserved and so earlier this year the Cabinet Secretary for Finance, Employment and Sustainable Growth, as Chair of the Convention of the Highlands and Islands, wrote to Ofcom to explore how a Universal Service Obligation (USO) for broadband could be implemented. However, it is clear that the Westminster Government currently has no appetite to implement this.

In the absence of a broadband USO, the Scottish Government and its partners are investing over £280 million in the DSSB programme which will ensure that 85 per cent of premises can access fibre broadband by the end of 2015 and 95 per cent by the end of 2017. Without this intervention, coverage would only reach 66 per cent by 2017.

> *The significant investment being made in next generation broadband infrastructure will extend access across the islands over the next two years.*



An independent Scotland would have the powers to use potential regulatory levers which could extend access to services. The Scottish Government's proposal is to create a single economic regulator which has responsibilities across a number of sectors including telecoms. It would be able to consider the case for introducing a broadband USO in detail. The Scottish Government believes that, alongside the significant infrastructure investment it is making, a USO has the potential to improve the provision of broadband to households and businesses in our rural communities. The Scottish Government will continue to engage with the Islands Councils on this issue.

Mobile coverage

The Scottish Government is also keen to support and facilitate ongoing engagement aimed at achieving improved mobile coverage on the islands.

Earlier this year, the Cabinet Secretary for Finance, Employment and Sustainable Growth wrote to Ed Vaizey, Department for Culture, Media and Sport (DCMS) Minister, on behalf of the *Our Islands Our Future* group to reflect our shared concerns over progress of the Westminster Government's Mobile Infrastructure Project. As a result of Mr Swinney's letter, DCMS has agreed to meet with the Islands Councils, along with Arqiva who are delivering the project.

Looking ahead, the Scottish Government will continue to support the Islands Councils throughout the process of engagement with DCMS and Arqiva. The Scottish Government proposes to incorporate the Mobile Implementation Project (MIP) engagement within a wider workshop on mobile connectivity, facilitating contact between representatives from Ofcom and Mobile Network Operators and the islands. Such an event would be an excellent forum for the islands to present their vision, for the industry to outline its roadmap for the region and to foster meaningful dialogue between all parties concerned on core issues such as regional roaming, rollout and coverage levels.

Through ongoing dialogue with mobile operators and Ofcom, the Scottish Government has further explored regional roaming. Whilst not technically impossible, the Scottish Government believes that regional roaming may be both technically and commercially difficult to achieve. Furthermore, the Scottish Government understands that regional roaming may deliver an unsatisfactory user experience. This is because roaming domestically would not

operate the same as roaming abroad. The transition across operators' networks would not be seamless, leading to dropped calls and lapses in service. Regional roaming is opposed by all of the mobile operators and Ofcom, whilst continuing to investigate the issue, has no plans to mandate it.

Independence would also offer the Scottish Government and its proposed Single Regulator the flexibility to consider using specific coverage obligations for future spectrum releases and licences which acted to maximise rural mobile and broadband coverage, taking account of successful approaches adopted elsewhere in Europe.

Although Scotland currently lacks the regulatory/legislative powers over telecoms, the Scottish Government nevertheless continues to work with the Westminster Government, Ofcom and the principal operators to ensure the best outcomes for Scotland. In terms of coverage, the Scottish Government successfully lobbied Ofcom ahead of last year's 4G auction to ensure one licence carried a minimum of 95 per cent coverage of population in Scotland. This licence was obtained by Telefonica (O2). Although only requiring Telefonica to achieve this level of coverage, it is worth noting that its infrastructure is shared with Vodafone and resulting network competition has led to other operators, such as EE, promising widespread coverage.

To ensure satisfactory mobile coverage it is clear that auction design is critical in countries with large geographical areas with sparse populations, to give consumers access to service and choice. With independence, we can learn from the regulatory and policy regimes of countries like Sweden to achieve greater coverage target. 4G coverage in Sweden is already at over 90 per cent.

Postal delivery services and Royal Mail

Postal services are of great importance in Scotland, particularly in rural and island communities. Independence will provide the opportunity to ensure a universal postal service is in place which suits Scotland's needs, in particular the needs of our remote and rural communities. *Scotland's Future* sets out this Government's intention to match, as a minimum, the level of service provision inherited from the UK on independence, which is currently a six days per week service for mail. Regulating postal services will also allow an independent Scottish government to take steps to address the high cost of parcel delivery in remote and rural areas.

Scotland's Future also sets out this Government's intention to begin the process of renationalising the Royal Mail in Scotland on independence, and to focus Post Office services on what is best for communities and businesses across Scotland.

Tourism

Tourism can contribute to a diversified and sustainable economy, attracting and servicing inward investment and promoting population growth. The Scottish Government Economic Strategy recognises that tourism is a key economic sector for Scotland. As well as the direct economic impact for businesses and individuals tourism can contribute in the wider context to a diversified and sustainable economy, attracting and servicing inward investment and promoting population growth. Natural, social and community assets and activities are key components of the Island Areas' tourism offer and a source of creative content. It is clear why tourism is vital to the islands – and why the islands have so much to offer.

> *Tourism can contribute in the wider context to a diversified and sustainable economy.*

Between October 2012 and September 2013, a pan-island visitor survey was carried out by VisitScotland, HIE, Orkney and Shetland Islands Councils and Comhairle nan Eilean Siar. It showed that food and drink, as an example, represents a significant part of visitor spend within an area – and sometimes it is the motivation to visit an area in the first place.

The Scottish Government will support stronger partnership between Scotland's islands, VisitScotland, Transport Scotland and other stakeholders to make the most of the opportunities to promote tourism to Scotland's islands. The revised VisitScotland National Tourism Development Framework shows where key investment opportunities are needed – and where current strengths/assets lie.

The Scottish Government recognises the important role of transport connectivity for the tourism sector in the islands.

The Scottish Government welcomes support from the Islands Councils for the future Focus Years and recognises that these present an excellent opportunity to make best use of the varied island assets – and partners on the islands are already being encouraged to work with VisitScotland to harness the unique potential of these years.

Enhancing islands wellbeing

continued

The Scottish Government is committed to work with the Islands Councils, and island communities, on an operational level to realise their unique potential as destinations, improve the use of resources, assist in promoting the sharing of infrastructure to promote tourism, and help introduce solutions that are particularly suited to the islands. This work could include, but would not be limited, to:

- » working with Islands Councils on how existing Knowledge Sharing Platforms can be used to promote closer working (including sharing relevant research findings) between public bodies, local authorities, the industry itself and also third sector organisations;
- » examining how initial work by Orkney Islands Council on an Invitation To Tender for coach services can be used as a model business case for wider application across all the islands – and look at what options there are for supporting further collaborative work;
- » government officials and relevant NDPB staff working with industry and Islands Councils to demonstrate value added already through initiatives such as Mallin Waters – and the wider potential for transnational markets that marine offers; and
- » in addition to the existing marine tourism work, examining next steps in collaborating on a response to the February 2014 European Commission Communication ‘A European Strategy for more Growth and jobs in Coastal and maritime tourism’ COM (2014) 86. Within the specific work on this strategy there are several Commission proposals where Islands Councils could play a key role.

The islands form a crucial part of the wider marketing of Scotland. Their being part of the VisitScotland campaigns opens up much greater opportunities, much greater reach and much greater exposure – especially in this 2014 Year of Homecoming Scotland – when the eyes of the world are upon us.



Culture and Creative Industries

The importance of the creative industries to Scotland is recognised by the inclusion of creative industries as one of seven key growth sectors in the Government Economic Strategy (along with Energy, Financial Services, Food and Drink, Life Sciences, Tourism and Universities). Their general importance to Scotland is at least matched by their importance to our island communities.

The Western Isles, Orkney and Shetland are characterised by the richness of their creative and cultural content and products. Inspired by the 'sense of place' which encompasses environment, community, language (Gaelic and dialects of Scots) and cultural heritage, the islands house a diverse range of practitioners in traditional and contemporary music, literature, arts, fashion and crafts. Broadcasting, textiles and heritage offer significant levels of employment and business opportunity. The islands also host renowned events, festivals and galleries which build on its cultural and creative base. Creative products, part of whose appeal lies in their connection to a specific island community, such as Harris Tweed or jewellery from Orkney, are being exported to an international customer base.

The creative and cultural industries make a substantial contribution to driving economic activity within the islands and offer a significant opportunity for future economic growth and diversification. This is recognised by the University of the Highlands and Islands (UHI), which has constituent colleges on each Island Area and which has Creative and Cultural Industries as one of its eight subject networks. Within the UHI centres of excellence such as the Orkney Research Centre for Archaeology and the Centre for Nordic Studies (with bases in Orkney and Shetland) capitalise on the unique historic past of these islands in a way that is relevant to today and reaches out our Nordic neighbours and beyond – for example, the Orkney Research Centre for Archaeology recently brought to bear the expertise that they have developed on the standing stones and monuments of the Orkney World Heritage Sites on a fieldwork project on the statues of Easter Island.

Enhancing islands wellbeing

continued

Across all three Island Areas, the tourism impacts of the cultural and creative sector are also significant, with visitors being attracted to the area by the islands' museums, nationally significant museum collections, archives and archaeological sites (including World Heritage Sites – Heart of Neolithic Orkney/St Kilda) and monuments. Creative businesses and products provide a range of experiences and opportunities for the visitor during their stay.

The sector also forms part of the social fabric of the islands. Access to, and participation in, creative and cultural activity generate community and social wellbeing, and make the islands an attractive place to live and work.

A large number of enterprises rely on local markets (typically the smaller scale enterprises), whilst a smaller number of enterprises (typically the larger 'market leaders') have national and international markets.

The sector is characterised by a broad and diverse mix of activities – from larger employers such as those in heritage and broadcasting, to self-employed entities – from 'extreme lifestylers' through 'portfolio lifestyles' to micro-businesses.

> *The Scottish Government recognises the indigenous strengths of Scotland's islands: Norse and Gaelic heritage and culture.*

The Scottish Government recognises the indigenous strengths of Scotland's islands: Norse and Gaelic heritage and culture; archaeological and natural heritage; Gaelic content and broadcasting and crafts and fashion. The Scottish Government is committed to continue to support the Norse and Gaelic heritage, culture and language among the island communities. With independence a Scottish Broadcasting Service could develop opt-out broadcasting at sub-Scotland level, including to the islands, to reflect their culture and local current affairs.

The Scottish public sector supports the cultural and creative industries in a range of ways. Local authorities advise and assist small firms and start-ups, including through the Business Gateway. Highlands and Islands Enterprise provides targeted support. In particular, Creative Scotland has a specific remit to support the

cultural and creative industries. Through that, Creative Scotland plays an important role in supporting the culture of the island communities. Reflecting the prominence of the islands in the creative sector, Creative Scotland's investment per head of population in the Western Isles, Orkney and Shetland in 2012-13 saw them in second, fourth and fifth place respectively among Scotland's 32 local authority areas. It has a track record of investing in their vibrant musical traditions, demonstrated, for example, by the recent artists' bursary for research into Shetland's fiddle repertory. The Scottish Government will facilitate further discussion between the islands and Creative Scotland to ensure that this commitment continues.



What happens next

This prospectus sets out the outcome of the Island Areas Ministerial Working Group. It is a comprehensive package of measures and is predicated on the transfer of all powers to the Scottish Parliament that independence would deliver. The full powers of independence would ensure decisions best determined by island communities are made by those island communities and that island needs are taken account of in every level of governance.

Following a vote for independence on 18 September the Scottish Government will begin work to implement this package in full.

A number of the measures described require legislation and would therefore be subject to the scrutiny and will of the Parliament. The most significant of these measures is the establishment of an Islands Act. This prospectus and *Scotland's Future* confirm the Scottish Government's commitment to bring forward a Bill for an Islands Act.

An Islands Bill would be subject to the normal processes of the Scottish Parliament, including full consultation with the public and scrutiny by the Scottish Parliament.

A number of other measures do not require either the transfer of powers that independence would bring or new legislation to be made. Implementation of a number of these is already underway – for example in ensuring the islands have a greater voice and optimal representation in the operation and oversight of the Scotland Rural Development Programme. This voice and representation for the Islands would be extended with Independence as a Scottish Government would be acting as a Member State of the European Union.

One of the early priorities for an independent Scotland will be the creation of a permanent written constitution. As set out in *Scotland's Future*, this will be prepared, post-independence, by a constitutional convention, independent of the Scottish Government and Parliament, in a widely participative and citizen-led process. However, the Government will propose that the written constitution includes a provision recognising the unique position of Scotland's islands.

What happens next

continued

The prospect of constitutional change has allowed the process of democratic renewal to begin. Independence provides the opportunity for people and communities to be at the heart of local decision making and at all levels of national policy making and for their needs to be recognised in the Scottish Parliament and more widely within the European Union.

Independence offers the opportunity for decisions about Scotland to be made by those who care most about Scotland, that is the people who live here. The Scottish Government believes that is the essence of self-determination and through the principles of subsidiarity and local decision making we believe this prospectus extends that opportunity to Scotland's islands.

Appendix 1

Island Areas Ministerial Working Group

Members of the Island Areas Ministerial Working Group were:

Derek Mackay MSP	Minister for Local Government & Planning (Chair)
Paul Wheelhouse MSP	Minister for Environment & Climate Change
Councillor Angus Campbell	Leader of Comhairle nan Eilean Siar
Councillor Dr Steven Heddle	Convener and Leader, Orkney Islands Council
Councillor Gary Robinson	Leader of Shetland Islands Council
Mark Boden	Chief Executive of Shetland Islands Council
Alistair Buchan	Chief Executive of Orkney Islands Council
Malcolm Burr	Chief Executive of Comhairle nan Eilean Siar

Additionally the following Ministers attended certain meetings of the Group appropriate to their portfolio responsibilities:

Richard Lochhead MSP	Cabinet Secretary for Rural Affairs & Environment
Keith Brown MSP	Minister for Transport & Veterans
Fergus Ewing MSP	Minister for Energy, Enterprise & Tourism
Dr Alasdair Allan MSP	Minister for Learning, Science & Scotland's Languages

The Group at its first meeting agreed its focus as being to:

- » Consider how the Islands Councils are and can be supported to use existing powers available to them and engage communities to deliver improved, more responsive public services and better outcomes for communities;
- » Consider the development and extension of local democracy in the island groups and opportunities in the context of the referendum, including the issues raised by the *Our Islands – Our Future* joint position statement; and
- » Agree a prospectus outlining opportunities for island communities in the future, with the Scottish Government firmly of the view that independence offers the best opportunity for such progress.

The Group was supported by a secretariat drawn from officials in each Council and the Scottish Government. The Group met on six occasions:

29 August 2013	Edinburgh
29 October 2013	Glasgow
21 November 2013	Edinburgh
17 February 2014	Lerwick
24 March 2014	Stornoway
2 June 2014	Kirkwall

Each meeting was supported by significant joint working by Islands Councils and Scottish Government officials to develop and explore the range of subjects set out in the *Our Islands Our Future* campaign.

> *We believe that the people who live and work in Scotland are best placed to make decisions about our future – the essence of self-determination; therefore we support subsidiarity and local decision making.*

**“Lerwick Declaration”,
First Minister, Alex Salmond MSP, 25 July 2013**



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Shetland Islands Council

2 July 2014

Appointments to Committees	
GL-08-14-F2	
Report Presented by Executive Manager – Governance and Law	Corporate Services Department

1.0 Introduction

- 1.1 The Council confirmed the appointment of Chairs and Vice-Chairs of the Council's Committees and Boards at its meeting on 14 May 2014.
- 1.2 At that meeting, the Council agreed to defer some appointments until later, allowing time for Councillors to consider their nominations. In addition, the impact of ex-officio appointments has resulted in a couple of further vacancies.
- 1.3 This report, therefore, provides the opportunity to fill those remaining vacancies.

2.0 Decision Required

- 2.1 In order to complete the midterm review, the Council is asked to **RESOLVE** to make the following appointments:

Depute Convener
Social Services Committee – North Isles Member
Development Committee – North Isles Member
Audit Committee – Additional Member
Employees JCC – 2 substantive members
ZetTrans – substitute member
CoSLA Convention – substantive member
- 2.2 And to **NOTE** that a review of all other external appointments will be undertaken this year.

3.0 Appointments Required

- 3.1 Depute Convener
The position of Depute Convener is a new role which the Council agreed to establish at its meeting on 14 May. Until now, the duties of a Vice-Convener have been undertaken by the Leader. In relation to the

appointment, Members may wish to apply the protocol of inviting the Convener to apply his nomination in the first instance. Any additional nominations will be pursued thereafter resulting in a vote if more than one candidate emerges.

Members should note that Appendix 1 sets out the existing membership of each of the following bodies.

3.2 Internal Appointments

Social Services Committee – North Isles Member

This vacancy arose due to Councillor Cleaver being appointed as Vice-Chair of the Social Services Committee, creating a vacancy for the North Isles Ward representative.

Development Committee – North Isles Member

This vacancy arose due to Councillor Coutts resigning from his appointment to the Committee due to other commitments, thereby creating a vacancy for the North Isles Ward representative.

Audit Committee – Additional Member

This vacancy arose due to Councillor Westlake being appointed as Vice-Chair of the Audit Committee. Councillor Wills was appointed by the Council, but declined to accept the appointment, therefore creating a vacancy for a member on the Committee.

Employees JCC – 2 substantive members

The membership of the EJCC is taken from the Policy and Resources Committee. Two substantive members are now required due to the Convener and Councillor Wills no longer holding membership of the Policy and Resources Committee.

3.3 External Appointments

ZetTrans – substitute member

This vacancy arose due to Councillor Coutts, an existing substitute member on ZetTrans, being appointed as Vice-Chair of the Environment and Transport Committee and therefore becoming ex-officio a substantive member of ZetTrans.

COSLA

Members should note there have been changes in ex-officio appointments to COSLA and a list is shown in Appendix 2. With regard to the CoSLA Convention, CoSLA's constitution provides for the appointment of a prescribed delegation of councillors from each local authority and our allocation is for the appointment of three councillors. Councillor Allan Wishart was appointed from the list of ex-officio substitutes as one of the substantive members, but as he no longer holds any ex-officio CoSLA appointment, a vacancy has occurred. In keeping with current practice, Members are invited to appoint one of the ex-officio substitutes.

A review of all Council appointments to external bodies will be undertaken over the next few months.

3.4 Method of election

Section 10 of the Council's Standing Orders describes the method of appointment. Where more than one nomination occurs for any position, the appointment will be determined by a vote which will be taken by a show of hands unless the Council resolves in the case of any particular appointments that they take the votes by secret ballot. Advice on the procedure to be followed will be available at the meeting and subject to determination by the Council. In all matters of appointment in the event of equalities of votes as between two candidates, the Convener will not carry a casting vote and the determination will be by lot.

4.0 Implications

Strategic

4.1 Delivery on corporate priorities

This report enables the Council to finalise the appointments required under its Constitution, and to complete its midterm review.

4.2 Community/Stakeholder Issues – None.

4.3 Policy and/or Delegated Authority

In terms of Section 2.1.3 of the Council's Scheme of Administration and Delegation, matters reserved to the Council include the establishment of any body to be part of the political management framework and all appointments to or removal from those bodies. A decision of the Council is therefore required.

4.4 Risk Management

There are no risks inherent from simply meeting an objective the Council had set for itself within its Constitution for a midterm review.

4.5 Equality, Health and Human Rights - None.

4.6 Environmental – None.

Resources

4.7 Financial - Any legitimate expenses incurred by Members in attendance at groups to which they are appointed by the Council, shall be met by the Council from the existing Members' Travel budget.

4.8 Legal – None.

4.9 Human Resources – None.

4.10 Asset and Properties – None.

5.0 Conclusions

- 5.1 This reports seeks the Council's approval to make the remaining appointments to internal and external groups, and will conclude the midterm review of Committee appointments.

For further information please contact:

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25 June 2014

Appendix 1 - Appointments Required
Appendix 2 - CoSLA Appointments

END

Appointments Required

Social Services Committee	Audit Committee
C Smith (Chair) G Cleaver (Vice-Chair) M Burgess A Cooper B Fox G Robinson T Smith A Westlake A Wishart 1 vacancy – North Isles	A Duncan (Chair) A Westlake (Vice Chair) S Coutts B Fox A Manson T Smith M Stout J Wills V Wishart 1 vacancy

Employees JCC	
<u>Substantive</u> G Robinson G Cleaver C Smith G Smith M Stout V Wishart 2 vacancies	<u>Substitutes:</u> B Fox T Smith S Coutts

EJCC Background to membership

Originally 6 Members – Convener, Leader and 4 Chairs appointed from membership of Executive Committee

5 substitutes – 4 Vice Chairs and 1 additional - appointed as remaining members of Executive Committee

A Cooper declined membership and G Cleaver was appointed from amongst the substitutes

Substantive Membership increased to 8 – J Wills and G Smith were appointed from amongst the substitutes

Convener, J Wills and A Duncan ended positions on Executive Committee [new P&R Committee] – 2 vacancies in substantive membership and 1 vacancy in substitute membership

New position of Depute Leader [P&R Vice-Chair] added to substitute membership of Executive Committee

Body	First Name	Surname	Role
CoSLA Convention Substantive	Malcolm	Bell	Convener
	Gary	Robinson	Leader
			<i>vacancy</i>
Substitutes	Cecil	Smith	Chair – Social Services Committee
	Vaila	Wishart	Chair - Education and Families Committee
	Alastair	Cooper	Chair – Development Committee
	Michael	Stout	Chair – Environment and Transport
Leaders Substantive	Gary	Robinson	Leader
Substitute	Billy	Fox	Depute Leader
Community Well-being & Safety Executive Group Substantive	Cecil	Smith	Chair – Social Services Committee
Substitute	Gary	Cleaver	Vice-Chair – Social Services Committee
Education, Children & Young People Executive Group Substantive	Vaila	Wishart	Chair – Education and Families Committee
Substitute	George	Smith	Vice-Chair Education and Families Committee

Body	First Name	Surname	Role
Health & Well-being Executive Group Substantive	Cecil	Smith	Chair – Social Services Committee
Substitute	Gary	Cleaver	Vice-Chair – Social Services Committee
Regeneration & Sustainable Development Executive Group Substantive	Alastair	Cooper	Chair – Development Committee
Substitute	Theo	Smith	Vice-Chair Development Committee
Resources & Capacity Executive Group Substantive	Gary	Robinson	Leader
Strategic Human Resource Management Executive Group Substantive	Gary	Robinson	Leader

END