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Date: 24 August 2017

Dear Sir/Madam

You are invited to the following meeting:

**Shetland Islands Council**  
**Council Chamber, Town Hall, Lerwick**  
**Wednesday 30 August 2017 at 2pm**

Apologies for absence should be notified to Leisel Malcolmson at the above number.

Yours faithfully

Executive Manager – Governance and Law

Convener: M Bell  
Depute Convener: B Wishart

**AGENDA**

- (a) Hold circular calling the meeting as read.
- (b) Apologies for absence, if any.
- (c) Declarations of Interest - Members are asked to consider whether they have an interest to declare in relation to any item on the agenda for this meeting. Any Member making a declaration of interest should indicate whether it is a financial or non-financial interest and include some information on the nature of the interest. Advice may be sought from Officers prior to the meeting taking place.

(d) Confirm the minutes of the meeting held on 28 June 2017 (enclosed).

1. SIC Overall Management Accounts 2017/18  
Projected Outturn at Quarter 1  
*F-070*
2. Corporate Parenting Strategy  
*CS-13*
3. Shetland College Board – Appointments  
*GL-40*
4. Appointments to External Organisations  
*GL-39*
5. Asset Investment Plan - Progress Report  
*CPS-03*
6. Asset Investment Plan – Business Justification Cases  
*CPS-04*
7. *Corporate Risk Register – Quarterly Update*  
*IA-16*

***The following items contain EXEMPT information***

8. Confidential Corporate Risk Register – Quarterly Update  
*IA-18*
9. Procurement and Commissioning of Insurance Services  
*GL-41*



<b>Meeting(s):</b>	Policy & Resources Committee Shetland Islands Council	29 August 2017 30 August 2017
<b>Report Title:</b>	SIC Overall Management Accounts 2017/18 Projected Outturn at Quarter 1	
<b>Reference Number:</b>	F-070-F	
<b>Author / Job Title:</b>	Jonathan Belford Executive Manager - Finance	

## 1.0 Decisions / Action required:

- 1.1 The Policy & Resources Committee RECOMMENDS that the Council RESOLVE to review the Management Accounts showing the projected outturn position at quarter 1.
- 1.2 To note to the actions proposed set out in the report.

## 2.0 High Level Summary:

- 2.1 The report sets out the overall Council projected financial position as at quarter 1.
- 2.2 On 15 February 2017 (SIC Min Ref: 7/17) the Council approved the 2017/18 revenue and capital budgets for the Council (including the General Fund, Harbour Account, Housing Revenue Account and Spend to Save) requiring a draw from reserves of £12.252m. It is vital to the economic wellbeing of the Council that the financial resources are managed effectively and expenditure and income is delivered in line with the budget, as any overspends will result in a further draw on reserves and would be evidence that the Council is living beyond its means.
- 2.3 This report forms part of the financial governance and stewardship framework which ensures that the financial position of the Council is acknowledged, understood and quantified on a regular basis. It provides assurance to the Corporate Management Team and the Committee that resources are being managed effectively and allows corrective action to be taken where necessary.
- 2.4 Since the approval of the 2017/18 budget, revisions to the budget have been incorporated for the Council's budget carry-forward scheme. Therefore this report refers to the revised budget that is now in place for each of the services.

## 3.0 Corporate Priorities and Joint Working:

- 3.1 There is a specific objective in the Corporate Plan that the Council will have excellent financial management arrangements to ensure that it continues to keep a balanced and sustainable budget, and is living within its means; and that the Council continues to pursue a range of measures which will enable effective and successful management of its finances over the medium to long term. This involves correct alignment of the Council's resources with its priorities and expected outcomes, and maintaining a strong and resilient balance sheet.

- 3.2 The Medium Term Financial Plan also includes a stated objective to achieve financial sustainability over the lifetime of the Council.

#### **4.0 Key Issues:**

- 2.1 At quarter 1 the revenue projections suggest that for the Council the revenue outturn position for the combined General Fund (including Spend to Save), Harbour Account and Housing Revenue Account is projected to be over budget by £1.426m. This is mainly due to the projected net income received on the Harbour Account will reduce by £1.549m (Appendix 1).
- 2.2 The capital outturn position for the combined General Fund (including Spend to Save), Harbour Account and Housing Revenue Account is projected to be under budget by £0.599m, of which, £0.599m has been identified as being required in future years to deliver a project (Appendix 2).
- 2.3 From the cost pressures and contingency items budget, £0.471m has been applied to meet cost pressures in directorates (Appendix 3).
- 2.4 The projected draw from reserves of £20.013m is unsustainable (equates to a daily draw on reserves of £55k). This is an increase of £0.836m against the revised budget of £19.177m (Appendix 4).
- 2.5 Appendices 1-4 set out this information in detail.
- 2.6 However, circumstances may change between now and the year end which may adversely but also could favourably alter the outturn position. The risks are set out in Section 6.9 below.

#### **5.0 Exempt and/or confidential information:**

- 5.1 None.

#### **6.0 Implications :**

<b>6.1 Service Users, Patients and Communities:</b>	There are no implications arising from this report.
<b>6.2 Human Resources and Organisational Development:</b>	There are no implications arising from this report.
<b>6.3 Equality, Diversity and Human Rights:</b>	There are no implications arising from this report.
<b>6.4 Legal:</b>	There are no implications arising from this report.
<b>6.5</b>	Overall the Council is projected to be over the budget set for

<b>Finance:</b>	<p>2017/18 as a result of reduced income on the harbour account.</p> <p>The General Fund overspend has been balanced by reducing the spend projected on the cost pressure and contingency budget.</p> <p>The draw on reserve is at quarter 1 is projecting to be unsustainable with an additional draw of £0.836m.</p> <p>The Director of Infrastructure has proposed an action to review harbour charges next year to mitigate any shortfall this year should it be required and the Directors of Children's Services and Health and Social Care are to continue to monitor the budget position with their Executive Managers.</p>
<b>6.6 Assets and Property:</b>	There are no implications arising from this report.
<b>6.7 ICT and new technologies:</b>	There are no implications arising from this report.
<b>6.8 Environmental:</b>	There are no implications arising from this report.
<b>6.9 Risk Management:</b>	<p>There are numerous risks involved in the delivery of services and the awareness of these risks is critical to successful financial management.</p> <p>From a financial perspective, risks are an integral part of planning for the future, as assumptions are required to be made. These assumptions can be affected by many internal and external factors, such as supply and demand, which may have a detrimental financial impact.</p> <p>The main variable assumptions are around anticipated income levels, returns on investments and cost pressures and demands.</p> <p>This report is part of the framework that provides assurance, or recognition of any deviation from the budget that may place the Council in a financially challenging position and requires remedial action.</p> <p>The Council makes provision within its budget for cost pressures that may arise. This approach provides additional confidence for the Council to be able to mitigate any adverse financial circumstances.</p>
<b>6.10 Policy and Delegated Authority:</b>	Section 2.1.2(3) of the Council's Scheme of Administration and Delegations states that the Committee may exercise and perform all powers and duties of the Council in relation to any function, matter, service or undertaking delegated to it by the Council. The Council approved both revenue and capital budgets for the 2016/17 financial year.

	<p>The Policy &amp; Resources Committee has delegated authority for securing the co-ordination, control and proper management of the financial affairs of the Council, and has referred authority to make recommendations to the Council as to the level of any expenditure not provided for in the annual budgets.</p> <p>The Council's Financial Regulations state that the Executive Manager - Finance has a responsibility to ensure that detailed monitoring by Directors and Executive Managers is carried out and that the Council will determine the reporting content, timescale, frequency and receiving committee(s) required for monitoring statements and the Executive Manager - Finance will be responsible for ensuring compliance with this.</p>	
<b>6.11 Previously considered by:</b>	n/a	n/a

**Contact Details:**

Hazel Tait, Team Leader Accountancy, [Hazel.Tait@Shetland.gov.uk](mailto:Hazel.Tait@Shetland.gov.uk), 8 August 2017

**Appendices:**

Appendix 1 - Overall SIC Projected Revenue Outturn Position for 2017/18

Appendix 2 - Overall SIC Projected Capital Outturn Position for 2017/18

Appendix 3 - Contingency and Cost Pressure Budget 2017/18

Appendix 4 - Use of Reserves 2017/18

**Background Documents:**

SIC Budget Book 2017/18, SIC 15 February 2017

<http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=20520>

## 1. Revenue - Projected Outturn Position for 2017/18

General/Support/Recharged	2017/18 Revised Budget Qtr 1 £000	2017/18 Projected Outturn Qtr 1 £000	2017/18 Projected Variance Qtr 1 £000
Chief Executive	1,705	1,689	16
Children's Services	39,084	39,452	(367)
Community Care	18,482	18,602	(121)
Corporate Services	6,986	6,954	33
Development	14,374	14,294	80
Infrastructure	18,230	18,194	36
Fund Managers Fees	895	856	39
Energy	2,463	2,464	(2)
Water	322	322	0
Building Maintenance	2,217	2,207	10
Grass Cutting	146	146	0
Fleet Management Unit	725	725	0
Insurance	946	946	0
Training	558	578	(20)
Office Building Charge	2,013	2,013	0
Contingencies & Cost Pressures	6,294	5,999	296
Economic Development Investment Income	(900)	(900)	0
Interest on Revenue Balances	(27)	(27)	0
Spend to Save (Unallocated)	250	250	0
Net Recharges to Other Fund	(1,991)	(1,991)	0
<b>Total Net Expenditure/(Income)</b>	<b>112,774</b>	<b>112,774</b>	<b>0</b>
<i>Funded by:</i>			
Government Grants	(79,854)	(79,854)	0
Council Tax	(9,003)	(9,003)	0
Spend to Save	(250)	(250)	0
Contribution from General Fund Reserve	(23,667)	(23,667)	
<b>Total Funding/Contribution</b>	<b>(112,774)</b>	<b>(112,774)</b>	<b>0</b>
<b>Balanced Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 1. Revenue - Projected Outturn Position for 2017/18

Harbour Account	2017/18 Revised Budget Qtr 1 £000	2017/18 Projected Outturn Qtr 1 £000	2017/18 Projected Variance Qtr 1 £000
Sullom Voe	(6,662)	(5,609)	(1,053)
Scalloway	569	561	9
Other Piers	365	414	(49)
Terminals	(1,525)	(1,069)	(456)
<b>Total Net Expenditure/(Income)</b>	<b>(7,253)</b>	<b>(5,704)</b>	<b>(1,549)</b>
Shetland Gas Plant	(550)	(550)	0
<b>Other Income</b>	<b>(550)</b>	<b>(550)</b>	
Contribution from Reserve Fund for c/fwd	(1,706)	(1,706)	0
Contribution to Reserve Fund	9,509	7,960	1,549
<b>Total Contribution</b>	<b>7,803</b>	<b>6,254</b>	<b>1,549</b>
<b>Balanced Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>

Housing Revenue Account	2017/18 Revised Budget Qtr 1 £000	2017/18 Projected Outturn Qtr 1 £000	2017/18 Projected Variance Qtr 1 £000
Expenditure	7,299	7,177	123
Income	(6,815)	(6,815)	0
<b>Total Net Expenditure/(Income)</b>	<b>484</b>	<b>361</b>	<b>123</b>
Contribution from HRA Reserve	(484)	(361)	(123)
<b>Total Contribution</b>	<b>(484)</b>	<b>(361)</b>	<b>(123)</b>
<b>Balanced Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 2. Capital - Projected Outturn Position for 2017/18

Service Area	2017/18 Revised Budget Qtr 1 £000	2017/18 Projected Outturn Qtr 1 £000	2017/18 Projected Variance Qtr 1 £000	Slippage Required in Qtr 1 £000	Overall Projected Outturn Variance Qtr 1 £000
Children's Services	6,759	6,759	0	0	0
Community Care	2,765	2,775	(9)	0	(9)
Corporate Services	2,495	2,495	0	0	0
Development (GF)	161	161	0	0	0
Infrastructure (including Harbour Account)	11,050	10,451	599	599	0
Development (HRA)	2,913	2,913	0	0	0
<b>Total Costs</b>	<b>26,143</b>	<b>25,553</b>	<b>590</b>	<b>599</b>	<b>(9)</b>
<b>Funded by:</b>					
General Capital Grant	(7,177)	(7,177)	0	0	0
Capital Grants Unapplied (General Fund)	(46)	(46)	0	0	0
External Grants	(525)	(525)	0	0	0
External Borrowing	(7,322)	(7,322)	0	0	0
Spend to Save Reserve	(211)	(220)	9	0	9
Council Tax Second Homes Reserve	(161)	(161)	0	0	0
Capital Fund Reserve	(2,126)	(1,527)	(599)	(599)	0
Capital Receipts Reserve (General Fund)	(379)	(379)	0	0	0
CFCR (General Fund)	(36)	(36)	0	0	0
Capital Receipts (HRA)	(221)	(261)	40	0	40
CFCR (HRA)	(2,692)	(2,652)	(40)	0	(40)
CFCR (Harbour Account)	(3,296)	(3,296)	0	0	0
Harbour Account Other Govt Grants	(985)	(985)	0	0	0
Harbour Account External Borrowing	(965)	(965)	0	0	0
<b>Total Funding &amp; Financing</b>	<b>(26,143)</b>	<b>(25,553)</b>	<b>(590)</b>	<b>(599)</b>	<b>9</b>
<b>Balanced Budget</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## 3. Cost Pressure and Contingency Budget for 2017/18

Service Area	2017/18 Revised Budget 2017/18 Qtr 1 £000	2017/18 Budget Allocated 2017/18 Qtr 1 £000	2017/18 Revised Budget 2017/18 Qtr 1 £000
<b>Cost Pressures:</b>			
Pay Award	1,000	0	1,000
Holiday Pay/Sleepovers/Living Wage	739	111	628
Superannuation Increase	478	67	411
Pension Auto Enrolment	800	0	800
Apprenticeship Levy	474	0	474
AHS Maintenance/Lifecycle Costs	350	0	350
Capital Financing Charge	1427	0	1,427
Funding for Change	1048	0	1,048
<b>TOTAL COST PRESSURES:</b>	<b>6,316</b>	<b>178</b>	<b>6,138</b>
<b>Contingency:</b>			
General Contingency	1,379	293	1,086
<b>Reduction based on risk of events occurring (67%)</b>	<b>(929)</b>	<b>0</b>	<b>-929</b>
<b>TOTAL CONTINGENCIES:</b>	<b>450</b>	<b>293</b>	<b>157</b>
<b>OVERALL TOTAL</b>	<b>6,766</b>	<b>471</b>	<b>6,295</b>



4. Use of Reserves for 2017/18  
(included General Fund/Harbour Account/Housing Revenue Account/Spend to Save reserves)

Service Area	2017/18 Revenue Draw Qtr 1 £000	2017/18 Capital Draw Qtr 1 £000	2017/18 Total Draw Qtr 1 £000	2017/18 Daily Draw Qtr 1 £000
Original Budgeted Draw on Reserves	12,222	30	12,252	34
Carry forwards from 2016/17	4,375	2,550	6,925	19
Revised Budgeted Draw on Reserves	16,597	2580	19,177	53
Projected Outturn Draw on Reserves	18,023	1,990	20,013	55
Projected Variance on Draw on Reserves	-1,426	590	-836	-2





<b>Meeting(s):</b>	<b>Education and Families Committee Policy and Resources Committee Shetland Islands Council</b>	<b>28 August 2017 29 August 2017 30 August 2017</b>
<b>Report Title:</b>	<b>Corporate Parenting Strategy</b>	
<b>Reference Number:</b>	<b>CS-13-17-F</b>	
<b>Author / Job Title:</b>	<b>Scott Hunter, Executive Manager, Children's Resources</b>	

### 1.0 Decisions / Action required:

- 1.1 That the Education and Families Committee RECOMMENDS to the Policy and Resources Committee approval of the Corporate Parenting Strategy, and that the Policy and Resources Committee recommends that the Council ADOPTS the Corporate Parenting Strategy, and agrees that it replaces the Looked After Children's Strategy with Part A of the Council's Constitution and Policy Framework, to be managed by the Education and Families Committee
- 1.2 That the Education and Families Committee RECOMMENDS that the Council appoints the Chair of the Education and Families Committee as Chair of the Corporate Parenting Board, and a further two elected members nominated by the Education and Families Committee to be appointed to the Corporate Parenting Board.

### 2.0 High Level Summary:

- 2.1 The Strategy (Appendix 1) is ambitious in its reach and aims to provide a framework to allow transformational change in how services and the broader community responds to the needs of looked after children and care leavers.
- 2.2 The Strategy discharges Shetland Islands Council responsibility in terms of the Children and Young People (Scotland) Act 2014 for reporting to Scottish Government which is due to start in April 2018.
- 2.3 *In line with Statutory Guidance the Strategy will:*
  - Be alert to matters which, or which might, adversely affect the wellbeing of children and young people to whom corporate parenting applies;
  - Assess the needs of those children and young people for the services and support they provide;
  - Promote the interests of those children and young people;

- Provide those children and young people with opportunities to participate in activities designed to promote their wellbeing;
- Take such action as it considers appropriate to help those children and young people to (i) access the opportunities it provides, and (ii) make use of services, and access support, which it provides;
- Take such action as it considers appropriate for the purposes of improving the way in which it exercises its functions in relation to the children and young people to whom corporate parenting applies.

### **3.0 Corporate Priorities and Joint Working:**

3.1 The Corporate Parenting Strategy delivers on a number of corporate priorities including:

*Shetland Islands Council:*

#### **Young People**

- Children and young people, particularly those from vulnerable backgrounds and in care, will be getting the learning and development opportunities that allow them to fulfil their potential.
- Vulnerable children and young people in need of our care and support will continue to be protected from harm.
- Young people will feel that their voices are being heard by the council, having regular opportunities to have a say on the issues that affect them.
- More children will be taking part in physical and cultural activities – developing healthy lifestyles to help them play a full and active part in Shetland community life.

#### **Community Strength**

- People in Shetland will be feeling more empowered, listened to and supported to take decisions on things that affect them, and to make positive changes in their lives and their communities.
- People, particularly those from vulnerable backgrounds, will be getting access to the learning and development opportunities that allow them to best fulfil their potential.

#### **20 for 20**

- 5: High standards of governance, that is, the rules on how we are governed, will mean that the council is operating effectively and the decisions we take are based on evidence and supported by effective assessments of options and potential effects.
- 8: We will be working in a more effective way, allowing us to cope with reduced resources. Processes that add no obvious value will have been replaced with more proportionate approaches based on effectively managing risks.
- 11: Our approach to managing the risks we face will have resulted in a more

risk-aware organisation that avoids high-risk activities.

- 14: The needs of the most vulnerable and hard-to-reach groups will be identified and met, and services will be targeted at those that need them most.
- 20: We will be an organisation that encourages creativity, expects co-operation between services and supports the development of new ways of working.

### **Children's Services Planning**

The strategy supports a number of work streams across children's services including:

- Integrated Children's Services Plan Priority 3 – Reducing Inequalities
- Children's Resources Service Priority – To facilitate delivery of the Corporate Parenting Strategy

*Community Planning:*

### **Local Outcome Improvement Plan**

Priority A: To ensure the needs of our most vulnerable children and young people are met

*Priority A 1.4: Delivery of the Corporate Parenting Strategy*

Priority B: Improve mental health and resilience

*Priority B 2.1: We will support individuals to be part of their community, to reduce loneliness and increase community connectedness*

### **On Da Level: Achieving a Fairer Shetland**

Priority B: *Reduce the number of families who are struggling to thrive by contributing to the broader approach of breaking negative cycles within families.*

3.2 Corporate parents are under a duty to collaborate with each other, in so far as it is reasonably practical, when exercising their corporate parenting duties; Section 60 requires all corporate parents to collaborate with each other, in so far as is reasonably practicable, when exercising their corporate parenting duties, where they consider that doing so would safeguard or promote the wellbeing of looked after children and care leavers. Collaboration may involve (but is not restricted to):

- (a) sharing information,
- (b) providing advice or assistance,
- (c) co-ordinating activities (and seeking to prevent unnecessary duplication),
- (d) sharing responsibility for action,
- (e) funding activities jointly,
- (f) exercising functions jointly (for example, by publishing a joint plan or joint report).

3.3 Joint working is at the heart of the strategy and the priorities were identified as a result of a series of seminars attended by those working with, and

<p>supporting, looked after children and care leavers which was facilitated by CELCIS in 2016. It is notable to clarify for committee that the strategy sets out priorities that the partnership can deliver on however, there is still a requirement for individual corporate parents to have relevant corporate parenting strategies within their own service areas.</p>	
3.4	<p>The implementation of corporate parenting strategies across Scotland is recognised as a key strategic task requiring corporate support to implement. Initial scope of work and discussions within Children's Services would reflect Shetland's similar experience in relation to the resource challenge implementation is bringing. Work is to be progressed to seek the funding for a Corporate Parenting Officer to support the partnership and Corporate Parenting Board.</p>
<b>4.0 Key Issues:</b>	
4.1	<p>In approving the Strategy (approved by the Shetland Partnership) the Education and Families Committee, Policy and Resources Committee and Council may wish to note and consider in more detail the following key issues:</p> <ul style="list-style-type: none"> <li>• The statutory duties placed on corporate parents under the legislation and guidance and;</li> <li>• The Strategy as a means to discharge these responsibilities;</li> <li>• The status of looked after children and care leavers within the Shetland community;</li> <li>• The allocation of human resources to support the Strategy outcomes and in particular how other authorities have resourced Corporate Parenting Officers to support implementation of corporate parenting strategies.</li> </ul>
<b>5.0 Exempt and/or confidential information:</b>	
5.1	None.
<b>6.0 Implications:</b>	
<b>6.1 Service Users, Patients and Communities:</b>	The corporate parenting strategy seeks to improve outcomes for looked after children and care leavers through a transformational change in service delivery to one where presumption of entitlement to a service is assumed.
<b>6.2 Human Resources and Organisational Development:</b>	The strategy asks partnership staff to shift perception in relation to how we support looked after children and care leavers. This will require support and leadership at all levels to shift cultures over the lifetime of the strategy.
<b>6.3 Equality, Diversity and Human Rights:</b>	The strategy seeks to strengthen the Partnerships ability to promote and protect the rights of looked after children, young people and care leavers.
<b>6.4 Legal:</b>	The strategy discharges certain statutory duties in relation to the Children and Young People (Scotland) Act 2014 in relation to service planning and corporate parenting.
<b>6.5 Finance:</b>	It is anticipated that changes required as a result of this strategy will be met from existing budgets. Additional

	resources will need to be found to support implementation of the strategy.
<b>6.6 Assets and Property:</b>	None.
<b>6.7 ICT and new technologies:</b>	None.
<b>6.8 Environmental:</b>	None.
<b>6.9 Risk Management:</b>	Risk management of the delivery of the strategy will primarily be through the corporate parenting board and agency risk registers. Non implementation will see Shetland Islands Council vulnerable to challenge given the statutory nature of the duty.
<b>6.10 Policy and Delegated Authority:</b>	<p>In accordance with Section 2.3.1 of the Council's Scheme of Administration and Delegations, matters relating to Children's Resources stand referred to the Education and Families Committee, which has responsibility for discharging the powers and duties of the Council within its functional areas, in accordance with the policies of the Council, and the relevant provisions in its approved revenue and capital budgets.</p> <p>The Corporate Parenting Strategy [formerly the Looked After Children's Strategy] is a specific plan contained within the Council's Policy Framework set out in the Council's constitution (Part A – 3(2)) to be prepared and performance managed by the Education and Families Committee. Approving, adapting or amending any plan within the policy framework is reserved to the Council (Part A – 3(1)), taking advice from the Policy and Resources Committee, in accordance with Section 2.2.1 of the Council's Scheme of Administration and Delegations.</p>
<b>6.11 Previously considered by:</b>	Shetland Partnership, 21 June 2017.

#### **Contact Details:**

Scott Hunter, Executive Manager Children's Resources  
[scott.hunter@shetland.gov.uk](mailto:scott.hunter@shetland.gov.uk)

01595 74 4476

Report Finalised: 18 August 2017

#### **Appendices:**

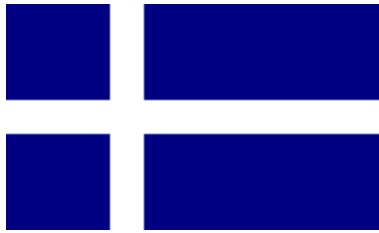
Appendix 1: Shetland Partnership Corporate Parenting Strategy

**Background Documents:**

Corporate Parenting Statutory Guidance  
Care Leavers Covenant

There are further links contained within the Strategy document

END



**The Shetland Partnership**

# **Corporate Parenting Strategy 2017 – 2020**

***For Shetland's Looked After Children,  
Young People and Care Leavers***

**Our Pledge:** *As corporate parents, we will ensure you feel safe, loved, supported and cared for. We will respect and listen to you and involve you wherever possible. This is our pledge and our promise to you.*

What is Corporate Parenting?

*The Shetland Partnerships:*

*“Performance of actions necessary to uphold the rights and safeguard the wellbeing of (our) looked after children and care leavers, and through which physical, emotional, spiritual, social and educational development is promoted.”*

Statutory Guidance on Corporate Parenting (August 2015).

## CONTENTS

Introduction from the Shetland Partnership

### Part 1 - Context

Why we need a strategy  
National and local context  
Outcomes for Looked After Children and care leavers  
Our legal duties  
Who is a Looked After Child?  
Who is a care leaver?  
Who is a corporate parent?

### Part 2 – Our Priorities and how we will achieve the objectives of the strategy

Reducing the number of Looked After Children: The Placement Methodology 2017 – 2020  
Improving outcomes for Looked After Children  
The Integrated Children's Services Plan 2017 – 2020  
Corporate Parenting into Adulthood Framework

**Priority 1:** *Looked After Children and Care Leavers Are Healthy and Experience Positive Mental Health and Well Being*

**Priority 2:** *Looked After Children and Care Leavers Successfully Gain a Stable Home*

**Priority 3:** *Looked After Children and Care Leavers Have Access to Responsive Education and Training Facilities That Prepare Them for the Work Place*

**Priority 4:** *Care Leavers Have Access to a Range of Employment Opportunities Including the Shetland Partnership Family Firm*

**Priority 5:** *Looked After Children and Care Leavers Are Supported to Stay Out of the Criminal Justice System Wherever Possible*

**Priority 6:** *Looked After Children and Care Leavers Rights Are Promoted and Protected by the Shetland Partnership and Their Views Considered on Matters Affecting Them*

Enablers:

Everyone in the Local Authority being an effective corporate parent  
The role of Shetland Islands Councillors  
The role of Shetland Islands Council Officers and partner agencies  
How we will involve Looked After Children and care leavers  
The Governance Arrangements

Appendix 1: Key legislation and guidance

Appendix 2: Data at January 2017

## Introduction

We are pleased to introduce the Corporate Parenting Strategy for Shetland for 2017 – 2020. This is a statutory, progressive three-year plan which sets the framework within which Shetland Partnership agencies will work with our community planning partners to improve the lives of our looked after children, young people and care leavers.

This Corporate Parenting Strategy replaces our long running Looked After Children Strategy which delivered a number of significant outcomes for our looked after children. This strategy provides an agreed set of priorities and sets out the direction of travel for all of us working with, and for, our looked after children, young people and care leavers to ensure we make the biggest difference in the shortest possible time. At the heart of this strategy is partnership working and a commitment across the Corporate Parent to ensure we go far beyond fulfilling our statutory obligations.

The Shetland Partnership is clear that the wellbeing of our looked after children and young people is of the highest priority and this is reflected in the Local Outcome Improvement Plan. As statutory partners we have a particular duty of care to all our looked after children, young people and care leavers. We know that looked after children and young people are amongst the most vulnerable in our community, and that all too often their life chances are restricted. We have a responsibility and a commitment to them to change this.

Through implementation of the Corporate Parenting Strategy, we will strive to ensure that our looked after children, young people and care leavers have the best possible start in life that Shetland can offer them. We will support them and care for them as our own, and ensure they grow up and have every opportunity to take their place as active citizens in their community.

Signed

**Councillor Cecil Smith**  
Leader Shetland Islands Council  
Chair – Shetland Partnership

**Councillor George Smith**  
Chair Education and Families Committee  
Shetland Islands Council

**Mark Boden**  
Chief Executive  
Shetland Islands Council

**Martha Nicolson**  
Chief Social Work Officer  
Shetland Islands Council

## **Part 1 - Context**

### **Why we need a Strategy**

Most importantly, we need a Corporate Parenting strategy to help support children who come into care as the majority of Looked After Children need extra support in their lives because they've experienced a lot of disruption and hurt. Their experiences make it harder for them to do as well as they could for example in their school, health and in their relationships. We also require a Corporate Parenting strategy as there is a statutory requirement that each local authority publishes one to show how they are improving outcomes for looked after children.

Children and young people who are care experienced or who are looked after have the poorest outcomes of all children and young people in Scotland. Evidence suggests that:

- 50% of the adult prison population were looked after at some time
- 30% of looked after children become homeless
- 50% of looked after children have a mental health issue
- 4% of care leavers go onto higher education

Corporate Parenting as a concept exists to try and improve these outcomes, and to improve the level of respect people have for the rights of care leavers and looked after children and young people.

The Shetland Partnership Corporate Parenting Strategy supersedes the looked after children strategy and looks at the areas that are needed to support children, young people and care leavers over the next 3 years. The strategy will focus on 6 key areas linked to the Scottish Care Leavers Covenant. These are:

- Health and Wellbeing
- Housing and Accommodation
- Education and Training
- Employment
- Youth and Criminal Justice
- Rights and Participation

### **National and local context**

The Children and Young People (Scotland) Act 2014 was passed by the Scottish Parliament on 19 February 2014 and received Royal Assent on 27 March 2014. This legislation is a key part of the Scottish Government's strategy for making Scotland the best place in the world to grow up. Composed of 18 distinct Parts the Act makes important changes to a wide range of areas that impact on the lives of children and young people, and those of their families and carers.

In particular, Part 9 of the Act places new corporate parenting duties on a wide range of publicly funded organisations, increasing the breadth and depth of support available to looked after children and young people, and those leaving care. Specifically, the duties introduced by Part 9 of the Act create new drivers to support organisations to work individually as well as together to deliver better outcomes for looked after children and young people.

The broader policy objectives of the Bill are to:

- Ensure that children's rights properly influence the design and delivery of policies and services by placing new duties on the Scottish Ministers and the public sector and by increasing the powers of Scotland's Commissioner for Children and Young People;
- Improve the way services support children and families by promoting co-operation between services, with the child at the centre;
- Strengthen the role of early years support in children's and families' lives by increasing the amount and flexibility of funded early learning and childcare;
- Ensure better permanence planning for looked after children by improving support for kinship carers, families and care leavers, extending corporate parenting across the public sector, and putting Scotland's National Adoption Register on a statutory footing; and
- Strengthen existing legislation that affects children and young people by making procedural and technical changes in the areas of children's hearings support arrangements, secure accommodation placements, and school closures
- Extend leaving care support up to age 25 from the previous age of 21. It is anticipated that this will allow for more natural support to care leavers to be provided by their corporate parents – mirroring what happens in families across Scotland
- Protect access to childcare for preschool children who have been at any time, or are currently looked after, by the Authority or in Kinship Care since turning the age of 2

The Scottish Government made the decision to legislate in this area because there was widespread belief that not enough was being achieved by policy alone and in this respect the implementation of Part 9 should be seen in the context of previous policy documents *"We Can and Must Do Better"* (2007) and *"These Are Our Bairns – A Guide for Community Planning Partnerships"* (2008).

The Act and the statutory guidance that accompanies it recommends that local authorities develop and publish their new integrated children's services plans and new corporate parent plans separately but within the wider context of joint children's planning. This Corporate Parenting Strategy has been launched in 2017 to create a cohesive planning cycle with the new integrated children's services plan, which also covers the period 2017 – 2020.

Our vision for looked after children in Shetland is that they have the same opportunities to succeed as their non-looked after peers and that every child, will have a stable, loving and nurturing home, where they are connected and supported to achieve their potential.

This strategy links directly to the Corporate Plan and Local Outcome Improvement Plan "Shetland is the best place for children and young people to grow up" and to Shetland Island's Council priority in the Corporate Plan to achieve 'the best possible start for every child'. Particular reference is made to our commitments to ensure vulnerable children and young people in need of care and support will be protected from harm and that young people will feel that their voices are being heard by the council. The strategy supports the

vision and priorities of the Integrated Children's Services Plan 2017 – 2020 and the Children's Services Directorate Plan 2017 - 2020.

The Shetland Partnership believes that children and young people should be brought up in their family wherever possible. When this is not possible we will work together to strengthen families to ensure they have every opportunity to be the best parents and carers possible. When children and young people can no longer live at home, we will provide a warm and nurturing alternative where carers understand and respond actively to the impact of trauma on children and young people and advocate on their behalf. We will also ensure that timely decisions are made in securing permanence for children and young people.

The Shetland Partnership wants all our looked after children and young people to fulfil their potential and take their place in the Shetland community. As such, we will all share a commitment to:

- Understand and respond to the impact of trauma on life chances for looked after children and young people now and into their adulthood
- Listen, and respond to, the lived experience of our looked after children, young people and care leavers
- Ensuring our looked after children, young people and care leavers can access play, sporting, leisure and cultural opportunities that develops their interests
- Ensuring our looked after children, young people and care leavers receive quality health services that are responsive to their needs

### **Outcomes for Looked After Children and Care Leavers**

National research and our local experience confirm that generally looked after children and young people are much more likely to face poorer life experiences. We know that some looked after young people do achieve positive outcomes. Unfortunately, however for some young people, the outcomes are much less positive, and can result in lower educational attainment, significant under achievement and life chances that are largely reduced.

Generally, looked after children and young people have greater emotional challenges, greater financial worries, a lack of family and friendship networks, and greater challenges around sustaining accommodation, further and higher education, and employment. National research indicates that looked after children do best when they:

- Are supported by adults who genuinely care about looked after children
- Have consistent and stable care arrangements
- Are encouraged and supported to participate
- Have social workers who spend time with them and take an interest in their lives
- Have social workers and others in authority take decisive action where their needs are not being met
- Are supported in education
- Are supported to become independent when they leave care

## Getting it Right for Every Child

Getting it Right for Every Child (GIRFEC) is the national approach that strives to achieve consistency across agencies that are working to improve the outcomes for children, young people and families. It has ten core components and a set of values and principles. It focuses on ensuring that the needs of children and families are at the centre of any decision-making and interventions, and that they are given the best possible start in life. The underlying principle of Getting It Right for Every Child is to ensure that, appropriate agencies intervene at the earliest possible stage where there are signs of difficulty, to avoid only intervening when the situation has reached crisis point.

Through the GIRFEC Framework, we will work locally with parents and carers to ensure the achievement of the 'SHANARRI' well-being indicators for all children, including our looked after children and young people:

- **Safe** - Every looked after child and young person will have safe care and living arrangements, these will be monitored and action taken if required.
- **Healthy** - Every looked after child and young person will have their health needs assessed and addressed.
- **Active** - Every looked after child and young person will be encouraged to lead an active life
- **Nurtured** - Every looked after child and young person will have stable and secure living arrangements.
- **Achieving** - Every looked after child and young person will be encouraged and supported to achieve their potential.
- **Respected** - Every looked after child and young person will be respected by those who look after them.
- **Responsible** - Every looked after child and young person will be encourage to be responsible for their actions and provided with opportunities which allow them to develop these skills.
- **Included** - Every looked after child and young person will be included in their community and in the society of Stirling and Clackmannanshire.

## **Our Corporate Parenting statutory duties**

Shetland Islands Council has a statutory duty to publish a corporate parenting plan and report on progress. The governance arrangements are set out later in the document.

The Children and Young People (Scotland) Act 2014 states that corporate parenting applies to:

- every child who is look after by a local authority, and
- every young person who -
  - (i) Is under the age of 26, and
  - (ii) Was, but is no longer looked after by a local authority

Part 9 (Section 58) of the Act sets out the responsibilities of corporate parents towards children and young people. These responsibilities are legal duties that every corporate parent must fulfil. The six duties are:

- Be alert to matters which might adversely affect the wellbeing of looked after children and care leavers;
- Assessing the needs of those children and young people for services and support they provide;
- Promoting the interests of those children and young people
- Seeking to provide looked after children and care leavers with opportunities to participate in activities designed to promote their wellbeing;
- Taking action to help looked after children and care leavers:
  - Access opportunities to improve wellbeing and
  - Make use of services, and access the support, which they provide and;
- Taking any other action to improve the way in which it exercises the corporate parenting function

A wide range of legislation, guidance and regulations provides the framework for actions to take place, but the end purpose of them all is the same: to secure nurturing, positive childhoods, from which these vulnerable children and young people can develop into successful learners, confident individuals, responsible citizens and effective contributors.

### **Who is a Looked After Child?**

Many children have experiences, which result in the need for extra care, support or protection from public agencies and in very serious cases; some children become 'looked after'. This means Shetland Islands Council takes on some legal responsibility for the care and wellbeing of the child. This care could be with a foster parent, at home with their parents, with other family members (kinship carers), prospective adopters, in residential care homes or in a group care setting such as a residential school or secure setting.

Children and young people can become looked after for a number of reasons however, in every case they will have been through a traumatic or difficult life experience or trauma, which can result in instability, distress, poor emotional and physical health, or lack of social and educational development.

The Legal definition of looked after child or young person is one who is:

- Subject to a compulsory supervision order under Section 70 of the Children (Scotland) Act 1995;
- Subject to a Permanence Order under Section 80 of the Adoption and Children (Scotland) Act 2007;
- Accommodated by the local authority under Section 25 of the Children (Scotland) Act 1995.

For clarity, the term *looked after* includes those children and young people who are living at home with birth parent(s) and/or other family members and who are subject to a supervision requirement made by a Children's hearing. It also refers to those children who are accommodated away from home, living with foster or kinship carers, in residential homes, residential schools or secure units.

### **Who is a care leaver?**

A 'care leaver' is a young person who has been 'looked after' by Shetland Islands Council for a specified period up to their school leaving age. This includes young people looked after at home, not just those provided with accommodation by the local authority, such as residential or foster care.

The Children and Young People (Scotland) Act 2014 introduced new legislation and entitlements to support for care leavers – this is called *continuing care*. Now all young people in residential, foster or kinship care born after April 1999 will have the right stay in their placement until the age of 21. The right to aftercare, and all corporate parenting duties, will be available to all care leavers up to their 26<sup>th</sup> birthday.

### **Who is a Corporate Parent?**

The 24 organisations, who are Corporate Parents, in legislation, within the Shetland context:

Scottish Ministers	Shetland Islands Council	NHS Shetland	Shetland College / Highland & Islands University
Principal Reporter	The Scottish Children's Reporters Administration	National Convenor of Children's Hearing Scotland	Children's Hearing Scotland
Health Improvement Scotland	NHS Scotland	Scottish Qualifications Authority	Social Care and Social Work Improvement Scotland
Scottish Social Services Council	Scottish Sports Council	Chief Constable Police Scotland	Police Scotland

Scottish Fire and Rescue Service	Scottish Legal Aid Board	Commissioner for Children and Young People in Scotland	Mental Welfare Commission
Scottish Housing Regulator	Bord na Gaidhlig	Creative Scotland	Skills Development Scotland

## Part 2 – Our Priorities and How we will achieve the objectives of the strategy

### *Reducing the number of Looked After Children: The Placement Methodology 2017 – 2020*

The Children's Social Work Placement Methodology consists of a number of key actions in relation to creating services that support children to remain in their homes and where this is not possible high quality out of home care is provided within a context of timeous permanence planning. Key actions from this approach that are relevant to the Corporate Parenting Plan include:

- Development of universal family support services to rebalance care away from out of home placements using evidence based interventions – a re profiling of care placements.
- Increasing the number of foster carers with an initial focus on teenage placements
- Creating a culture of prevention through strengthening tier 2 service provision. In the first instance through implementation of the Incredible Years Model for 2 – 6 year olds in partnership with NHS Shetland and extension of the Theraplay intervention.
- Creating new gateway processes for off island placements including regular reviews to ensure priority is given to these children and young people when resources become available in Shetland
- Creating a rights based culture where compulsory measures of care are in place, wherever possible, prior to any admission to care
- Reshaping our workforce taking into account SSSC Workforce Regulation and level 9 requirements for residential childcare from 2017 onwards.
- Pursuing the residential business plan for residential care in Shetland 2017 – 2025 to ensure a residential estate is in place to meet medium to long term needs

### *Improving outcomes for Looked After Children – Closing the Attainment Gap*

When considering Looked After Children in Shetland our numbers are too low to provide statistical significance. Nevertheless, we do know that Looked After Children experience significant disadvantage and educational outcomes are significantly lower than the national average.

The Scottish Government has now placed the priority of reducing the attainment gap created by disadvantage onto a statutory footing. Annually, the Scottish Government will publish its National Improvement Framework setting out to local authorities the areas in which it must reduce the attainment gap. In December 2016, the first National Improvement Framework was published and identified the following areas for improvement:

- Improvement in attainment, particularly in literacy and numeracy
- Closing the attainment gap between the most and least disadvantaged children
- Improvement in children and young people's health and wellbeing
- Improvement in employability skills and sustained, positive school-leaver destinations for all young people

In moving these forward in Shetland the Quality Improvement Service will regularly track the progress of all Looked After children, and we will challenge schools to ensure they are achieving their potential, and where present what proactive steps are being taken to reduce disadvantage.

The new Integrated Children's Services Plan 2017 – 2020 has three key priorities which are:

1. Strengthening Families
2. Reducing Inequalities
3. Emotional Health and Wellbeing

The measure and indicators of improvement in the Plan will ensure we prioritise our Looked After Children in taking forward these priorities in Shetland. Updated annual action plans and reporting requirements on the Plan will ensure all partners are accountable for that improvement.

### *Corporate Parenting into Adulthood Framework – Closing the Implementation Gap*

Implementing policy in relation to Corporate Parenting effectively is a recognised challenge. Childcare policies, particularly for care leavers, can take a long time to become part of mainstream everyday practice. Successfully and meaningfully implementing the Act needs on-going political commitment from Shetland Islands Council and the Shetland Partnership, with leadership to support organisations and services to go beyond mere compliance to aspire to excellence.

Good parents aim to do much more than the basics for their children and young people, Shetland's looked after children, and care leavers should expect their corporate parents to do the same.

Implementing the Corporate Parenting agenda will have significant long-term implications for the public purse. We recognise the challenges this poses, especially in the current medium term financial climate that covers the period of this strategy. However, investing in good practice and adopting 'Staying Put' to improve the future for care leavers will support Shetland's corporate parents to meet their legal and ethical responsibilities towards looked after children and care leavers, and will be more cost-effective in the long term.

By endorsing the principles of the Scottish Care Leavers Covenant and putting the actions outlined in the Agenda for Change at the heart of Shetland's Corporate Parenting Plan,

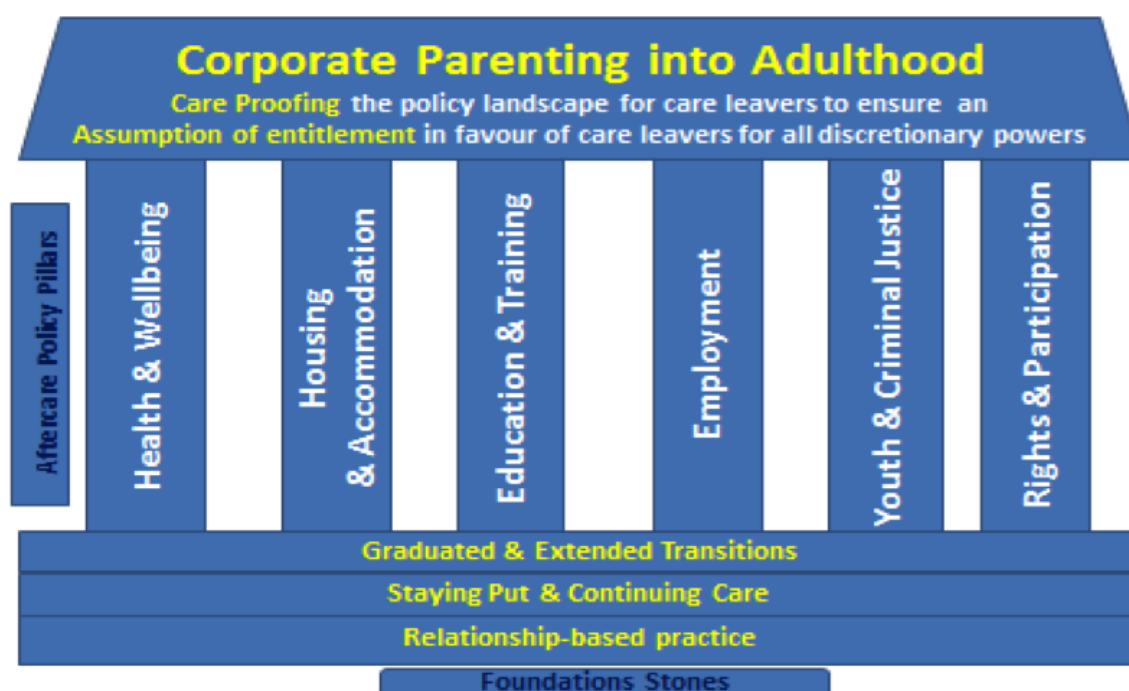
Shetland's corporate parents will be better able to fulfil their duties and realise their ambitions for their care leavers.

To do this the Corporate Parenting Strategy outlines a range of actions and practice changes across key policy themes, which need to be delivered consistently by all relevant corporate parents across Shetland. These identified actions are informed by research evidence, current practice and the voices and experiences of looked after young people and care leavers.

The key priorities are:

- Health and Wellbeing
- Housing and Accommodation
- Education and Training
- Employment
- Youth and Criminal Justice
- Rights and Participation

*The priorities can be represented as:*



## Our Priorities 2017 – 2020

Our strategy will consist of six priorities which will have a range of measurements to allow us to know when we are achieving our priorities. Our priorities are shown below:

**Priority 1:** *Looked After Children and Care Leavers Are Healthy and Experience Positive Mental Health and Well Being*

**Outcome 1:**

- Our looked after children experience improved health and wellbeing
- The health inequalities gap between looked after children and their peers is reduced

**Lead Officer:** Kate Kenmuir, Child & Family Health Manager, NHS Shetland

Our Commitment	Measurement	Due Date
Corporate Parents will make sure you have access to services so you, and they, know how healthy you are and to make sure plans are in place to ensure your health and wellbeing	<ol style="list-style-type: none"> <li>1. Percentage of Looked After Children registered with local GP and Dentist</li> <li>2. Percentage of Looked After Children receiving annual medical checks</li> </ol>	
Corporate Parents will support you to attend appointments and get the support, advice and guidance you need to maintain your health and wellbeing	<ol style="list-style-type: none"> <li>1. Percentage of appointments kept by Looked After Children</li> <li>2. Number of identified health needs being met</li> </ol>	
Corporate Parents will make sure your carers can help you with being healthy and making healthy choices	<ol style="list-style-type: none"> <li>1. Number of health and wellbeing training events attended by Corporate Parents</li> <li>2. Percentage of Corporate Parents reporting that they feel able to support Looked After Children and Care Leavers make healthy choices</li> </ol>	
Corporate Parents will enable you to be part of decisions made about your health	<ol style="list-style-type: none"> <li>1. Number of GIRFEC plans which clearly state the child's view in relation to health matters</li> </ol>	
Corporate Parents will ensure you have access to specialised services when you need them e.g. CAMHS, Paediatrician etc.	<ol style="list-style-type: none"> <li>1. Number of referrals to CAMHS</li> <li>2. Length of time of referral to CAMHS</li> <li>3. Number of paediatric referrals of looked after children</li> </ol>	
Corporate Parents will work to increase partnership working to remove barriers and promote and sustain access to sport, leisure and cultural activities for looked after children	<ol style="list-style-type: none"> <li>1. Number of looked after children with a leisure card</li> <li>2. Number of looked after children with a library membership</li> </ol>	

**Priority 2:** *Looked After Children and Care Leavers Successfully Gain a Stable Home***Outcome 2:**

1. More young people will access and sustain accommodation that meets their needs when they move on from being looked after

**Lead Officer:** Anita Jamieson, Executive Manager, SIC Housing

Our Commitment	Measurement	Due Date
Corporate Parents will develop a range of accommodation options and locations for care leavers	1. Number of care leavers in homeless accommodation	
Corporate Parents will further develop the Joint Protocol between housing and social work	1. New protocol issued and evidence of implementation	
Corporate Parents will build on the work of the Hub project to develop a lifelong care leavers service	1. Service developed and delivering	
Corporate Parents will ensure you are supported to manage your resources in the best way to suit you	1. Number of care leavers in rent arrears reduces 2. Council tax exemption for care leavers is agreed and implemented by SIC	
Corporate Parents will commission others to support you, if required, when you move away from Shetland	1. Number of services commissioned	
Corporate Parents will ensure you have support should you get into difficulties in managing your tenancy	1. Number of care leavers evicted 2. Number of care leavers accessing housing support services	

**Priority 3:** *Looked After Children and Care Leavers Have Access to Responsive Education and Training Facilities That Prepare Them for the Work Place*

**Outcome 3:**

- Education establishments work proactively to close the attainment gap and celebrate successes of looked after children

**Lead Officer:** Shona Thompson, Executive Manager, SIC Schools

Our Commitment	Measurement	Due Date
Corporate Parents will support schools to ensure you have full time education and make good progress in school	1. The attendance gap between looked after children and non-looked after children is closed	
Corporate Parents will provide you with good support during the year and at important times like exams to help achieve goals and aspirations	1. The attainment gap between looked after children and non-looked after children is closed	
Corporate Parents will provide you with the help and support you need to make choices for further or higher education	1. The number of looked after children and care leavers entering further or higher education increases	
Corporate Parents will provide you with the help and support you need to make choices about apprenticeships and work placement opportunities	1. The number of looked after children or care leavers offered an apprenticeship or work placement increases	
Corporate Parents will ensure education establishments continue to improve attendance and reduce exclusions for looked after pupils in order to increase levels of participation	1. The gap between looked after children and their peers is closed in relation to attendance and exclusion	
Corporate Parents will provide further guidance to every school's designated manager for looked after children in line with legislation and current research to ensure the needs of looked after pupils are identified and supported in order to improve achievement and attainment	1. Additional Support Plans identify needs and demonstrate improvements in achievement and attainment	

**Priority 4:** *Care Leavers Have Access to a Range of Employment Opportunities Including the Shetland Partnership Family Firm*

**Outcome 4:**

- More young people will access and sustain positive post – school destinations
- Care leavers are active participants in their community

**Lead Officer:** Denise Bell, Executive Manager, SIC Human Resources

Our Commitment	Measurement	Due Date
Corporate Parents will link potential employers with schools and colleges to support you in progressing into a job	<ol style="list-style-type: none"> <li>1. The number of local employers who offer employment opportunities to looked after children and care leavers</li> <li>2. The number of events local colleges attend at local schools</li> </ol>	
Corporate Parents will ensure your Pathway Plan supports your transition when you leave school	<ol style="list-style-type: none"> <li>1. All care leavers have a Pathway Plan started at least 18 months before 16<sup>th</sup> birthday</li> <li>2. Pathway plans will identify clear supports for transition from school</li> </ol>	
Corporate Parents will provide work experience, apprenticeships and employment opportunities for looked after children and care leavers ( <i>The Shetland Partnership Family Firm</i> )	<ol style="list-style-type: none"> <li>1. Number of looked after young people and care leavers in placements with the family firm</li> <li>2. Number of looked after young people and care leavers in employment with the family firm</li> </ol>	
Corporate Parents will ensure there is a named Jobcentre Plus Advisor for care leavers who understands the impact of being looked after and can ensure safe navigation of the benefits system	<ol style="list-style-type: none"> <li>1. Percentage of care leavers in receipt of all entitled benefits</li> <li>2. Percentage of care leavers in employment or on employment pathways</li> </ol>	
Corporate Parents will provide additional support for looked after young people and care leavers with disabilities in relation to employment opportunities when they leave care	<ol style="list-style-type: none"> <li>1. Percentage of Pathways Plan evidencing input from the Family Support Service</li> </ol>	

**Priority 5:** *Looked After Children and Care Leavers Are Supported to Stay Out of the Criminal Justice System Wherever Possible*

**Outcome 5:**

- Community solutions allow looked after young people and care leavers the opportunity to be active and responsible citizens
- Looked after young people and care leavers who have offended are supported to reduce the risk of reoffending

**Lead Officer:** Denise Morgan, Executive Manager, SIC Criminal Justice Service

Task	Measurement	Due Date
Adopt the principles of the whole system approach to criminal justice interventions	1. Principles established in policy and practice	
Corporate Parents will support the transition process for looked after children and care leavers returning to Shetland where there are offending risks	1. Transition procedures and practices are established	
Corporate Parents will review citizenship as part of the curriculum	1. Number of pupils attending courses	
The Criminal Justice team and Throughcare & Aftercare Service will develop a joint working protocol for care leavers where offending behaviour is a risk	1. Protocol agreed and implemented into practice	
Corporate Parents will look to develop a range of community based early interventions to support the mental health and wellbeing of care leavers where offending or likelihood to reoffend is identified as a risk	1. A review of interventions is complete 2. An agreed suite of interventions is agreed	
Corporate Parents will establish a consistent professional forum to manage looked after young people and care leavers with a focus on diversion	1. Review complete and framework in place	

**Priority 6:** *Looked After Children and Care Leavers Rights Are Promoted and Protected by the Shetland Partnership and Their Views Considered on Matters Affecting Them*

**Outcome 6:**

- Children, young people and their families participate in decisions which affect them and;
- there is an increased understanding and implementation of corporate parenting responsibilities across the partnership
- More young people will choose continuing care as a positive option for them as they move into adulthood

**Lead Officer:** Scott Hunter, Executive Manager, SIC Children's Resources

Task	Measurement	Due Date
Establish the Corporate Parenting Board and associated support functions including support to priority Lead Officers	1. Number of Corporate Parent boards held and attendance of members	
Establish the Young People's Forum and resource as appropriate with Who Cares? Scotland	1. No of Forums held 2. No of Corporate Parent Boards attended by group representatives	
Corporate Parents will promote and protect the rights of looked after children and care leavers	1. Attendance at Children's Rights Seminars 2. Decrease in number of rights violations	
Corporate Parents will enhance structures and systems to gather, record and report on the views of looked after children	1. Percentage of looked after children who report feeling listened to	
Analyse the impact of the Children and Young People (Scotland) Act 2014 in terms of service demand for continuing care and aftercare	1. Annual Corporate Parent report to outline impact and bring forward any requirement to develop new, or reconfigure current services	
The Corporate Parent will sign up to the Scottish Care Leavers Covenant	1. Covenant signed up & principles embedded in our Corporate Parenting work	

**Enablers:**

*The role of Shetland Islands Councillors*

As elected members, our Councillors play a pivotal role in corporate parenting to ensure services are being delivered and outcomes achieved. Councillors are in the unique position of being able to promote opportunities for Looked After Children and care leavers through their political power and influence; through their connections to the community, schools, health services, local businesses and employers.

*As Corporate Parents, all our elected members must:*

- Know what it is to be a Corporate Parent in order to fulfil their statutory duties effectively
- Know about the Corporate Parenting Strategy and think about how this affects all parts of their day-to-day work
- Have an awareness and understanding of the main issues affecting looked after children, young people and care leavers in Shetland and those placed out with Shetland
- Take an active interest and champion the needs of looked after children, young people and care leavers
- Help develop Council services to make sure the Corporate Parenting Strategy is being put into practice
  - Ask questions about outcomes for Looked After Children and care leavers
  - Communicate with Looked After Children so that they can have a say in how decisions are made about the services that affect them, and so that they can influence those decisions. This may include engaging with the Young People's Forum
  - Supported by officers, promote partnership working as a pre-requisite for delivering effective service to Looked After Children and care leavers; ensure that joint planning and commissioning delivers on this agenda
  - Lead on securing apprenticeships for care leavers within the Council to improve their opportunities and future prospects
  - Be equally mindful and responsive in your role of corporate parent to children placed away from Shetland
  - Question whether the Council, as a corporate parent, is keeping the promise it has made to Looked After Children and care leavers in The Pledge (see Appendix 1)

Some questions that Councillors should be asking themselves regularly in relation to the Corporate Parenting Agenda include:

*Do I understand why infants, children and young people need to be looked after and the legal and policy framework that governs this?*

*Do I know about the profile, needs and achievements of all children looked after by Shetland Islands Council?*

*Are we providing the best care possible to our Looked After Children and care leavers? Would it be good enough for my baby, my child, my son/daughter moving into independence?*

*Do I know how well Shetland Islands Council is doing in comparison with other comparable councils and government indicators?*

*Is there an action plan to address any shortcomings in services and to constantly improve outcomes for Looked After Children?*

*Am I taking responsibility for promoting the welfare and opportunities for Looked After Children and care leavers in all my work in the council – and in my other capacities?*

### ***The Corporate Parent Board***

The Corporate Parenting Board's purpose is to ensure that the whole Council and partner agencies have a joint commitment to Corporate Parenting.

The Corporate Parenting Board membership includes representatives from across the Corporate Parent. As a group, it will be responsible for overseeing that the objectives of the Corporate Parenting Strategy are realised and targets to improve outcomes are met.

The Corporate Parent Board will report into the Shetland Partnership and the Education and Families Committee.

Shetland Islands Council Education and Families Committee will nominate three Councillors to sit on the Corporate Parent Board with one of the three elected members nominated to the Executive Manager, Children's Resources, as *lead officer*, to chair the Board. The board will meet three times a year (February, June and October) and will perform a scrutiny and consultative function with the Young People's Forum as well as providing the primary oversight of the implementation of the Corporate Parenting Strategy.

#### *The board membership shall consist of:*

- Elected Member (*Chair*)
- Elected Member
- Elected Member
- Children's Forum 2 representatives
- Chief Social Work Officer (*Vice Chair*)
- Executive Manager Children's Resources (*Lead Officer Corporate Parenting*)
- The six priority Lead Officers
- Director Children's Services
- Executive Manager Quality Assurance (Schools)
- Principal Educational Psychologist
- Children and Family Health Manager, NHS Shetland
- Director of Nursing, Midwifery & Allied Health Professionals, NHS Shetland
- Area Commander Police Scotland
- Skills Development Scotland (Shetland)
- Joint Principal Shetland College / NAFC Marine College
- Who Cares? Scotland
- Fire and Rescue Service

### *Implementation Groups*

Each of the six outcome areas in the strategy will have an associated action plan that will be delivered through an implementation group made up of key corporate parents and partners. Each group will have a lead officer who will report progress on implementation of action plans and performance against targets to the Corporate Parenting Board.

*Review of the impact of the strategy*

There will be a six-month update and a full annual review of the strategy in regards to how effectively it is being implemented through the working groups and what impact it is making on the outcomes and associated targets that have been set. These reviews will be presented to the Corporate Parenting Board so they can monitor and challenge performance. The six monthly review will be undertaken every October with the annual review in April.

*The role of Shetland Islands Council Officers and partner agencies*

To be most effective at improving the life chances of all Looked After Children, young people and care leavers, the ownership of responsibility for Corporate Parenting must be extended beyond Children's Social Care. All Council departments, Officers and partner agencies have a responsibility to act together as Corporate Parents for all Looked After Children. To do this they need to be aware of this responsibility and the role that they play in ensuring that service development and delivery meets the needs of Looked After Children and care leavers.

For a whole-authority approach to corporate parenting to be effective, Council departments and partners will:

- Ensure employee awareness and commitment to the Corporate Parenting Strategy
- Include the corporate parenting role in officers individual employee appraisal objectives across the Council's Children's Services and Adult Services directorates
- Create and review human resources policies that support the needs of employees who provide care to our Looked After Children
- Promote access to services for Looked After Children and their carers through both policy and practice (where relevant to service departments)
- Ensure that commitment to corporate parenting is realised through a range of opportunities that lead to measurable improvement in life chances for Looked After Children – enabling them to succeed in line with their peers
- Raise awareness of Looked After Children at all levels of the organisation and challenge negative and discriminatory perceptions
- Ensure elected members are provided with appropriate information in relation to their corporate parenting responsibilities, including service developments and key messages about what contributes to improving outcomes for Looked After Children and care leavers

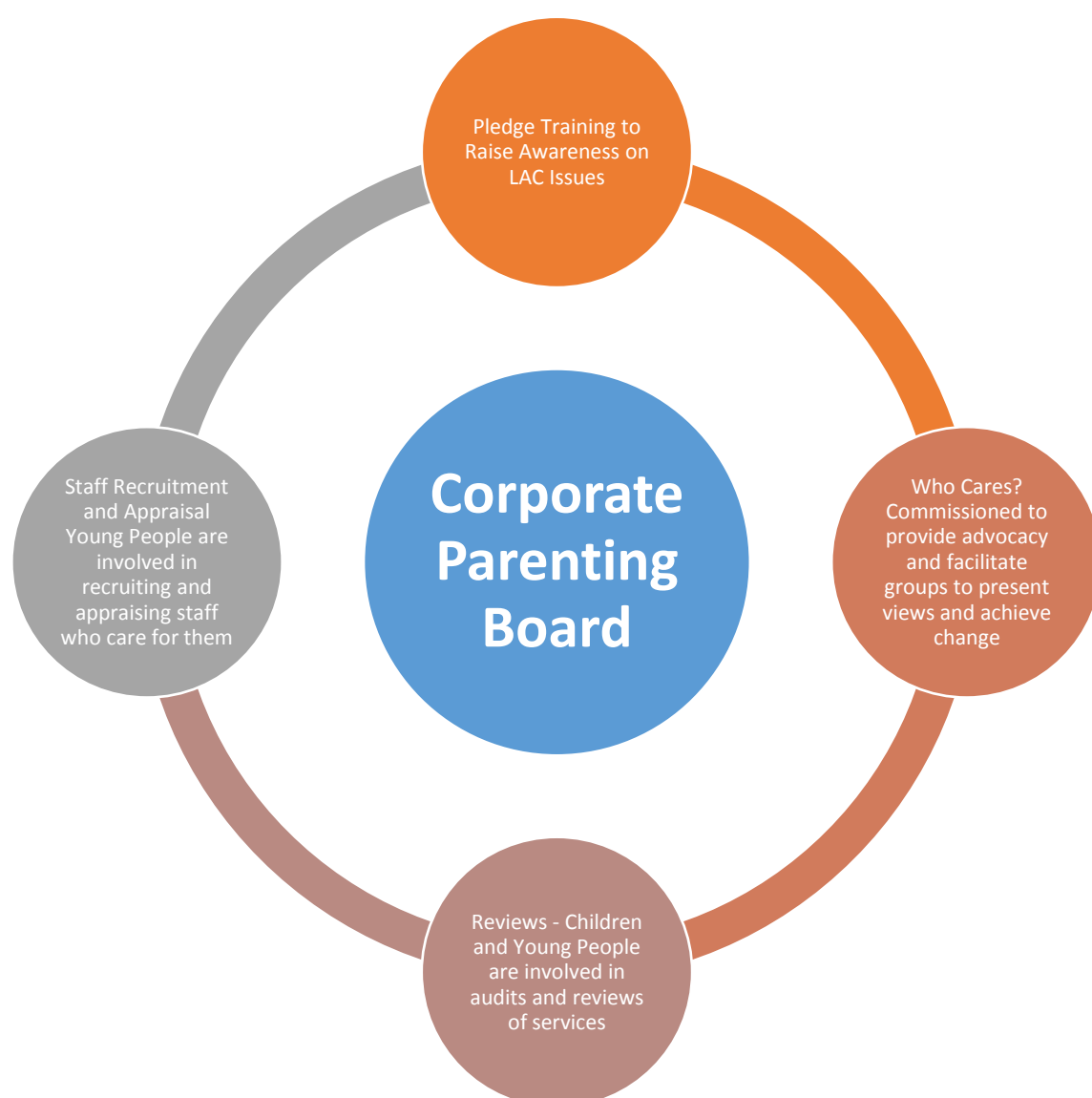
*How we will involve Looked After Children and care leavers*

We will take a proportionate and sensitive approach to the involvement of our looked after children, young people and care leavers mindful of the relatively small numbers. Our primary commitment is to develop our Young People's Forum and to seek the views of children, young people and care leavers through this group. We will ensure transparency by resourcing Who Cares Scotland to facilitate this group.

Alongside this, we will distribute a more reader friendly version so children, young people and care leavers can understand the strategy and share their views. We maintain our ongoing commitment to seek and understand the views of children, young people and care leavers through LAC Reviews, Having Your Say Forms, Feedback from Who Cares? and other established quality assurance processes.

Children and young people will receive information on Corporate Parenting appropriate to their understanding, including a pictorial and a children's version of this strategy. This will be disseminated to all children, including those living away from Shetland, via their Social Worker.

This strategy endorses an on-going commitment to increased communication, consultation and involvement with Looked After Children and care leavers. This will be facilitated in the following ways:



We commit to communicating with all Looked After Children, young people and care leavers and recognise that some will be more vulnerable than others. Disabled children, who, due to their unique and complex needs are often looked after in residential Out of

Authority placements, far from their homes and family networks, are particularly vulnerable. The communication difficulties experienced by some of these children and young people increases this vulnerability. To consult with severely disabled looked after children and young people the Council will involve specialist services to ensure that people with skills in communicating with children and working directly with this vulnerable group.

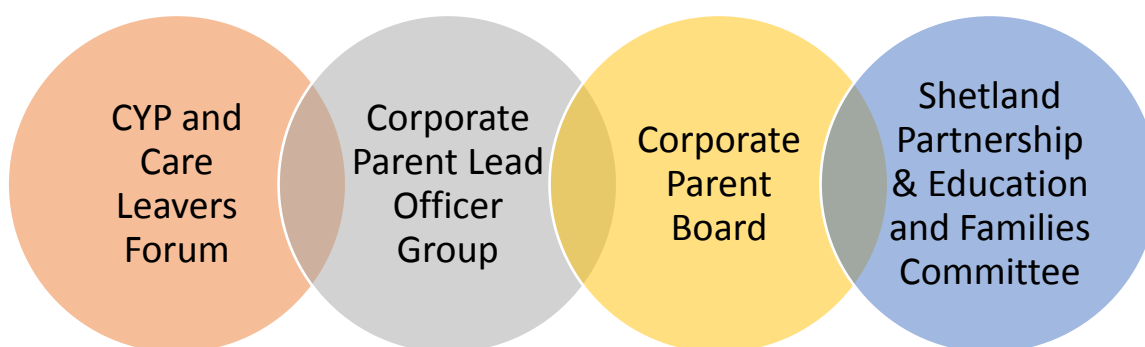
Children and young people from black and ethnic minority groups also experience increased vulnerability when they become looked after. The Council will ensure that the views and specific needs of this group of children will be heard.

### *Governance Arrangements*

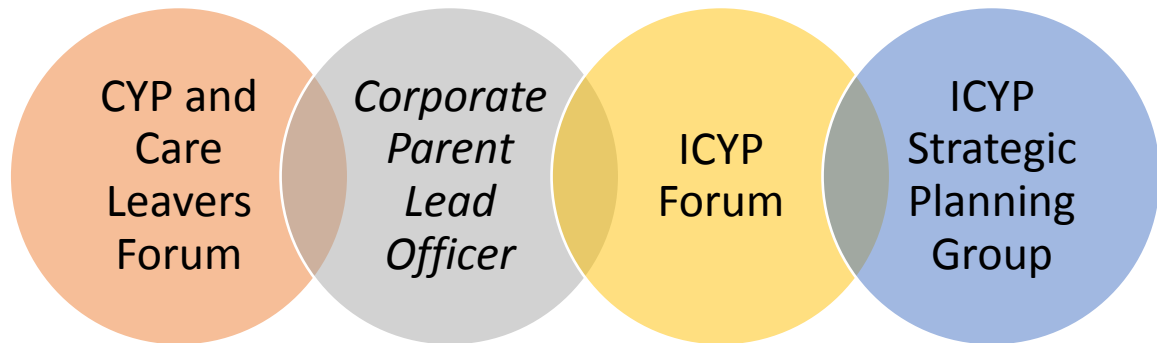
As Corporate Parents we have made the moral obligation to uphold our pledge to looked after children, young people and care leavers. Along with our moral obligation, the leadership imperative we have as Corporate Parents needs to ensure services treat looked after children and young people and care leavers accessing services with care and respect. The Shetland Partnership will ensure this happens by ensuring everyone working with, and for looked after children, in all positions:

- considers their wellbeing within the context of being a looked after child, young person or care leaver
- assesses their needs
- promotes their best interests
- makes sure their voices and opinions are heard
- provides opportunities for them
- provides advice and assistance when they're needed
- makes sure services are easy to access for them
- will approach the Children's Resources service when help is required to understand the impact of trauma on child and human development

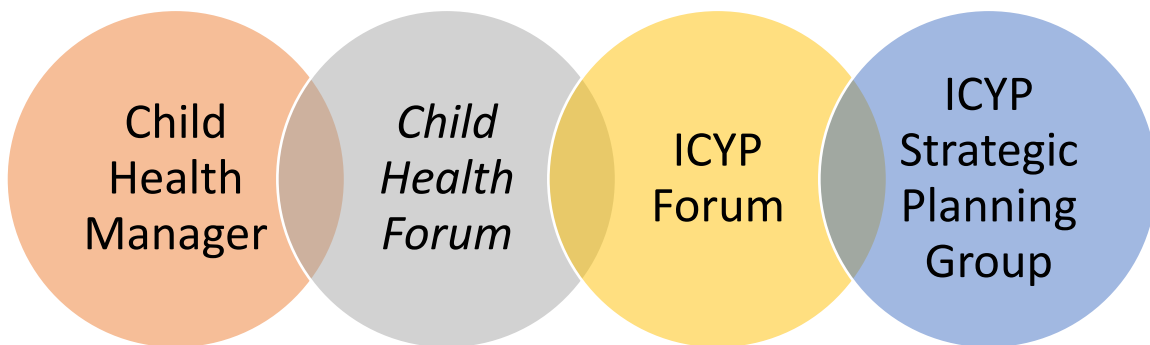
Alongside this moral imperative, we will have clear corporate governance arrangements at each level, the structure of which is shown below:



Children's Services Governance:



NHS Shetland Governance



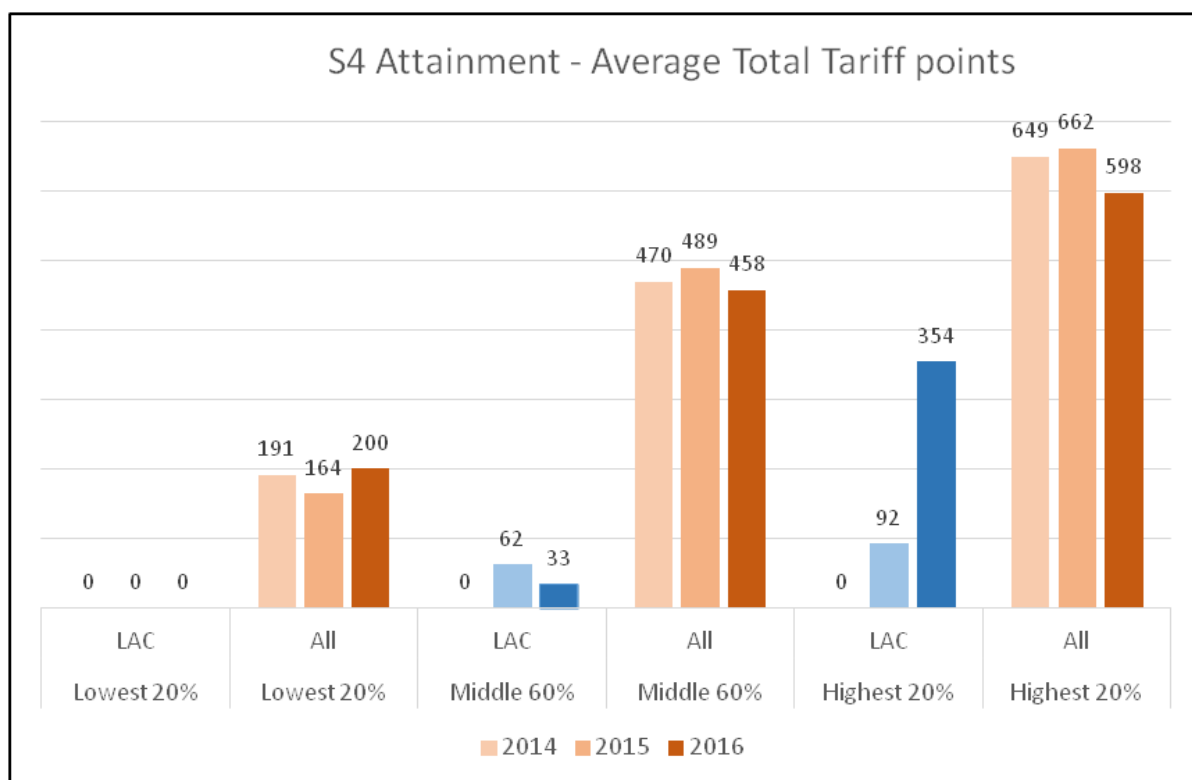
## APPENDIX 1: KEY LEGISLATION AND GUIDANCE

- [United Nations Convention on the Rights of the Child](#)
- [United Nations Convention on the Rights of Persons with Disabilities - Article 7 \(Children with Disabilities\)](#)
- [Children and Young People \(Scotland\) Act 2014](#)
- [Social Care \(Self Directed Support\) \(Scotland\) Act 2013](#)
- [Children \(Scotland\) Act 1995](#)
- [Adoption and Children \(Scotland\) Act 2007](#)
- [Centre for Excellence for Looked After Children in Scotland - Corporate Parenting](#)
- [Who Cares? Scotland - Corporate Parenting](#)
- [Scottish Care Leavers Covenant](#)

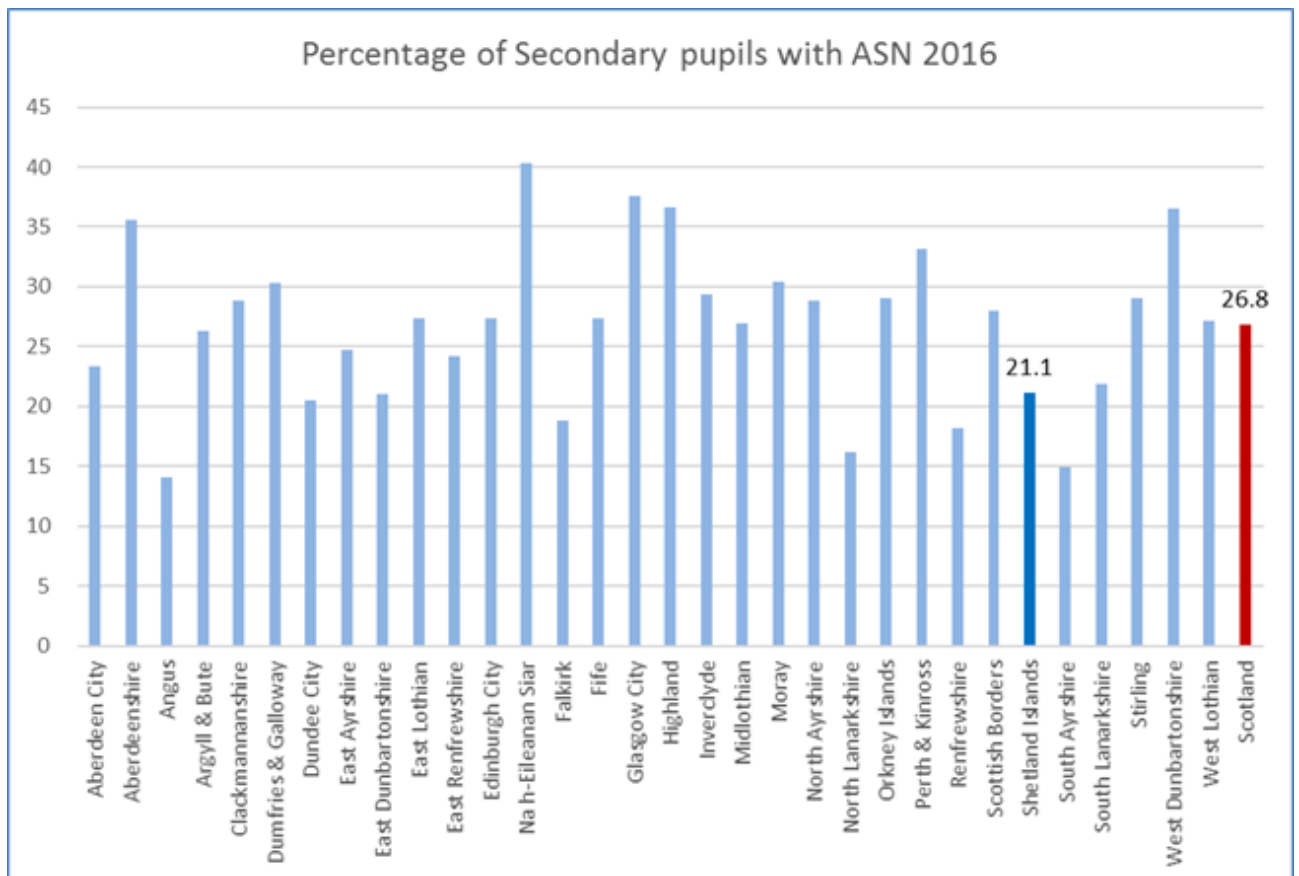
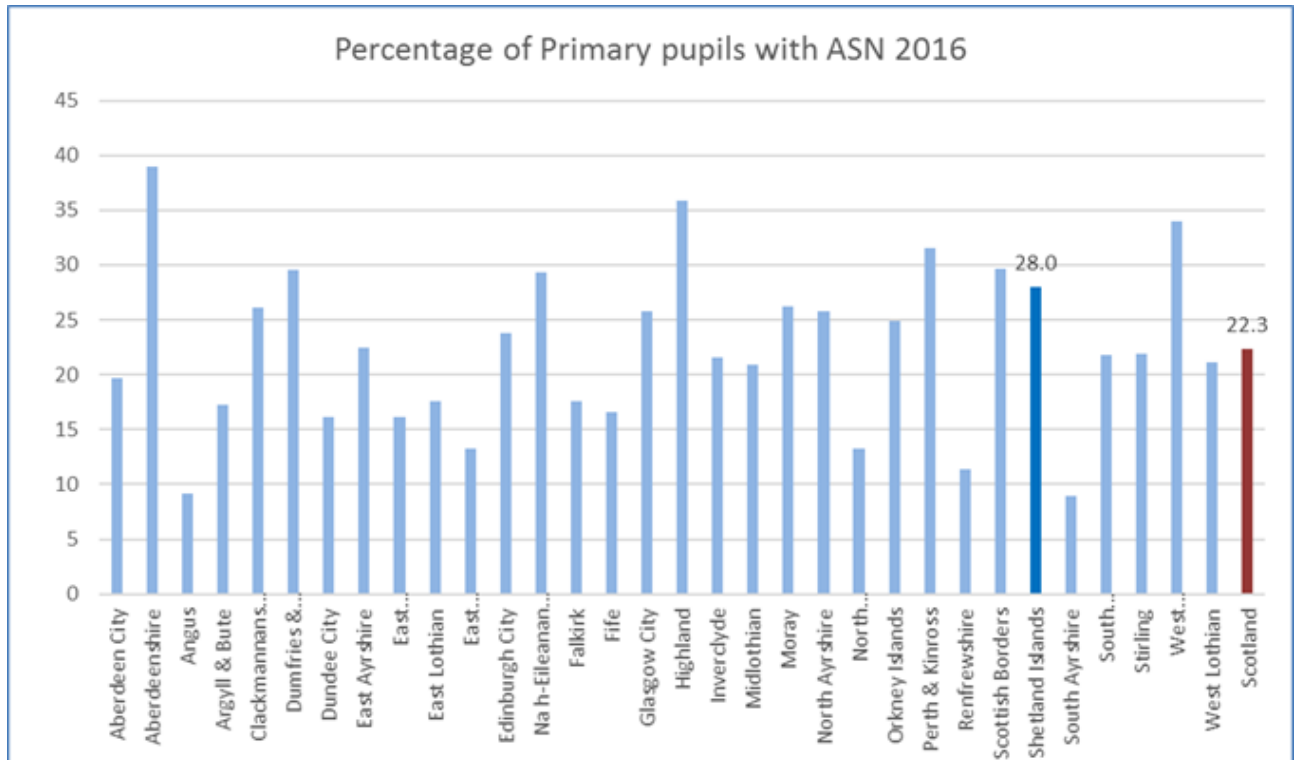
## APPENDIX 2: DATA AT JANUARY 2017

The majority of Looked After Children and young people start from a position of increased vulnerability and disadvantage that means additional support is needed to overcome the factors which will contribute to unacceptably high levels of poor outcomes.

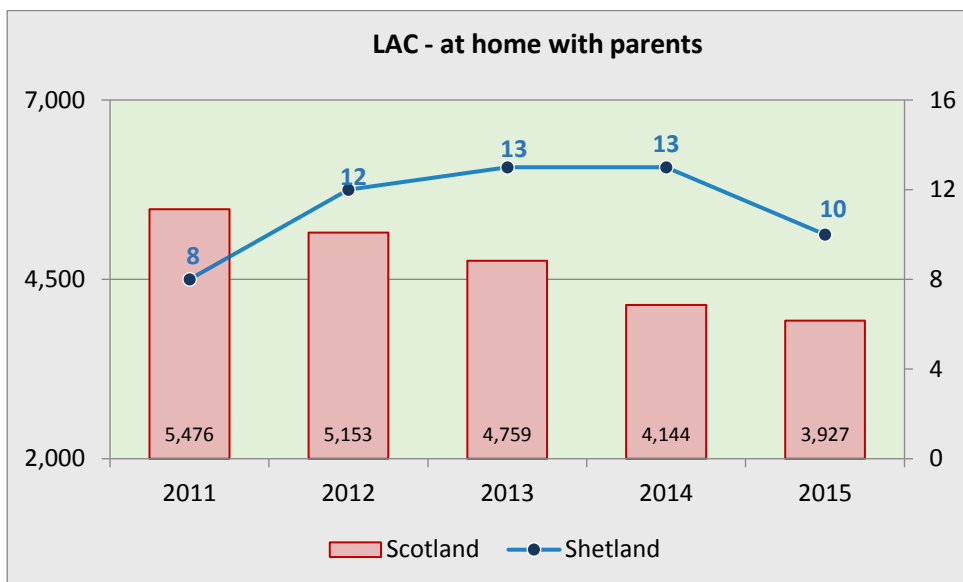
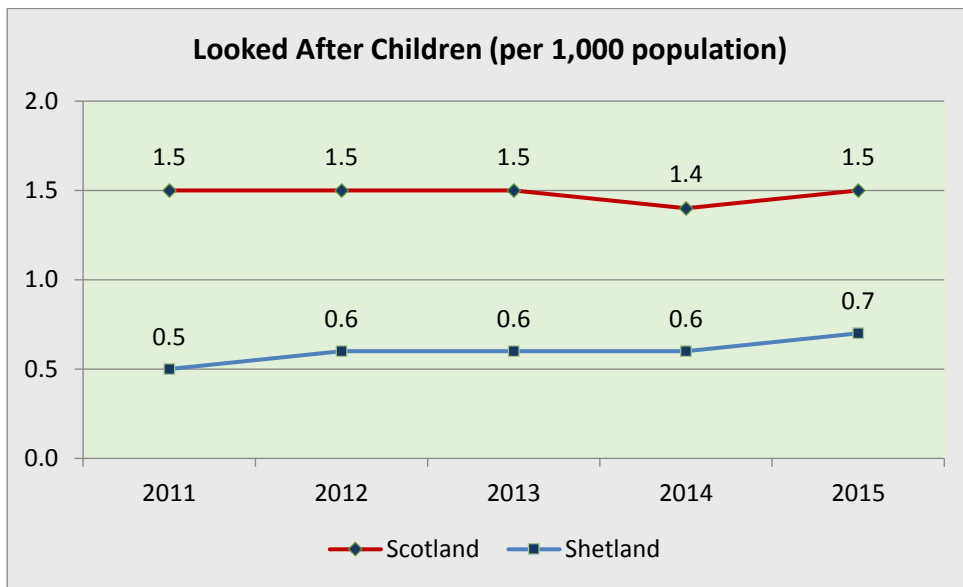
This chart shows the educational attainment of Shetland's Looked After Children against the performance of all pupils in Shetland schools (some Looked After Children will live and be educated in other local authorities).

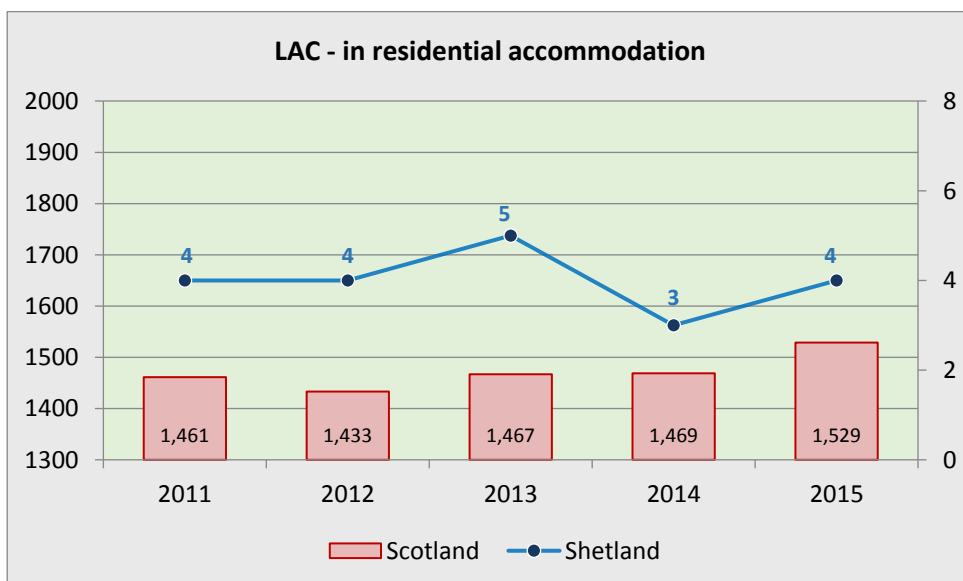
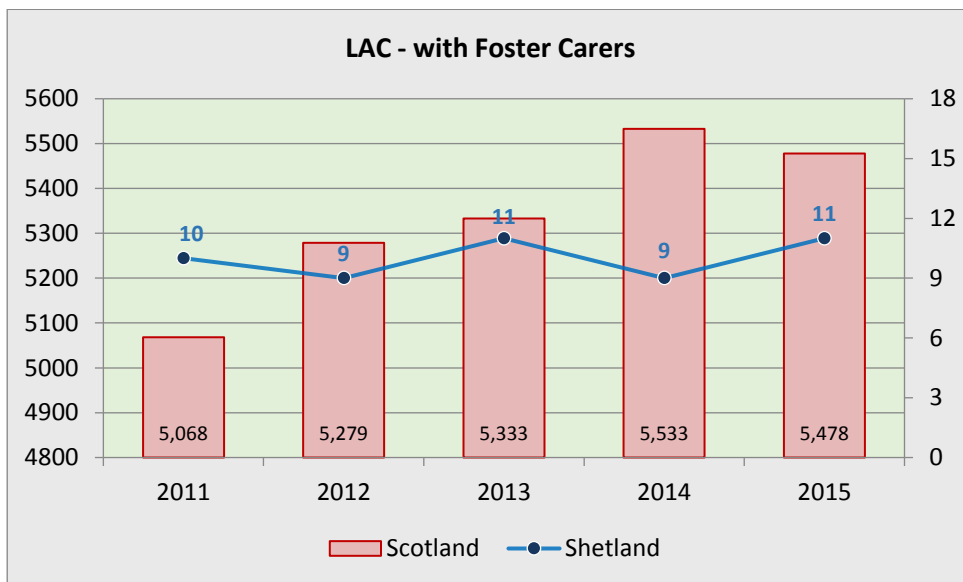
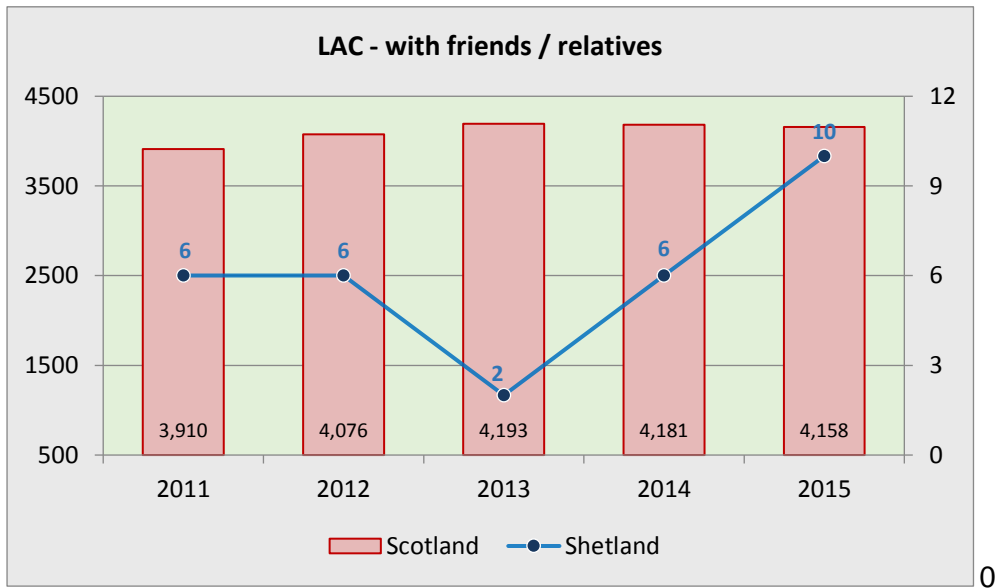


ASN as percentage of population and general and as percentage of looked after children



## Looked After Children Data







# Shetland Islands Council

Agenda  
Item

**3**

<b>Meeting(s):</b>	<b>Shetland College Board Shetland Islands Council</b>	<b>30 August 2017 30 August 2017</b>
<b>Report Title:</b>	<b>Shetland College Board - Appointments</b>	
<b>Reference Number:</b>	<b>GL-40-F</b>	
<b>Author / Job Title:</b>	<b>Jan-Robert Riise, Executive Manager - Governance and Law</b>	

## 1.0 Decisions / Action required:

- 1.1 That the Shetland College Board RECOMMENDS that the Shetland Islands Council:
- RESOLVES to appoint Mr Logan Spence as the nominated student representative on the Shetland College Board, with full voting rights, with his term of appointment being the duration of the time that he remains a student of Shetland College;
  - NOTE that no applications were received for the appointment of two additional non-councillor members as voting members of the Shetland College Board, and agree that the vacancies continue for the time being, but that these be re-advertised at a future date to be agreed in consultation with the Chairs of Shetland College Board and the Education and Families Committee; and
  - RESOLVES to appoint 3 Members of the Shetland College Board to the Colleges Integration Liaison Group, namely Mr P Campbell - Chair, Mr T Smith - Vice-Chair and Mr G Smith; and that Mr A Priest, Ms E Macdonald and Ms B Wishart be appointed as substitutes.

## 2.0 High Level Summary:

- 2.1 At its meeting on 18 May 2017, the Council noted that during the 2012-2017 Council term, the Shetland College Board membership included two additional non-councillor members, appointed following a public advertisement for those with relevant skills and expertise. Those appointments came to an end on 3 May 2017, and the Council remitted the question of whether to continue the appointment of additional members for the current Council term to the Shetland College Board (Min Ref: SIC36/17).
- 2.2 Shetland College Board considered the matter at its meeting on 14 June, and recommended to the Council that it again appoint two additional non-councillor members as voting members of Shetland College Board (Min Ref: 17/17). In addition, Shetland College Board also considered the issue of student representation, and recommended that the membership also include one student representative with voting rights. The Council, at its meeting on 28 June 2017, agreed to these recommendations.

- 2.4 Accordingly, and in consultation with the Chair of Education and Families Committee and the Chair of the Shetland College Board, public advertisement commenced, and adverts for the positions were placed in the Shetland Times on 7 July 2017, and also on the Council's advertising banner on the Shetland News website until the closing date on 7 August 2017.

### **3.0 Corporate Priorities and Joint Working:**

- 3.1 Appointment of additional non-councillor members with relevant skills and experience to the Shetland College Board will help support the Council's aim to ensure that there is a close match between the skills that businesses need and those that the trained workforce have. HM Inspectors have expressed the view that the learner voice in college decision-making would be enhanced by representation at this level.

### **4.0 Key Issues:**

#### Additional Non-Councillor Members

- 4.1 At its meeting on 28 June 2017, the Council noted observations from Members that the input from non-councillor members with the relevant skills and experience on the College Board during the previous Council term had been valuable, and it was agreed to proceed with these appointments on the same basis as before. However, despite two expressions of interest, no applications were received by the closing date. In this regard, it is recommended that the vacancies continue for the time being, but that these be re-advertised at a future date to be agreed in consultation with the Chairs of Shetland College Board and the Education and Families Committee.

#### Student Representation

- 4.2 As HM Inspectors had expressed the view that the learner voice in college decision-making would be enhanced by representation at student level, and in accordance with the Council's decision, the Highlands and Islands Student Association – Shetland College was asked to nominate a representative for appointment. Accordingly, Mr Logan Spence was nominated. Mr Spence has provided me with his personal details, and his appointment is recommended. On appointment, Mr Spence will become a full voting member of the College Board, and will be required to complete a public Register of Interests.

#### Colleges Integration Liaison Group

- 4.3 In April 2016, the Council agreed to the establishment of a Colleges Integration Liaison Group to be a reference group for the Review of Tertiary Education project. The College Integration Liaison Group does not have any formal decision making powers assigned to it. Whilst the technical authority for decision making and implementation continues to lie with the formal structures of the Council and SFTCT/NAFC and with the delegated authority of the officers they employ, the Group discharges a communications and engagement function up, down and between the two organisations and provides a focus for the Interim Joint Principal and the College Management team to consult with and obtain input and opinion at a political governance level. The Council previously appointed the Chair and Vice-Chair of the College Board and one other member of the College Board, and the

<p>remaining members of the College Board were appointed as substitutes. My recommendation would be to continue with those same appointments, and to appoint Mr G Smith as the third member, in order to ensure continuity and communication with the Education and Families Committee.</p>		
<b>5.0 Exempt and/or confidential information:</b>		
5.1 None.		
<b>6.0 Implications :</b>		
<b>6.1 Service Users, Patients and Communities:</b>	None.	
<b>6.2 Human Resources and Organisational Development:</b>	None.	
<b>6.3 Equality, Diversity and Human Rights:</b>	None.	
<b>6.4 Legal:</b>	None.	
<b>6.5 Finance:</b>	Non-councillor appointments to the Board are unpaid, but incidental expenses will be met from Executive Services - Council Members approved revenue budget.	
<b>6.6 Assets and Property:</b>	None.	
<b>6.7 ICT and new technologies:</b>	None.	
<b>6.8 Environmental:</b>	None.	
<b>6.9 Risk Management:</b>	None.	
<b>6.10 Policy and Delegated Authority:</b>	The appointment of non-councillor members is provided for within the Council's Constitution, and is a matter reserved to the Council.	
<b>6.11 Previously</b>	N/A	

<b>considered by:</b>		
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**Contact Details:**

Anne Cogle, Team Leader - Administration

[Anne.cogle@shetland.gov.uk](mailto:Anne.cogle@shetland.gov.uk)

21 August 2017

**Appendices:**

None.

**Background Documents:**

None.

END



<b>Meeting(s):</b>	<b>Shetland Islands Council</b>	<b>30 August 2017</b>
<b>Report Title:</b>	<b>Appointments to External Organisations</b>	
<b>Reference Number:</b>	<b>GL-39</b>	
<b>Author / Job Title:</b>	<b>Executive Manager - Governance and Law</b>	

<b>1.0</b>	<b>Decisions / Action required:</b>
1.1	That the Council RESOLVES to make the necessary elected Member appointments as outlined in Section 4 of this report, by the method also set out in Section 4, and RESOLVE, in the event of a vote, to elect by secret ballot.
<b>2.0</b>	<b>High Level Summary:</b>
2.1	In the process of discharging its functions, the Council contributes to membership, along with other authorities and organisations, to a number of national and local organisations.
<b>3.0</b>	<b>Corporate Priorities and Joint Working:</b>
3.1	This report relates directly to “Our Plan” 2016 to 2020, in that appointments to external organisations relates to the Council’s vision to be known as an excellent organisation that works well with our partners.
<b>4.0</b>	<b>Key Issues:</b>
4.1	<p>The Council agreed that future appointments to external organisations should be based on the following principles :</p> <ul style="list-style-type: none"> <li>• Where there is a <b>clear link to a Council Strategy or Policy objective in appointing to a national or international body</b>, the presumption will be to consider making an appointment, but each request will be considered on its own merits;</li> <li>• Where any organisation falls within the <b>Following the Public Pound Policy</b> requirements, the Council will not appoint a Councillor; and</li> <li>• Where the organisation <b>cannot demonstrate a link to a Council strategic or policy objective, and is not funded by the Council</b>, each request will be considered on a case by case basis.</li> </ul>
4.2	The Council further agreed that a detailed appointments register would be created, based on these principles, setting out the full requirements and implications of each organisation and set of criteria against which all future appointments will be considered.

A number of appointments were made at the Council meetings on 18 May and on 28 June, with the exception of the following, which are now submitted to the Council for decision:

Organisation	Recommended Substantive Members	Substitute Members [if required]
Scottish Councils Committee on Radioactive Substances	1 - appointed member of KIMO	Not required
Dounreay Stakeholders Group	1 - appointed member of KIMO	Not required
Highland Reserve Forces and Cadets Association	1 - Councillor <i>Deferred from SIC meeting on 28 June – will be reported to next Council on 1 November 2017, following conclusion of continued correspondence with the HRFCA with regard to appointment rules and Area Committee arrangements.</i>	

- 4.3 A register of these external appointments recommended today for appointment is attached as **Appendix 1**. This register provides a detailed assessment of each organisation, covering the agreed principles and criteria, and sets out the reasons for the recommendations.
- 4.4 Specific consideration is currently being given to any resumption of the practice of appointing to the Shetland Amenity Trust and the Shetland Fisheries Training Centre Trust. The concern is in regards to the decision not to appoint when the principles of following the public pound applies. Some delay has occurred due to Summer holidays, but the position will be established and reported to the next Council meeting on 1 November 2017. As reported in June, a number of other Trusts also require dialogue and consideration by Legal Services in order to determine the most appropriate method of the Council removing itself from these organisations, as in many cases the Council is bound by a Trust Deed that may result in costs for the Council. These will be reviewed and reported to the Council as required.
- 4.5 As well as some of the remaining organisations, groups have contacted the Council seeking appointment of Councillors to attend their meetings. Councillors can attend any meeting to which they have been specifically invited, perhaps as a Ward member. However, Councillors are reminded that approved duty status does not apply to such attendance unless it has been authorised by the Council [Part G1 of the Council's Constitution] and any costs or expenses would be borne by the Councillor.
- 4.6 Approved duty status is, however, afforded to the Convener, Leader and Senior Office Bearers and portfolio holders [Part G1 of the Council's Constitution], provided their attendance is in the interests of the Council.
- 4.7 In all circumstances, councillors should continue to consider implications under the Councillors Code of Conduct and any possible conflicts of interest which may arise when attending meetings, and take advice if necessary. Delegated authority is held by the Chief Executive to approve expenditure for the attendance of any Councillor outwith Shetland.

## Method of Election/Voting

- 4.8 In terms of Section 10 of the Council's Standing Orders, when Councillors are to be appointed to any positions to be filled by the Council, and where the number of candidates nominated exceeds the number of vacancies, the Councillors to be appointed will be determined by a vote or votes in each of which Members will be entitled to vote for as many candidates as there are vacancies; but they may not cast more than one vote for any candidate.
- 4.9 The vote will normally be taken by a show of hands, unless the Council resolves in the case of any particular appointment to take the vote by secret ballot. It has been custom and practice for the Council to undertake such voting by secret ballot.
- 4.10 The name of the candidate having fewest votes will be deleted from the list and a fresh vote, or votes, will be taken. This process of elimination will be continued until the number of candidates equals the number of vacancies.
- 4.11 Where only one vacancy requires to be filled, and any candidate has an absolute majority of the votes, the candidate will be declared appointed. Otherwise, the name of the candidate having fewest votes will be deleted from the list. This process of elimination will be continued until one candidate has a majority of the votes.
- 4.12 In the case of an equality of votes appointments shall be made by lot as between those who received equal votes and proceed on the basis that the person to whom the lot falls upon had received an additional vote.

### **5.0 Exempt and/or confidential information:**

None.

### **6.0 Implications :**

<b>6.1 Service Users, Patients and Communities:</b>	None.
<b>6.2 Human Resources and Organisational Development:</b>	None.
<b>6.3 Equality, Diversity and Human Rights:</b>	None.
<b>6.4 Legal:</b>	None.
<b>6.5 Finance:</b>	There are no significant financial implications arising from this Report. The majority of expenses incurred by Members in

	<p>attending meetings are classed as an approved duty and met from the Members' Expenses budget head.</p> <p>The Council continues to pursue efficiencies by carefully considering the requirement to attend meetings on the mainland and by making use of alternatives such as video conferencing to avoid the cost of travel, and such efficiencies will be sought whenever possible.</p>	
<b>6.6 Assets and Property:</b>	None.	
<b>6.7 ICT and new technologies:</b>	None.	
<b>6.8 Environmental:</b>	None.	
<b>6.9 Risk Management:</b>	<p>Risks associated with each of the appointments are set out in the Assessments.</p> <p>Those appointed will be provided with the necessary background and supporting documents to inform their membership, and support will also be provided by the nominated lead officer.</p> <p>No risks associated with the non-appointment of members have arisen to date.</p>	
<b>6.10 Policy and Delegated Authority:</b>	In terms of confirming approved duty status, appointments and nominations to external organisations can only be determined by the Council or its Committees.	
<b>6.11 Previously considered by:</b>	None.	

**Contact Details:**

Jan Riise, Executive Manager - Governance and Law [jan.riise@shetland.gov.uk](mailto:jan.riise@shetland.gov.uk)  
21 August 2017

**Appendices:**

Appendix 1 - Register of External Organisation Appointments

**Background Documents:**

None.

END

Highland Reserve Forces and Cadets Association (HRFCA)	
Organisation Contact	HRFCA, Seathwood, 365 Perth Road, Dundee, DD2 1LX Tel: 01382 668283 ; email: <a href="mailto:hi-ce@rfca.mod.uk">hi-ce@rfca.mod.uk</a> Website: <a href="http://www.hrfca.co.uk/">www.hrfca.co.uk/</a>
SIC BRO/Lead Officer	Director - Children's Services
<b>Supporting Documents held on file:</b> <ol style="list-style-type: none"> <li>1. HRFCA Scheme of Association - 1 April 2015</li> <li>2. Letter from Brigadier M P Dobson MBE, Chief Executive of the HRFCA, dated 16 September 2016</li> <li>3. Reserve Forces Act 1996: Sections 110 - 119 &amp; Schedule 4</li> </ol>	

Category – National / International / Local / Statutory	National
Type of organisation e.g. public trust / charity / registered company, etc.	Scheme of Association states that the HRFCA "is a central Government Body with Crown status, established by Act of Parliament (under the Reserve Forces Act 1996) as one of the separate independent (from the MOD and chain of command) and autonomous (from each other) Tri-Service associations that jointly form the Council of RFCAs, to support the Reserve Forces and Cadets in the Highlands and Islands of Scotland."
Strategic Objectives/Vision	"To be the enduring and essential pillar in the delivery of support for the well-being of the Reserves and Cadets and, through our effectiveness and our position in the regions, to be the independent body that represents their interests and promotes understanding between the Armed Forces and civil society."
Criteria/conditions required by the organisation:	
Number of appointments/nominations sought	One nomination [Clause 8(1) of the Scheme of Association]
Type of appointment - Councillor/Office bearer/Ward	Councillor [Clause 8(2) of the Scheme of Association]
Substitutes [in general this will not be required unless specifically requested]	Not required.

<b>Term of office [in general this will align with the Council's term of office or that of the office bearer]</b>	<b>Term of office as a councillor [Clause 13 of the Scheme of Association]</b>
<b>Skills and Knowledge</b>	<ul style="list-style-type: none"> <li>• No specific criteria for selection, other than to request that it be a person supportive of the reserves and cadets. Previous military service would be an advantage but is not essential.</li> <li>• Nominee/appointee must be under age 70 [Annex A of the Scheme of Association]</li> </ul>
<b>Stated benefits of membership / attendance</b>	<ul style="list-style-type: none"> <li>• A direct link to the organisation responsible for the management of the Reserve Forces and Cadets Forces estate in Shetland.</li> <li>• Regular updates on activities within the Highlands and Islands and on wider Defence matters</li> <li>• A conduit to regional and national defence opinion formers, including those involved with military aid to the civil authorities</li> <li>• Maintaining and fostering historical ties with local military units.</li> <li>• A direct link to the Council by the Association to advice on matters that directly pertain to the Council and its responsibilities; and to have access to a councillor who can advise on the local political, social, economic and educational factors or situations so that plans and decision making relating to the reserves and the cadets in Shetland are better informed.</li> </ul>
<b>Criteria/conditions required by the Council:</b>	
<b>Number / location of meetings</b>	<p>Area Committee - once per year [November] Annual Association - once per year [March]</p>
<b>Links to Council Strategic Plans/Objectives</b>	<ul style="list-style-type: none"> <li>• Corporate Plan - <ul style="list-style-type: none"> <li>○ Community Strength - The strengths of individuals and communities will be built on, with increased levels of volunteering;</li> <li>○ Young People - Children and young people, particularly those from vulnerable backgrounds and in care, will be getting the learning and development opportunities that allow them to fulfil their potential.</li> </ul> </li> <li>• Local Outcome Improvement Plan - Safer - Shetland is a safe place to live for all our people, and we have strong, resilient and supportive communities.</li> </ul>

Financial Information – Council Funded/Non-funded/membership fees	The Council provides no funding to the HRFCA.
Legal - Obligations/Liabilities/Insurance Are there any existing contractual obligations?	<ul style="list-style-type: none"> <li>Legal/contractual - There are no existing legal, contractual or other obligations on the Council in terms of its membership of the HRFCA.</li> <li>Liabilities/Insurance - there are no matters relating to indemnity or insurance within the Scheme of Association. The HRFCA states that “the MOD does not purchase insurance policies but accepts it own risks and acts as its own insurer. The MOD will deal with any claims for compensation arising... due to the negligent actions or omissions of the MOD, its personnel, servants or agents.” The councillor, whilst on HRFCA membership duties, would be covered as an “agent”.</li> </ul>
Expenses – will the council bear any costs of attendance and if so, the estimated costs for budget purposes	Reasonable travel and subsistence costs will be met by the HRFCA to enable members to attend Area and Annual Association Meetings; this may include hotel accommodation for those unable to return home within the working day. [Clause 13 of Enclosure 1 to the HRFCA Policy 1].
Current issues – from organisation and from previous/current appointee	None expressed.
<b>Risk Assessment:</b>	
Risks/Impacts – organisational and personal, financial, environmental, community and political, equality, diversity and human rights.	<p>The key risk as stated by the HRFCA is that the interests of the Shetland Islands may not be adequately understood or represented to the Association’s executives or the wider military community, when making future plans and financial allocations for the lay down of the reserve and cadet forces.</p> <p>There are no personal risks for members to consider, and that there are no issues which would require equalities, economic or environmental impact assessments.</p>
Code of Conduct - Would membership cause the appointed member[s] to be regular excluded	Any appointment would be a <b>registerable interest</b> , and therefore would require <b>declaration</b> at any relevant meeting or item of business.

from Council debates and decisions?

However, a **specific exclusion** exists in terms of Section 5.18(2)(b) of the Councillors' Code of Conduct in that the Councillor is appointed to a public body established by enactment, and the Councillor may therefore take part in the consideration and discussion of, and to vote upon any matter relating to the HRFCA, provided that you are satisfied to having applied the objective test, and that the matter is not quasi-judicial or regulatory in nature.

## BRO, Lead Officer and/or Monitoring Officer advice

The Chief Executive has declared an interest in the organisation, as Commandant of the Shetland Independent Cadet Battery.

In this regard, the Director - Children's Services has been identified as the lead officer for the HRFCA due to the links between Youth Services and the local Army Cadet Force.

The Director - Children's Services would recommend continuing with an appointment to the Association in order to maintain the benefits, as stated, for both the organisation and the Council. The Director - Children's Services supports the recommendation in this assessment.

The Monitoring Officer advises that membership would not give rise to any legal, financial or Contractual matters, and that there would be no likely issues arising out of a conflict of interest.

## RECOMMENDATION

In this regard, and in order to ensure those continuing benefits, as well as ensuring the appointment and lines of communication are linked to the corporate and community objectives [also stated], it is recommended that the Council proceed to make one councillor nomination, and that the nominated councillor also be a member of the Community Safety and Resilience Board.

## Assessment Date

16 June 2017

## Decision Made

Meeting Name: Shetland Islands Council  
Date: 28 June 2017  
Minute Reference: 49/17

Members noted that the appointment process did not allow for any member over the age of 70 to be appointed. Decision deferred to SIC 30 August to allow Members further time to consider its appointment.

## Action/Update:

The HRFCA have been approached to ascertain if there is any flexibility on the age restriction, which would enable continuity of appointment. The HRFCA also advised on 14 August as to recent changes they have made to its Area Committee structure. This would appear to place

Shetland within the Eastern Area rather than the Northern Area, and so clarification on this matter is also being sought. Report to next SIC 1 November 2017.

END



### Scottish Councils Committee on Radioactive Substances [SCCORS]

Organisation Contact	<p>Ann Connolly   Secretary – SCCORS</p> <p>Edinburgh City Council - Environmental Protection, East Neighbourhood Centre, 101 Niddrie Mains Road, Edinburgh EH16 4DS</p> <p>t: 0131 469 5806</p> <p>e: <a href="mailto:ann.connolly@edinburgh.gov.uk">ann.connolly@edinburgh.gov.uk</a></p> <p>w: <a href="http://www.edinburgh.gov.uk/contaminatedland">http://www.edinburgh.gov.uk/contaminatedland</a></p>
SIC BRO/Lead Officer	Environmental Liaison Officer
<b>Supporting Documents held on file:</b> <ul style="list-style-type: none"> <li>Letter dated 17 August 2017 from Secretary containing Remit and membership list</li> </ul>	

Category – National / International / Local / Statutory	National
Type of organisation e.g. public trust / charity / registered company, etc.	SCCORS is a local authority organisation made up of councillor and office representatives from all local authorities in Scotland and CoSLA.
Strategic Objectives/Vision/Purpose	<p>The <b>Remit</b> is:</p> <ul style="list-style-type: none"> <li>to provide a mechanism to identify a common, Scottish local authority viewpoint on matters relating to radioactive substances, in particular radioactive waste management</li> <li>to act as an interface with the Scottish Government, Scottish Parliament and regulatory bodies as they consult on radioactive waste management and clean-up policy and practice; and</li> <li>to influence national policy on radioactive waste management in the interests of the communities affected</li> </ul> <p>The <b>Terms of Reference</b> are:</p> <p>Bearing in mind the renewed emphasis on stronger local government and the recognition by the Scottish Government, Scottish Parliament and regulatory bodies of each authority's role as leader of its community,</p>

## SCCORS will:

- seek to ensure that all radioactive waste management operates to the highest safety, security and environmental standards by contributing to best practice in the development of a policy framework for radioactive waste management;
- provide a forum through which to seek to establish a common local government view about the Scottish Government, Scottish Parliament and regulatory bodies' radioactive waste management policy development processes;
- provide a forum through which advice and support can be supplied; and
- having regard to the foregoing, hold meetings as appropriate, seek appropriate local government representation on relevant bodies, provide for the briefing of Scottish local authority members on the issues concerned, publicise the issues within the local government, and seek a mechanism that will ensure appropriate community representation in all relevant decision making.

## The **Aims** are:

- to seek to ensure that all radioactive waste management activities operate to the highest safety, security and environmental standards;
- to raise the profile of debate within local government on any issue with very significant implications for any area affected by future proposed radioactive waste development;
- to aid 'capacity building' within local government and enable informed responses to the Scottish Government, Scottish Parliament and other relevant agencies from a broader based local government grouping;
- to be an interface with the Scottish Government, Scottish Parliament and other relevant agencies on future strategic radioactive waste policy issues;
- to effectively utilise the democratic legitimacy of local government and increase influence over policy and strategy proposals that will be critical

	<p>to national progress on radioactive waste management issues;</p> <ul style="list-style-type: none"> <li>to provide representatives on consultative, stakeholder and advisory bodies and to report back to local government; and</li> <li>to identify means by which to lever resources to enable 'capacity building' within local government so that national policy can develop with broad based democratic consent</li> </ul> <p>The <b>Secretariat</b> will be provided by the Council providing the Chair (Currently The City of Edinburgh Council).</p>
<b>Criteria/conditions required by the organisation:</b>	
<b>Number of appointments/nominations sought</b>	1 appointment
<b>Type of appointment - Councillor/Office bearer/Ward</b>	<p>Councillor</p> <p>Given close links with KIMO, it is suggested that the member appointed be one of those Councillors appointed as a member of KIMO.</p>
<b>Substitutes [in general this will not be required unless specifically requested]</b>	Not required.
<b>Term of office [in general this will align with the Council's term of office or that of the office bearer]</b>	Council term of office.
<b>Skills and Knowledge</b>	There are no established appointment criteria.
<b>Stated benefits of membership / attendance</b>	<p>SCCORS state – “Many member local authorities do not have any nuclear facilities located within their administrative areas however matters such as the use of radioactive materials, radioactively contaminated land and transportation and shipping of radioactive waste materials may still be of concern to them. If a local authority was not represented on SCCORS, then their views on matters which may be of most relevance to their area cannot be presented. “</p>

## Criteria/conditions required by the Council:

Number / location of meetings	Meetings will take place in different locations in Scotland and if possible, at least once a year video conferencing facilities will be available.
Links to Council Strategic Plans/Objectives	Corporate Plan - Our '20 by 20': Making Shetland's voice heard with regular and meaningful lobbying of Scottish and UK Governments and EU bodies on important issues affecting the islands.
Financial Information – Council Funded/Non-funded/membership fees	Non funded and no membership fees.
Legal - Obligations/Liabilities/Insurance Are there any existing contractual obligations?	SCCORS is governed under the insurance rules of its Secretariat Council, currently Edinburgh City Council. All meetings take place in Council buildings with insurance cover. <b>Personal liability may be incurred if the SCCORS or its insurers were to dispute any such actions taken.</b>
Expenses – will the council bear any costs of attendance and if so, the estimated costs for budget purposes	The constitution does not provide for the payment of any travel or expenses, and therefore any such costs will be met by the Council.
Current issues – from organisation and from previous/current appointee	There are some current issues over the decommissioning of the Dounreay nuclear site – these have been raised by the Scottish Environment Secretary Roseanna Cunningham. In a letter to Energy and Industry Minister Richard Harrington, she calls for “urgent action” to address a number of “environmental failings as well as safety concerns related to site management”. Last year, the Scottish Environment Protection Agency also gave an end-of-year “at risk” rating for the management of radioactive waste and a “poor” rating for the management of low-level waste vaults. The issues were highlighted in the annual report of the Nuclear Decommissioning Authority. Ms Cunningham said: “I would like to raise concerns that I have about performance at the Dounreay site and seek your assurance that in its role as the lead sponsor of the Nuclear Decommissioning Authority, the UK Government is giving sufficient attention to Dounreay...Local stakeholders have told me that they cannot understand why the current substantial voluntary redundancy

	<p>programme is in place where there is still so much work to complete on the site. "I would therefore ask that you give priority to securing improved performance at the Dounreay site, with continued consideration of local stakeholder views.</p> <p>It is vital that there is continued momentum in the safe and effective clean up at Dounreay."</p>
<b>Risk Assessment:</b>	
<b>Risks/Impacts – organisational and personal, financial, environmental, community and political, equality, diversity and human rights.</b>	<p>The key risk of not accepting membership of the SCCORS is that the interests of the Shetland Islands may not be adequately understood or represented when taking decisions or making future plans in relation to matters that impact on the community, the Shetland Islands Council and/or its community planning partners.</p> <p>There are no personal risks for members to consider, and there are no issues which would require equalities, economic or environmental impact assessments.</p>
<b>Code of Conduct - Would membership cause the appointed member[s] to be regular excluded from Council debates and decisions?</b>	<p>Any appointment would be a <b>registrable interest</b>, and therefore would require <b>declaration</b> at any relevant meeting or item of business.</p> <p>No exclusion applies as the organisation is not a company or public body. Members may only take part in consideration and discussion of any matter relating to the SCCORS provided they are satisfied that they have complied with the objective test, and also provided that the matter is not quasi-judicial or regulatory in nature.</p>
<b>BRO, Lead Officer and/or Monitoring Officer advice</b>	
<p>The <b>Environmental Liaison Officer</b> would recommend making an appointment to the SCCORS in order to maintain the benefits, as stated, for both the organisation and the Council. Whilst concerns are ongoing around the continued movement of radioactive material from Dounreay to Sellafield and to the USA, the Lead Officer would suggest that an SIC member is appointed to SCCORS.</p> <p>Given the close links with KIMO, it is suggested that member appointed be one of those Councillors appointed as a member of KIMO. In this regard, the Lead Officer supports the recommendation in this assessment.</p> <p>The <b>Monitoring Officer</b> advises that membership would not give rise to any legal, financial or Contractual matters, and that there would be no likely issues arising out of a conflict of interest.</p>	

## RECOMMENDATION

In order to ensure the continuing benefits, as well as ensuring the appointment and lines of communication are linked to the corporate objectives and functional responsibilities, it is recommended that the Council proceed to appoint one of those Councillors appointed as a member of KIMO [M Bell, S Leask, A Manson, or R McGregor].

## Assessment Date

21 August 2017

## Decision Made

Meeting Name: Shetland Islands Council

Date: 30 August 2017

Minute Reference:

## Action/Update:

END

Dounreay Stakeholders Group [DSG]	
Organisation Contact	DSG Secretariat: <a href="mailto:info@dounreaystakeholdergroup.org">info@dounreaystakeholdergroup.org</a> <a href="http://www.dounreaystakeholdergroup.org/">http://www.dounreaystakeholdergroup.org/</a>
SIC BRO/Lead Officer	Environmental Liaison Officer
<b>Supporting Documents held on file:</b> <ul style="list-style-type: none"> <li>Terms of Reference [March 2016]</li> </ul>	

Category – National / International / Local / Statutory	National
Type of organisation e.g. public trust / charity / registered company, etc.	The Dounreay Stakeholder Group (DSG) is an independent body whose role is to provide public scrutiny of the Dounreay site, by providing an active, two-way channel of communication between the site operators, the Nuclear Decommissioning Authority (NDA) and local stakeholders. The Ministry of Defence (MoD) site Vulcan is also part of the remit of the DSG.
Strategic Objectives/Vision/Purpose	<b>Role and Remit</b> The primary purpose of the Dounreay Stakeholder Group (DSG) is to be the main interface between the community, the site operator and the Nuclear Decommissioning Authority (NDA). In this role it exists: <ul style="list-style-type: none"> <li>To provide an active, two-way channel of communication between the site operator, the NDA and local stakeholders.</li> <li>To give an opportunity for questioning the operator, the NDA and regulators.</li> <li>To represent local views and input timely advice to the NDA and site operator</li> <li>To comment on the performance of NDA and site operator with regard to achievement of plans, value for money, etc.</li> <li>To commission and receive reports about activities and their impact on, for example, safety, the environment and local economy.</li> <li>To review arrangements for such matters as emergency response.</li> <li>To scrutinise and input into the prioritisation of work programmes.</li> <li>To scrutinise and input into the priorities of socio economic activities by the NDA, PBO and the site</li> </ul>

licence company and how these link into the Caithness & North Sutherland Regeneration Partnership.

- To provide views and comments to the NDA and site operator on the future of the site.
- To provide views on the NDA contract and the performance of the operator.
- To set up sub-groups to address specific issues relevant to the clean up programme.
- To facilitate participation in the wider local consultation via public meetings and other mechanisms as required.

The group will also function as the Local Liaison Committee for the Vulcan Naval Reactor Test Establishment, providing a formal interface between the Ministry of Defence operator, the Naval Superintendent Vulcan and the local community. In this role it exists:

- To provide an active, two-way channel of communication between the Ministry of Defence and local stakeholders.
- To give an opportunity to question the Ministry of Defence operator and Defence site regulators on site operational matters
- To review arrangements for such matters as emergency response.
- To provide views and comments to the Ministry of Defence operator on the future of the site.

## **Membership**

The Dounreay Stakeholder Group should reflect the local community and its interests.

The Dounreay Stakeholder Group should have provision to include:

- Elected representatives of the local community.
- Appointed representatives of relevant local stakeholder interests, such as but not exclusive to, site trade unions, emergency and health services.
- Independent advice to support members as appropriate.
- Representation from members of the public and environment groups.

The DSG representative of a member organisation will be accountable for two-way communication with their respective constituencies. All members of the Dounreay Stakeholder Group will have voting rights. Membership will be reviewed

on a 3 yearly basis and organisations will be requested to consider representation on the same timescale.

In addition, the group should have provision to include representation from:

- The NDA
- The site operator
- The regulators (ONR and SEPA)
- Vulcan Naval Reactor Test Establishment
- Scottish Government
- Highland Council, Planning
- Civil Nuclear Constabulary

None of these representatives will have voting rights.

The core membership of the Dounreay Stakeholder Group should consist of:

***Core Membership:***

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

***Industry & Site Representation***

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

***Regulators***

Office of Nuclear Regulation (for Dounreay and Vulcan)  
 Defence Nuclear Safety Regulator  
 Scottish Environment Protection Agency  
 Highland Council Planning

***Invite when required:***

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

The DSG has the right to co-opt up to 5 members of the public

	if circumstances arise that additional representation is required.
<b>Criteria/conditions required by the organisation:</b>	
<b>Number of appointments/nominations sought</b>	1 appointment
<b>Type of appointment - Councillor/Office bearer/Ward</b>	Councillor  Given close links with KIMO, it is suggested that the member appointed be one of those Councillors appointed as a member of KIMO.
<b>Substitutes [in general this will not be required unless specifically requested]</b>	Not required.
<b>Term of office [in general this will align with the Council's term of office or that of the office bearer]</b>	Council term of office.
<b>Skills and Knowledge</b>	There are no established appointment criteria.  The remit states that DSG members are responsible for: <ul style="list-style-type: none"> <li>- representing their organisation or 'community of interest' actively on the DSG, including consulting them beforehand on major agenda items.</li> <li>- Formally updating their organisation or community of interest after DSG meetings, either verbally or in writing.</li> <li>- Attendance at DSG meetings, where possible, or sending a nominated representative.</li> <li>- Reading all paperwork circulated in advance of DSG meetings.</li> <li>- Updating other DSG members promptly after representing them at another meeting.</li> </ul>
<b>Stated benefits of membership / attendance</b>	<b>Roger Saxon, DSG Chairman</b> - "The DSG's remit is to play an active role in overseeing and scrutinising the work of the NDA and the operators of the Dounreay site, while also considering the operations and future options for the Vulcan site.  There is no doubt that as the site winds down our county's economy will need to change and the work being taken forward by the Caithness and North Sutherland Regeneration Partnership (CNSRP) will be an important one going forward if we wish to see a healthy and prosperous future for ourselves and, more importantly, for our future generations to come. That is why we will continue to take a keen interest in the socio economic activities of NDA and the site operators to ensure they are fully aligned with CNSRP. "

Criteria/conditions required by the Council:	
Number / location of meetings	Full meetings of the group are held in public and normally at least four times a year. These meetings are held in Thurso.
Links to Council Strategic Plans/Objectives	Corporate Plan - Our '20 by 20': Making Shetland's voice heard with regular and meaningful lobbying of Scottish and UK Governments and EU bodies on important issues affecting the islands.
Financial Information – Council Funded/Non-funded/membership fees	Non-funded and no membership fees.
Legal - Obligations/Liabilities/Insurance Are there any existing contractual obligations?	DSG is governed under its own insurance. Personal liability may be incurred if the DSG or its insurers were to dispute any actions taken.
Expenses – will the council bear any costs of attendance and if so, the estimated costs for budget purposes	The constitution does not provide for the payment of any travel or expenses for attending meetings of the DSG, and therefore any such costs will be met by the Council.
Current issues – from organisation and from previous/current appointee	<p>Consultation on the Nuclear Decommissioning Authority [NDA] - Draft Business Plan 2017 to 2020  <a href="http://www.dounreaystakeholdergroup.org/consultations/">http://www.dounreaystakeholdergroup.org/consultations/</a></p> <p>There are some current issues over the decommissioning of the Dounreay nuclear site – these have been raised by the Scottish Environment Secretary Roseanna Cunningham. In a letter to Energy and Industry Minister Richard Harrington, she calls for “urgent action” to address a number of “environmental failings as well as safety concerns related to site management”. Last year, the Scottish Environment Protection Agency also gave an end-of-year “at risk” rating for the management of radioactive waste and a “poor” rating for the management of low-level waste vaults. The issues were highlighted in the annual report of the Nuclear Decommissioning Authority. Ms Cunningham said: “I would like to raise concerns that I have about performance at the Dounreay site and seek your assurance that in its role as the lead sponsor of the</p>

	<p>Nuclear Decommissioning Authority, the UK Government is giving sufficient attention to Dounreay...Local stakeholders have told me that they cannot understand why the current substantial voluntary redundancy programme is in place where there is still so much work to complete on the site. "I would therefore ask that you give priority to securing improved performance at the Dounreay site, with continued consideration of local stakeholder views.</p> <p>It is vital that there is continued momentum in the safe and effective clean up at Dounreay."</p>
<b>Risk Assessment:</b>	
<b>Risks/Impacts – organisational and personal, financial, environmental, community and political, equality, diversity and human rights.</b>	<p>The key risk of not accepting membership of the DSG is that the interests of the Shetland Islands may not be adequately understood or represented when taking decisions or making future plans in relation to matters that impact on the community, the Shetland Islands Council and/or its community planning partners.</p> <p>There are no personal risks for members to consider, and there are no issues which would require equalities, economic or environmental impact assessments.</p>
<b>Code of Conduct - Would membership cause the appointed member[s] to be regular excluded from Council debates and decisions?</b>	<p>Any appointment would be a <b>registrable interest</b>, and therefore would require <b>declaration</b> at any relevant meeting or item of business.</p> <p>No exclusion applies as the organisation is not a company or public body. Members may only take part in consideration and discussion of any matter relating to the DSG provided they are satisfied that they have complied with the objective test, and also provided that the matter is not quasi-judicial or regulatory in nature.</p>
<b>BRO, Lead Officer and/or Monitoring Officer advice</b>	
<p>The <b>Environmental Liaison Officer</b> would recommend making an appointment to the DSG whilst concerns are ongoing around the continued movement of radioactive material from Dounreay to Sellafield and to the USA.</p> <p>Given the close links with KIMO, it is suggested that member appointed be one of those Councillors appointed as a member of KIMO. In this regard, the Lead Officer supports the recommendation in this assessment.</p>	

**The Monitoring Officer** advises that membership would not give rise to any legal, financial or Contractual matters, and that there would be no likely issues arising out of a conflict of interest.

## RECOMMENDATION

In order to ensure the continuing benefits, as well as ensuring the appointment and lines of communication are linked to the corporate objectives and functional responsibilities, it is recommended that the Council proceed to appoint one of those Councillors appointed as a member of KIMO [M Bell, S Leask, A Manson, or R McGregor].

## Assessment Date

21 August 2017

## Decision Made

Meeting Name: Shetland Islands Council

Date: 30 August 2017

Minute Reference:

## Action/Update:

END





<b>Meeting(s):</b>	<b>Policy and Resources Committee Shetland Islands Council</b>	<b>29 August 2017 30 August 2017</b>
<b>Report Title:</b>	<b>Asset Investment Plan – Progress Report</b>	
<b>Reference Number:</b>	<b>CPS-03-17F</b>	
<b>Author / Job Title:</b>	<b>Robert Sinclair, Executive Manager – Capital Programme</b>	

### 1.0 Decisions / Action required:

- 1.1 That the Policy and Resources Committee RECOMMENDS that the Council notes the progress of the projects within the Asset Investment Plan

### 2.0 High Level Summary:

- 2.1 This report advises the Council on the progress of the projects contained within its Asset Investment Plan which are currently underway or to be started in 2017/18.
- 2.2 It includes a summary of the financial status and predicted outturn for the full life of each project.

### 3.0 Corporate Priorities and Joint Working:

- 3.1 This report forms part of the annual performance reporting arrangements on financial matters in support of the Financial Strategy, Reserves Policy and Budget Strategy. 'Our Plan 2016 to 2020' states that "Excellent financial-management arrangements will make sure we are continuing to keep to a balanced and sustainable budget, and are living within our means" and that "We will have prioritised spending on building and maintaining assets and be clear on the whole-of-life costs of those activities, to make sure funding is being targeted in the best way to help achieve the outcomes set out in this plan and the community plan".

### 4.0 Key Issues:

- 4.1 This report provides an overview of the full life of those projects within the Council's Asset Investment Plan that are currently underway or to be started in 2017/18, based on the agreed budget and the predicted outturn.
- 4.2 Where projects take place over a number of financial years, this report summarises the position from the beginning to completion of the project. Capital maintenance is not included in this report.
- 4.3 Quarterly monitoring reports on capital expenditure are provided by the Executive Manager - Finance, detailing the progress of all capital projects within the current financial year; that report also covers expenditure on capital maintenance.
- 4.4 The detailed project information is attached as Appendix A.

<b>5.0 Exempt and/or confidential information:</b>		
5.1 None.		
<b>6.0 Implications :</b>		
<b>6.1 Service Users, Patients and Communities:</b>	Upon completion, the projects described in the appendix to this report will either enhance the quality and / or condition of the assets available to the people of Shetland, or add to them.	
<b>6.2 Human Resources and Organisational Development:</b>	No implications arising directly from this report.	
<b>6.3 Equality, Diversity and Human Rights:</b>	No implications arising directly from this report.	
<b>6.4 Legal:</b>	No implications arising directly from this report.	
<b>6.5 Finance:</b>	<p>The Asset Investment Plan projects which are currently underway, or to be commenced in 2017/18, are detailed in Appendix A and have a projected outturn cost of £71.6m.</p> <p>Of the total cost, £28.1m will be funded externally, with £43.5m to be funded by the Council.</p>	
<b>6.6 Assets and Property:</b>	Upon completion, the projects described in the appendix to this report will either enhance the quality and / or condition of the Council's existing asset base, or add to it.	
<b>6.7 ICT and new technologies:</b>	No implications arising directly from this report.	
<b>6.8 Environmental:</b>	All maintenance and new-build projects seek to address climate change and carbon management for example by embedding energy saving measures and environmentally friendly materials in their design. Where possible, assets are repaired and maintained where this reduces the carbon footprint associated with new-build. Environmental Impact Assessments are carried out where the nature or scale of the project dictates; the only such project(s) currently underway are the new AHS and associated Halls of Residence.	
<b>6.9 Risk Management:</b>	The main areas of risk are financial in terms of over or under-spend. Regular progress reports to Committee and the Council enable Members to monitor the investment plan.	
<b>6.10 Policy and Delegated Authority:</b>	Approval of the financial strategy and budget framework is a matter reserved for the Council having taken advice from the Policy and Resources Committee.	
<b>6.11 Previously considered by:</b>	Policy and Resources Committee Shetland Islands Council	7 December 2016 14 December 2016

**Contact Details:**

Robert Sinclair, Executive Manager – Capital Programme

[robert.sinclair@shetland.gov.uk](mailto:robert.sinclair@shetland.gov.uk)

11 August 2017

**Appendices:**

Appendix A - Asset Investment Plan – Progress Report

**Background Documents:** None

END



# Capital Projects - Full Life Project Costs

CPS-03-17 Appendix A

Directorate	Service Area	Budget			Funding		Expenditure	
		Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to Date £	Project Cost Outstanding £
Corporate Service	Capital Programme Service	2,885,000	2,900,000	(15,000)	309,641	2,590,359	1,525,843	1,374,157
		<b>2,885,000</b>	<b>2,900,000</b>	<b>(15,000)</b>	<b>309,641</b>	<b>2,590,359</b>	<b>1,525,843</b>	<b>1,374,157</b>
Children's Services	Schools	21,201,727	21,201,727	0	1,032,500	20,169,227	16,342,926	4,858,801
		<b>21,201,727</b>	<b>21,201,727</b>	<b>0</b>	<b>1,032,500</b>	<b>20,169,227</b>	<b>16,342,926</b>	<b>4,858,801</b>
Community Care Services	Adult Service	11,555,312	10,435,575	1,119,737	2,006,534	8,437,272	6,385,405	4,050,170
		<b>11,555,312</b>	<b>10,435,575</b>	<b>1,119,737</b>	<b>2,006,534</b>	<b>8,437,272</b>	<b>6,385,405</b>	<b>4,050,170</b>
Development Services	Economic Development	160,000	189,486	(29,486)	0	189,486	151,106	38,380
	Housing	0	0	0	0	0	0	0
		<b>160,000</b>	<b>189,486</b>	<b>(29,486)</b>	<b>0</b>	<b>189,486</b>	<b>151,106</b>	<b>38,380</b>
Infrastructure Services	Environmental Services	830,000	830,000	0	120,000	710,000	350,050	479,950
	Estate Operations	1,550,000	1,861,629	(311,629)	0	1,861,629	1,742,169	119,460
	Ferry Operations	24,760,000	24,760,000	0	22,900,000	1,860,000	840,529	23,919,471
	Roads	1,598,312	1,598,312	0	255,807	1,342,505	1,226,223	372,089
	Ports & Harbours	7,817,070	7,817,070	0	1,478,880	6,338,190	595,043	7,222,027
		<b>36,555,382</b>	<b>36,867,011</b>	<b>(311,629)</b>	<b>24,754,687</b>	<b>12,112,324</b>	<b>4,754,014</b>	<b>32,112,997</b>
	<b>Total All Funds</b>	<b>72,357,421</b>	<b>71,593,799</b>	<b>763,622</b>	<b>28,103,362</b>	<b>43,498,668</b>	<b>29,159,294</b>	<b>42,434,505</b>

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	Update
Market Street Store Redevelopment	305,000	320,000	(15,000)	0	320,000	278,150	41,850	Project complete and Records store are in occupation, Trading Standards awaiting services commissioning in lab and are due to move shortly. CPS officer time will not be processed until year end.
Lerwick Library Refurbishment	900,000	900,000	0	0	900,000	62,874	837,126	Production information underway, tender issue planned for September but may change dependant on 8 North Ness, as decant accommodation required for Old Library Centre staff is in use by Finance.
Town Hall Conservation Project	1,680,000	1,680,000	0	309,641	1,370,359	1,184,819	495,181	Laing Traditional Masonry Ltd (LTM) are 84% complete on site, with anticipated completion at end September 2017.
<b>Total</b>	<b>2,885,000</b>	<b>2,900,000</b>	<b>(15,000)</b>	<b>309,641</b>	<b>2,590,359</b>	<b>1,525,843</b>	<b>1,374,157</b>	

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	Update
Anderson High School Replacement	3,094,803	3,094,803	0	25,000	3,069,803	2,107,933	986,870	The budget and cost of project cost shown here is for the expenditure to be funded by the Council only as the £42m contract expenditure, to be funded by Scottish Government, will not go through the Council. Construction work began on site in summer 2015 and is close to completion. A verbal update will be presented at committee.
Anderson High Clickimin Path Upgrade	1,015,000	1,015,000	0	507,500	507,500	685,173	329,827	SIC / Sustrans funded project. The remaining budget is required for completion of the rugby pitch and loch link.
Anderson High - Halls of Residence	13,740,000	13,740,000	0	0	13,740,000	11,290,536	2,449,464	Construction work began on site in summer 2015 and is close to completion. A verbal update will be presented at committee.
Clickimin Works	3,101,924	3,101,924	0	500,000	2,601,924	2,182,028	919,896	SIC / Sportscotland funded project. The indoor training facility is complete and operational. The internal works within the Clickimin Leisure Complex are practically complete and ready for school use. Alteration work to the main entrance is programmed to begin in October, but will not impact on school PE curriculum delivery.
Anderson High ICT Equipment	250,000	250,000	0		250,000	77,256	172,744	Work ongoing to deliver ICT for the planned completion date. Most equipment ordered, delivery is arranged to fit in with hand-over dates.
<b>Total</b>	<b>21,201,727</b>	<b>21,201,727</b>	<b>0</b>	<b>1,032,500</b>	<b>20,169,227</b>	<b>16,342,926</b>	<b>4,858,801</b>	

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	Update
Eric Gray Replacement	6,055,312	6,055,312	0	0	6,055,312	2,015,142	4,040,170	Mid point of contract now reached, anticipate building to be wind and watertight early September. Internal timber partitions complete with internal lining ongoing. First fix mechanical / electrical services due to commence August. Works currently on programme.
ET & Taing House Extension (Spend to Save)	3,500,000	2,381,960	1,118,040	0	2,381,960	2,371,960	10,000	Phase 1 complete. Phase 2 originally delayed as scope of project reduced. Phase 2 practical completion issued 12/08/16; final account to be processed shortly.
NHS Conversion Scalloway School	2,000,000	1,998,303	1,697	2,006,534	0	1,998,303	0	Works all complete with final account still to be settled. Anticipate 8.2K balance.
<b>Total</b>	<b>11,555,312</b>	<b>10,435,575</b>	<b>1,119,737</b>	<b>2,006,534</b>	<b>8,437,272</b>	<b>6,385,405</b>	<b>4,050,170</b>	

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	Update
Landfill Capping	710,000	710,000	0	0	710,000	339,951	370,049	Landfill Capping Phase 2 complete, further phases programmed in future years.
Landfill Gas Testing	120,000	120,000	0	120,000	0	10,099	109,901	Contract for bore hole and gas testing began 08/08/17 with completion estimate of February 2018.
Bells Brae PS Refurbishment	950,000	1,062,348	(112,348)	0	1,062,348	942,888	119,459	Bells Brae works ongoing, to be completed by end October 2017. When hidden services were uncovered it was found that additional mechanical works were required; these works are almost complete.
Sound PS Refurbishment	600,000	799,281	(199,281)	0	799,281	799,281	0	Sound School site works are now complete, with final A/C still to be processed. Tender prices were higher than anticipated.
Clickimin Roundabout Works	1,059,000	1,059,000	0	17,745	1,041,255	1,033,403	25,597	Culvert works and roundabout complete. Final layer of bitmac to be laid on access road to new AHS on completion of school.
Cycling/Walking Safer Streets	32,000	32,000	0	32,000	0	0	32,000	This money will be allocated to one of our Participatory Budget schemes later in the year.
Flood Damage Works	38,062	38,062	0	38,062	0	0	38,062	The scheme here is the sea wall on the Ness of Sound Road. It is to be designed in-house and constructed by Roads Maintenance later in the year.
Esplanade - 20mph Traffic Calming	241,250	241,250	0	168,000	73,250	181,110	60,140	Works complete, but final measure still to be processed.

Project Name	Budget			Funding		Expenditure		Update
	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	
Muckle Roe Bridge Painting	228,000	228,000	0	0	228,000	11,710	216,290	Contract issued and works due on site August.
Leirna Life Extension	800,000	800,000	0	0	800,000	4,107	795,893	Some external steelworks have taken place, further works unlikely to start before 2018/19.
Fivla Life Extension	900,000	900,000	0	0	900,000	836,422	63,578	Life extension works involve navigation, bridge, equipment and electrical upgrades with internal and external refurbishment, the remaining works to be completed November 2017.
Hendra Life Extension	0	0	0	0	0	0	0	Works scheduled for 19/20 in 5 Year AIP.
Dagri Radar Equipment Purchase	50,000	50,000	0	0	50,000	0	50,000	Equipment to be purchased in 2017/18.
Ferry Life Saving Equipment	60,000	60,000	0	0	60,000	0	60,000	Equipment to be purchased in 2017/18.
Ferry Replacement Programme	22,900,000	22,900,000	0	22,900,000	0	0	22,900,000	On hold pending further discussion with Scottish Government.
Dagalien Radar Equipment Purchase	50,000	50,000	0	0	50,000	0	50,000	Equipment to be purchased in 2017/18.
Lerwick Terminal Life Extension	150,000	150,000	0	0	150,000	0	150,000	Works will not be started until 2018/19 - this is due to the availability of the technical expertise.
Bressay Terminal Life Extension	150,000	150,000	0	0	150,000	0	150,000	Works will not be started until 2018/19 - this is due to the availability of the technical expertise.
Belmont Terminal Life Extension	150,000	150,000	0	0	150,000	0	150,000	Works due to start at the end of 2017.

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	Update
Gutcher Terminal Life Extension	150,000	150,000	0	0	150,000	0	150,000	Works will not be started until 2018/19 - this is due to the availability of the technical expertise.
Ferry Terminal Access	208,870	208,870	0	81,780	127,090	168,107	40,763	Upgrade of disabled access to ferry terminals including some internal and external refurbishment works. Bressay, Belmont and Laxo have been completed with Gutcher and Toft to be completed during 17-18.
Ferry Terminal Security	60,000	60,000	0	0	60,000	38,019	21,981	Upgrade of ferry terminal security, the works will be completed in 2017/18.
Cathodic Protection - Cullivoe Pier	250,000	250,000	0	0	250,000	108,882	141,118	Contract on site and works to be completed this financial year.
Scalloway Quay West - Pile Repairs	250,000	250,000	0	0	250,000	83,705	166,295	Contract awarded and contractor on site.
Baltasound Old Pier - Pile Repairs	250,000	250,000	0	0	250,000	8,555	241,445	Contract awarded; due on site August 2017.
VTS Radar Replacement	1,000,000	1,000,000	0	0	1,000,000	181	999,819	Contract awarded and works expected to be complete this financial year. The budget will be fully utilised.
Scalloway Fishmarket Rebuild	2,994,200	2,994,200	0	1,397,100	1,597,100	187,456	2,806,744	Full business case being drafted. External funding is unconfirmed and only indicative at this time.

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Net Spend to date £	Total SIC Project Cost Outstanding £	Update
Piers - Cathodic Protection	1,204,000	1,204,000	0	0	1,204,000	138	1,203,862	Programme of cathodic protection to piers following condition survey reports. Scalloway East Finger to be completed in 2017/18, tenders returned and being reviewed.
Tug Jetty - Cathodic Protection	1,000,000	1,000,000	0	0	1,000,000	0	1,000,000	Project delayed whilst detailed surveys and feasibility options are investigated. Outturn in 17/18 expected to be £100k, resulting in under spend of £400k this financial year. Outcome of these investigations will determine plan and spend for 18/19.
<b>Total</b>	<b>36,555,382</b>	<b>36,867,011</b>	<b>(311,629)</b>	<b>24,754,687</b>	<b>12,112,324</b>	<b>4,754,014</b>	<b>32,112,997</b>	

	Budget			Funding		Expenditure		
Project Name	Approved Budget £	Predicted Project Outturn £	Under (Over) Budget £	External Funding £	Cost to SIC £	Spend to date £	Project Cost Outstanding £	Update
Leaside Conversion	160,000	189,486	(29,486)	0	189,486	151,106	38,380	Project virtually complete, anticipating completion by end August subject to Building Standards (BS) inspection. Overspend against budget relates to additional BS sound proofing requirement between the flats.
<b>Total</b>	<b>160,000</b>	<b>189,486</b>	<b>(29,486)</b>	<b>0</b>	<b>189,486</b>	<b>151,106</b>	<b>38,380</b>	





<b>Meeting(s):</b>	<b>Policy and Resources Committee Shetland Islands Council</b>	<b>29 August 2017 30 August 2017</b>
<b>Report Title:</b>	<b>Asset Investment Plan – Business Justification Cases</b>	
<b>Reference Number:</b>	<b>CPS-04-17</b>	
<b>Author / Job Title:</b>	<b>Robert Sinclair, Executive Manager – Capital Programme</b>	

## 1.0 Decisions / Action required:

- 1.1 That the Policy and Resources Committee RECOMMENDS that the Council resolves to approve the proposal as described in Section 4.4.2, for the purchase of Multratug 29, and that this be immediately incorporated into the 2017-22 Asset Investment Plan; and
- 1.2 That the Policy and Resources Committee and Council NOTE that the Asset Investment Plan 2017-22 was updated with the Aith Junior High School Solar PV Project. The Director of Infrastructure having used her delegated authority to approve the project as urgent, following assessment of the proposal by the Asset Investment Group and funding being confirmed by the Executive Manager – Finance.

## 2.0 High Level Summary:

- 2.1 This report presents one Asset Investment proposal for approval and another for noting, both of which have been considered by the Council's Asset Investment Group (AIG) based on the submission of Business Case documentation. The AIG has assessed the Business Justification Cases for completeness and confirmed that a sound business case has been made in each case.
- 2.2 These proposals are not included within the Council's Asset Investment Plan (AIP) 2017-22.
- 2.3 The proposal for the Aith Junior High School Solar PV Project has been approved by the Director of Infrastructure, following confirmation from the Executive Manager – Finance that the funding is available, using delegated authority to act in a timely manner to ensure the benefits are realised.
- 2.4 The other proposal, the purchase of Multratug 29, is based on the option points built into the charter contract that the Council has for the tug, this being the earliest purchase option point.
- 2.5 The AIP has been amended to take account of Spend to Save funding being used to pay for the Aith Junior High School Solar PV Project and it will be further amended if approval to purchase Multratug 29 is agreed, funded by borrowing.
- 2.6 The Business Justification Cases are provided as appendices to this report.

<b>3.0 Corporate Priorities and Joint Working:</b>
<p>3.1 The Gateway Process for the Management of Capital Projects supports our Financial Strategy, Reserves Policy and Budget Strategy. 'Our Plan 2016 to 2020' states that "Excellent financial-management arrangements will make sure we are continuing to keep to a balanced and sustainable budget, and are living within our means" and that "We will have prioritised spending on building and maintaining assets and be clear on the whole-of-life costs of those activities, to make sure funding is being targeted in the best way to help achieve the outcomes set out in this plan and the community plan".</p>
<b>4.0 Key Issues:</b>
<p>4.1 On 29 June 2016 the Council adopted a new Gateway Process for the Management of Capital Projects, drawing on national and best practice guidance, to ensure the robustness of all capital projects.</p> <p>4.2 This revised process is based on the process developed by the Office of Government Commerce (OGC) and is in common use throughout the public sector. It applies 'Prince 2' principles to the process and is aligned with the '5-Case Model' that has been promoted to both Officers and Members through recent 'Building Better Business Case' training. A key principle in that procedure is that the Council's AIP is re-prioritised on an annual basis, however Business Cases can be processed at any time. By approving a Full Business Case or Business Justification Case, Members are agreeing that the project should progress to the implementation stage, subject to being prioritised and included in the Council's Asset Investment Plan.</p> <p>4.3 To take advantage of the financial benefit arising from the opportunities described in the business cases there are very specific time constraints on each proposal that has resulted in this report being presented now.</p> <p>4.4 A summary of the Business Justification Case documents referred to are set out below, along with recommendation from the AIG:</p> <p>4.4.1 Appendix A - Business Justification Case – Aith Junior High School Solar PV Project</p> <ul style="list-style-type: none"> <li>• Installation of solar array while roofing works are ongoing;</li> <li>• Payback in 7 years, with continuing financial and carbon savings;</li> <li>• £13k requested in 2017/18 – Spend to save project;</li> <li>• AIG recommended approval;</li> <li>• Approved under delegated authority following meeting of AIG;</li> <li>• Time constraint is to use existing scaffolding currently in place.</li> </ul> <p>4.4.2 Appendix B - Business Justification Case – Multratug 29</p> <ul style="list-style-type: none"> <li>• Exercising the contractual option to purchase vessel currently chartered;</li> <li>• Vessel meets service specification and has met performance appraisal;</li> <li>• Best financial option requires firm commitment by 20 September 2017;</li> <li>• Capital cost is £7.614m, funded from external borrowing and repaid from income received for harbour dues;</li> <li>• AIG recommended approval.</li> </ul>

<b>5.0 Exempt and/or confidential information:</b>	
5.1	None.
<b>6.0 Implications :</b> Identify any issues or aspects of the report that have implications under the following headings	
<b>6.1 Service Users, Patients and Communities:</b>	Upon completion, the proposals described in the appendices to this report will either enhance the quality and / or condition of the assets used by the Council in its delivery of services..
<b>6.2 Human Resources and Organisational Development:</b>	No implications arising directly from this report.
<b>6.3 Equality, Diversity and Human Rights:</b>	No implications arising directly from this report.
<b>6.4 Legal:</b>	Governance and Law provide advice and assistance on the full range of Council services, duties and functions including those included in this report.
<b>6.5 Finance:</b>	<p>The proposals in this report meet the objectives of the Medium Term Financial Plan.</p> <p>The capital cost and ongoing revenue implications of the proposals included in this report are:</p> <p><u>Aith Junior High School Solar PV Project - £13k</u> This capital cost is to be funded through the Council's Spend to Save scheme and has a projected payback period of 7 years, after which it will continue to produce savings of £36k over the life of the asset, to the revenue budget.</p> <p><u>Purchase of Tug – Multratug 29 - £7.615m</u> This capital cost is to be funded by external borrowing which will be repaid through the revenue charging structure in the Harbour Account and will not impact on the Council's financial sustainability.</p> <p>Any additional external borrowing relating to projects which are not included in the Council's approved Asset Investment Plan requires the Council to review its prudential borrowing limits. Therefore, if this project is approved, a report to review these limits will have to be presented to Council by the Executive Manager – Finance.</p>
<b>6.6 Assets and Property:</b>	On completion, the proposals described in the appendices to this report will either enhance the quality of the Council's existing asset base or improve the efficiency and cost of operation.

<b>6.7 ICT and new technologies:</b>	No implications arising directly from this report.	
<b>6.8 Environmental:</b>	All maintenance and new-build projects seek to address climate change and carbon management for example by embedding energy saving measures and environmentally friendly materials in their design. The project described in Appendix A to this report contributes directly to that objective.	
<b>6.9 Risk Management:</b>	Failure to include these business case proposals in the AIG will result in unnecessary additional expenditure in the future.	
<b>6.10 Policy and Delegated Authority:</b>	Approval of the financial strategy and budget framework is a matter reserved for the Council having taken advice from the Policy and Resources Committee.	
<b>6.11 Previously considered by:</b>	N/A	

**Contact Details:**

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29 August 2017

**Appendices:**

Appendix A – Business Justification Case – Solar PV Project

Appendix B – Business Justification Case – Multra Tug 29

**Background Documents:** None

END

# **BUSINESS JUSTIFICATION CASE (BJC)**

## **Project Title**

### **Aith Junior High School 12kW Solar PV Project**

Version no: 2

Issue date: 1 August 2017

### **Purpose of this document**

This document provides a template for a Business Justification Case (BJC) in support of small and medium size investments – typically below £250k, and very straight-forward in nature.

The SOP or SOC templates should be used to progress business cases for significant procurements, in excess of £250k, which are not straight-forward or routine. Guidance should be sought from the Capital Programme Service.

Please note that this template is for guidance purposes only. Where the template does not allow you to adequately explain the case for change, or the impacts, additional sections should be included.

### **VERSION HISTORY**

<b>Version</b>	<b>Date Issued</b>	<b>Brief Summary of Change</b>	<b>Owner's Name</b>
Draft	01/06/17	First draft version	M Lisk
2	01/08/17	Financial data	M Lisk

## **CONTENTS – BUSINESS JUSTIFICATION CASE**

### **TEMPLATE AND SUPPORTING GUIDANCE**

1. Purpose
2. Strategic context and alignment with corporate priorities
3. Case for change
4. Available options
5. Preferred option
6. Procurement route
7. Funding and affordability
8. Management arrangements

### **Appendix**

Investment appraisals

## **BUSINESS JUSTIFICATION CASE AND SUPPORTING GUIDANCE**

### **1. Purpose**

This is to seek approval for Spend to Save funding to the value of £13,000 being awarded in support of an energy saving project at Aith Junior High School. The funding will be for the installation of a 12kW solar PV array to be roof mounted at the school.

The project will pay for itself within 7 years and during the proposed 20 year life span of the units it will provide a return on investment of 270%.

### **2. Strategic Context and Alignment with Corporate Priorities**

The project supports the Council's Carbon Management Plan 2015-2020 in that it reduces the Council's carbon emission by 71,896 kg. It also supports the Corporate Plan in that it saves the Council money on its energy bills. The panels will pay for themselves within 7 years and reduce the energy running costs of the school by £34,345.76 over the lifetime of the project. In so doing it supports Council's key aim of giving young people the best start in life. Any savings to a school's budget are of value.

The budget savings could have been larger over the life time of the project had a larger array been possible to erect. However we are constrained by the limitations of the Shetland grid and the permitted amount of energy that SSE will permit us to generate. The identified array is the largest possible within the constraints of a G83 grid connection.

By generating part of the school's energy on its own roof the project supports sustainable and efficient energy consumption within the school estate and offers cost savings to the Children's and Families Service - a priority area of the Council.

### **3. Case for Change**

#### **A. Business needs**

The 2017/18 annual budget for electricity for Aith Junior High School is £15,754. The school is currently undergoing an extensive retrofit of its heating system to make it more energy efficient. It is also installing other energy efficiency works throughout the building e.g. low energy lighting. The solar array requested would add further to the potential energy savings.

It should be noted that to install a roof mounted array is most cost effectively fitted when other roofing works are being carried out. The scaffolding can be used for both works - thus considerably reducing the install costs. The roof work on Aith Junior High is currently ongoing with a current deadline of end of September 2017 so any array would be best fitted in this timeframe.

## **B. Benefits**

The savings on the school's energy bills are detailed in the attached spreadsheet as are the savings in carbon emission in support of our Carbon Management Plan.

It has recently been shown that solar panels perform very well in Shetland. Aith Junior High School's array would be used as an example of good practice within the Council's Estate to encourage other properties and property owners to begin to accept this technology as useful in a Shetland context. The myth that solar panels need direct sunlight requires to be challenged as they work best on daylight - Shetland has in a high level. The school would therefore be used as a test bed to trial and further roll out this valuable technology in Shetland.

The array will generate some 8,000 kWh of green electricity annually. This is approximately 10% of the school's current electricity consumption. However with the other energy savings measures being retrofitted in the school currently the % of self generation will rise when compared with actual consumption. This will reduce the amount of electricity that the Council will require to purchase from the Shetland grid and thus reduce our energy bills.

It is hoped that the Council can act as a demonstrator for the viability of solar panels on commercial buildings locally and thus encourage other local home and business owners to follow our example and make their own savings.

The technology is virtually maintenance free so will not be affected by increases in maintenance costs during its lifetime.

If the project is not implemented electricity will still require to be imported from the grid. The average unit cost of electricity is known to rise year on year. Therefore displacing the site electricity needed by implementing this project will reduce the future increasing cost burden on the Council. It will also save carbon emissions in support of our mandatory carbon reduction target on which we have to annually report.

## **C. Risks**

We have attached a Risk Management Register for this project. The design of the array will follow the principles already outlined for the array we are mounting on Edward Thomason Care Home in Lerwick funded through the Scottish Energy Efficiency Programmes SEEP 1 Pathfinder funding. This money is already awarded to the Council by Scottish Government. Technical advice will be shared for both projects.

The main risk is that if the works are not carried out when the roof scaffolding is in place it will become uneconomic to carry out the install. Less savings are possible as double scaffolding costs will make the payback lengthy.

Another risk could be appropriate installation on a roof to make the array storm proof – however we propose to use specialist local renewable installers who are skilled in this work and who have already installed such panels on very exposed sites elsewhere in Shetland.

A risk to efficiency of the array and to savings achieved would be build up of dust/debris on the array. However we intend to have it washed down by the staff who regularly clean the gutters and downpipes. This will be sufficient to ensure good payback.

Other risks are as detailed in the appendix Risk Management Register.

#### **4. Available Options**

Our assessment of the options is as follows:-

##### **Option 1 – Do nothing**

This would result in no savings being made to the school's budget for its energy use. As energy costs will rise this option would result in the school's service incurring increasing costs which could be avoided. It would also mean that the Council's required carbon savings would not be met. It is likely that mandatory targets will be placed on local authorities under the Climate Change Act 2009. Council could incur fines if these targets are not met.

##### **Option 2 – Do minimal**

Install a smaller solar PV array. This would not have the same benefit in terms of carbon and energy savings. Installing a small scale PV system would result in a similar payback period although the carbon and electricity savings would be less. In a sense the array being proposed is the "minimal" in that there is more roof space that could be covered but we are constrained by SSE regulations under G83.

##### **Option 3 – Install an alternative renewable energy system to make the savings**

Other renewable energy systems have been considered, particularly wind. However the surrounding location prohibits the installation of a wind turbine as it would be too close to domestic properties. Solar systems only require "permitted development" consent.

##### **Option 4 – Preferred option – Install a 12 kW solar PV array**

Installing a 12 kW solar PV array at the same time as roof replacement works will minimise the installation costs of the PV and thus reduce the payback period of the

investment. The 12kW array will maximise the reduction in purchased electricity and reduce the carbon emissions associated with the school.

## **5. Preferred Option**

Installing a 12kW solar array at the same time as the roof replacement is our preferred option. If carried out at the same time as the roof replacement works the install costs will be minimised and the savings maximised.

There is no other viable renewable option to reduce the energy costs in the building by the use of renewables as wind and tidal arrays are not viable at this site.

The preferred option – installing a 12 kW solar array on the school's roof – will payback within 7 years and over the life cycle of the installation will provide a return on investment of 270%.

The project has been developed by the Carbon Management Team. Children's Services are aware of the project and if funding is obtained more detailed discussions will take place. The works are proposed to coincide with the installation of the new roof on the school. This will reduce disruption to the building users. The works will be carried out in the school holiday period to further limit business disruption.

There are no staffing implications flowing from this project.

## **6. Procurement Route**

The proposed budget costs for the design, supply and installation of the 12 kW solar PV array will be £13,000. The ongoing maintenance costs will be negligible – an annual hose down when the gutters are being cleaned at the school.

The project will be tendered through Scotland Excel's Quick Quote system. There are two local installers who may be interested in the works.

Council currently has no framework contract for solar installations (only for wind) but is also intending to tender for a similar array to be mounted on the roof of Edward Thomason/Taing Care Home. That array has approved grant funding through Government grant under SEEP 1.

## **7. Funding and Affordability**

The proposed capital cost of the project is £13,000.

The capital costs would be fully funded under the Spend to Save scheme.

The payback information is detailed in the attached Spend to Save and Change Fund Submission Form.

## **8. Management Arrangements**

The project will be managed using standard PRINCE 2 principals and will be subject to a successful tender process. The chosen installer will be instructed to liaise with the appointed roofing contractor at an early stage to ensure seamless working. Both parties will be supervised by the relevant Building Maintenance Officer within Estates Operations and the array installer will be further supervised by the Energy Manager within the Carbon Management Team.

Estates Operations have previously worked successfully with both of the two likely local contractors who may apply for the work. The installer will be required to use an appropriate fixing system for Shetland weather conditions and full design loadings will be required to be produced.

With all renewable technology projects there is a risk of the estimated generation not corresponding to the actual generation obtained. We will carefully compare generation figures provided by prospective tenderers with in house calculations carried out by the Carbon Management Team before tenders are accepted.

The Energy Manager will regularly monitor the amount of energy generated via the array as part of the monitoring for the Carbon Management Plan updates. We will monitor resource use, timetable and progress during the works installation also. A generation meter will be installed to allow generation figures to be submitted for payment of Feed in Tariff.

The Feed in Tariff Incentive is reduced at set points throughout the year. It is critical that implementing the project and commissioning the array is completed before the next planned review if the proposed financial gains are to be met.

The Carbon Management Team have an existing procedure for monitoring the electricity consumption on site and this information will be used to analyse the overall benefit of the project.

We have attached a Risk Register and will require any installer to be fully insured and qualified.

The readings of energy generated will be used to build the case for more solar arrays to be mounted on other Council buildings. This ongoing project evaluation will be vital to prove the value of solar within Shetland.

As we will own the array and be receiving the savings directly ourselves any exit strategy would be simply based on removing the panels from the school roof. This is work which could be carried out in house if needed.



Shetland Islands Council



# MultraTug 29:

## Business Justification Case (BJC)

### CONTENTS

1. Purpose
2. Strategic context
3. Case for change
4. Available options
5. Preferred option
6. Procurement route
7. Funding and affordability
8. Management arrangements

## BUSINESS JUSTIFICATION CASE

### 1. Purpose

This Business Justification Case is to consider whether the financial case exists for purchase of the Tug – Multratug 29 on 25<sup>th</sup> October 2017 for £7,614,640.

### 2. Strategic Context

Shetland Islands Council – 29 June 2016 (full Council meeting).

#### 44/16 Review of Strategic Options for the Ports of Sullom Voe - Progress & Next Steps

The Council considered a joint report by the Director of Infrastructure Services and the Acting Executive Manager – Ports and Harbours (PH-10-16-F) which described progress on the strategic review options for the future operation of the Port of Sullom Voe and proposals regarding further activity.

On the motion of Ms Manson, seconded by Mr Henderson, the Council approved the recommendation in the report.

“5.6 Stabilise the short term towage fleet including arrangements for continuing the services provided by the two vessels which are now very close to their end of life including their disposal and replacement. This should be based around a procurement exercise for bare boat charter to ensure medium term flexibility and should also allow for future purchase options to be included in the longer term should that become desirable.”

#### **Decision:**

The Council **RESOLVED**, having taken account of the views of Committees, to instruct the Director of Infrastructure, or her nominee, to progress the next steps set out in Section 5 within the report and report back to Council on their further findings

The Tug Multratug 29 was bare boat chartered on the 20th April 2017 following a competitive tendering exercise.

Shetland Islands Council – 8 March 2017 (full Council meeting)

#### 24/17 Disposal of tugs Tirrick and Shalder

The Council considered a report by the Acting Executive Manager – Ports and Harbours that presented information relating to the disposal of the tugs Tirrick and Shalder.

The Acting Executive Manager – Ports and Harbours introduced the report.

Ms Manson advised that this report had been considered and approved by the Harbour Board and moved that the Council approve the recommendation contained in the report. Mr Robinson seconded.

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**Decision:**

The Council granted delegated authority to the Director of Infrastructure, or her nominee, to dispose of the tugs Tirrick and Shalder.

The tug Tirrick was sold to Greek buyers during June 2017 and has now left the Council fleet.

**3. Case for Change****A. Business needs**

The Port of Sullom Voe requires 4 tugs to perform all tanker berthings.

The fleet now comprises the Tystie, Dunter, Shalder and after sale of the Tirrick, Multratug 29, which is on bare boat charter for a period of three years.

That charter was designed with a series of purchase options built in to allow the Council to demonstrate satisfactory performance of the vessel before making any decision about buying.

Appendix 1 to this report sets out Multratug 29's compliance with our performance requirements which were demonstrated as part of the tendering and evaluation process.

Performance appraisal has also continued during the commissioning process since April 2017 which has been conducted between Ports and Harbours Management, Towage Staff and Marine Pilots with support from Multratug Training Masters and Engineers.

This report now provides an option appraisal of the financial implications between exercising one of those purchase options and continued charter.

**B. Benefits**

A full performance appraisal of the vessel has been undertaken and will continue to be updated as her time in service extends.

There have been no operational issues highlighted or suggestions that the vessel has not met our performance specification, rather that the vessel has in most cases exceeded both the specifications and expectations of sea staff.

As it has now been demonstrated that performance meets specification, the decision on whether or not to exercise a purchase option is primarily a financial consideration.

### C. Risks

The nature of Bare Boat charter already leaves the charterer with the responsibility for ongoing maintenance and repair of the vessel.

The only significant risk transfer with purchase would be the ownership of a tug should Shetland Islands Council no longer require such a vessel. That is only likely to happen if the Council ceased to operate The Port of Sullom Voe.

In that eventuality it would be expected that the contract for operations would include a requirement to purchase or charter the existing Tugs.

### 4. Available Options

In this appraisal there are two available options;

- 1) Continue the charter of Multratug 29 for the full three year contract without purchase
- 2) Invoke one of the contract purchase options

A financial appraisal for each of the contract purchase options is included below.

Daily Rate	£ 2,850	Charter Date	25/04/2017
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	Purchase Price	Charter Charge	Total Cost
Six months	£ 7,614,640	£ 521,550	£ 8,136,190
Year	£ 7,225,255	£ 1,040,250	£ 8,265,505
Two years	£ 7,095,460	£ 2,080,500	£ 9,175,960
Three Years	£ 6,965,665	£ 3,123,600	£ 10,089,265

### Requirements for Notifications of Intent to Purchase and Purchase option Dates

Days Notice	90	60	30	
	1st Notification	2nd Notification	3rd (and Firm) Notification	Date of Purchase
Six months	22/07/2017	21/08/2017	20/09/2017	25/10/2017
Year	20/01/2018	19/02/2018	21/03/2018	25/04/2018
Two years	20/01/2019	19/02/2019	21/03/2019	25/04/2019
Three Years	21/01/2020	20/02/2020	21/03/2020	25/04/2020

## 5. Preferred Option

On the basis of the above, the financial analysis of the contract demonstrates that purchasing Multratug 29 after 6 months operation on the 25<sup>th</sup> October 2017 for £7,614,640 is the most cost effective contractual situation. This is due to the purchase price being reduced by a lower value per day than the cost of the bare boat charter.

## 6. Procurement Route

This procurement would be within the scope of the existing Bare Boat charter with purchase options contract, which has been subject to full EU procurement processes.

To obtain Council approval for a firm 30 day notification before the 20<sup>th</sup> September for a purchase on the 25<sup>th</sup> October, reports will need to be taken to the August Cycle of Council meetings, after consideration by the Asset Investment Group.

60 and 90 day Intent to purchase will have to be notified in July and August to comply with the provisions of the contract, however these are not binding.

The 90 day intent letter which has been lodged on behalf of the Council is attached as Appendix 2 to this report.

Committee		Draft Reports	Cleared Reports	Meeting
Harbour Board		10-Aug-17	17-Aug-17	28-Aug-17
Policy and Resources		11-Aug-17	18-Aug-17	29-Aug-17
Council		14-Aug-17	21-Aug-17	30-Aug-17

## 7. Funding and Affordability

The proposed capital cost of the preferred option is £7,614,640.

In line with the Council's Medium Term Financial Plan and Borrowing Policy, the capital costs would be funded by external borrowing which would add to the Council's external debt.

Interest rate forecasts suggest a higher rate of borrowing in the medium term (2 to 3 years), therefore it would be advantageous to borrow at the earliest six month option.

The borrowing costs are estimated to be in the region of £716k per annum over a 20 year period which would be funded through the fees and charging structure within the Harbour Account and therefore not impact on the Council's financial position.

The estimated borrowing costs of £716k per annum demonstrate a more cost effective option to the bare boat charter cost per annum of £1,040,250.

The Executive Manager – Ports and Harbours has estimated the residual value of the vessel at £2,000,000 based on a useful economic life of 20 years.

## 8. Management Arrangements

The suitability of the vessel will already have been established during the charter period and staff training completed as part of her integration into the fleet.

Change of ownership documentation and any associated registry updates will be completed as part of the purchase transaction and project managed by the Team Leader – Marine Engineering supported by the Councils Procurement, Finance and Legal services, the Councils shipbroker and specialist marine legal advisors as necessary.

Ends.....



<b>Meeting(s):</b>	<b>Policy and Resources Committee Shetland Islands Council</b>	<b>29 August 2017 30 August 2017</b>
<b>Report Title:</b>	<b>Corporate Risk Register – quarterly update</b>	
<b>Reference Number:</b>	<b>IA-16-17-F</b>	
<b>Author / Job Title:</b>	<b>Christine Ferguson, Director of Corporate Services</b>	

## 1.0 Decisions / Action required:

- 1.1 That the Policy & Resources Committee and Council RESOLVE to:
- 1.1.1 NOTE the changes to the Corporate Risk Register;
  - 1.1.2 NOTE key risks facing the Council at this time and the action taken to mitigate those risks; and
  - 1.1.3 COMMENT and ADVISE the Chief Executive and senior managers of their views and any changes required.

## 2.0 High Level Summary:

- 2.1 The purpose of this report is to present the current Corporate Risk Register to Policy and Resources Committee and to Council as part of the organisation's Performance Monitoring arrangements.

## 3.0 Corporate Priorities and Joint Working:

- 3.1 Our Plan '20 by 20' 2016-2020 states that:
- 'High standards of governance, that is, the rules on how we are governed, will mean that the Council is operating effectively and the decisions we take are based on evidence and supported by effective assessments of options and potential effects'
  - 'Our approach to managing the risks we face will have resulted in a more risk-aware organisation that avoids high-risk activities'.
- 3.2 Risk Management staff provide support across the organisation to ensure that risks are being managed within the Council's risk appetite and staff and services are working within the Risk Management Policy and Strategy.

## 4.0 Key Issues:

- 4.1 One risk has been added to the Corporate Risk Register. It relates to a failure to address identified equal pay issues, see ORG0044 on page 10 of Appendix 1,

which also sets out the control measures that have been put in place to address this issue.

4.2 The following risks were removed from the Corporate Risk Register:

- 015 – The risk of a lack of compliance with policies which could lead to a poorly run organisation that is prone to errors;
- 014 – The risk that the IJB will agree the wrong priorities, resulting in the desired outcomes for individuals and communities not being achieved;
- 033 – Strategic partnership working failure leads to a failure to achieve improvements for communities and Shetland Islands Council is required to ‘pick up the pieces’.

## 5.0 Exempt and/or confidential information:

None

## 6.0 Implications:

<b>6.1 Service Users, Patients and Communities:</b>	It is important that key decision-makers have an understanding and awareness of the significant risks that the organisation faces, in order to reduce impacts on the Community/stakeholders.
<b>6.2 Human Resources and Organisational Development:</b>	The equal pay issues risk highlights the possible increase in demand on organisational resources and the potential for increased difficulties in relation to recruitment and retention.
<b>6.3 Equality, Diversity and Human Rights:</b>	There are some unique aspects relating to this organisation's workforce such as occupational segregation and clustering, which mean the identified gender pay gap is higher than the level at which the Equality and Human rights Commission advise that action should be taken. Risks around the management of this issue have been identified and mitigation measures put in place.
<b>6.4 Legal:</b>	A failure to effectively identify, consider or communicate the genuine factors leading to any difference in pay of the identified gender pay gap risk, could lead to a legal challenge.
<b>6.5 Finance:</b>	<p>Many of the identified risks relate directly to the organisation's finances and the wider economic environment and, should they happen, could have a detrimental financial impact. Recognising and highlighting these risks help ensure that appropriate controls are considered and put in place.</p> <ul style="list-style-type: none"> <li>• 038 page 2 – Additional unanticipated revenue cost in Children's Services;</li> <li>• 039 page 5 – failure to plan for a financially sustainable future;</li> <li>• 041 page 7 – missed opportunity, legal or financial uncertainty around the sale of Sullom Voe and Magnus oilfield;</li> <li>• 021 page 9 – the need for investment in Shetland's infrastructure;</li> <li>• 034 page 10 – Admitted bodies being unable to meet</li> </ul>

	<p>their pension obligations;</p> <ul style="list-style-type: none"> <li>• 020 page 11 – persistent unsustainable draw from reserves;</li> <li>• 042 page 11 – longer-term financial planning risk.</li> </ul>	
<b>6.6 Assets and Property:</b>	There are no immediate implications for Assets and Property arising from this report. However, risk no 021 (on page 9) relates to the need for investment in Shetland's infrastructure.	
<b>6.7 ICT and new technologies:</b>	Risk no 030 (on page 9) concerns the possible release of data in an uncontrolled manner. Some of the controls in place to prevent this risk are managed by ICT Service.	
<b>6.8 Environmental:</b>	There are no environmental risks or impacts highlighted in the Corporate Risk Register.	
<b>6.9 Risk Management:</b>	The effective communication of risk information is one of a range of activities that is in place for the purposes of ensuring that the organisation complies with the Risk Policy and Strategy. This activity contributes to the effective management and mitigation of risks to the organisation's objectives.	
<b>6.10 Policy and Delegated Authority:</b>	Policy and Resources Committee requires the Corporate Risk Register to be reported periodically [Min. Ref. P&R 75/15]. The Risk Management Strategy forms part of the Policy Framework contained in Section A of the Constitution – Governance, which states that the management body for the Risk Management Strategy lies within the remit of the Policy and Resources Committee. Ensuring the proper management of the Corporate Risk Register is therefore a delegated matter for the Policy and Resources Committee. However, the Council instructed that the Corporate Risk Register be reported to the Council quarterly as part of the PPMF cycle [Min. Ref. SIC 20/16] so that all Members are informed and involved in discussing the high level and strategic risks facing the Council alongside other performance information.	
<b>6.11 Previously considered by:</b>	None	

**Contact Details:** Joanne Jamieson, Senior Risk Management Officer

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14 August 2017

## **Appendices:**

Appendix 1 – Corporate Risk Register



## Risk Register - Shetland Islands Council

Risk & Details	Likelihood	Current Impact	Risk Profile	Current and Planned Control Measures	Probability	Target Impact	Risk Profile	Responsible Officer
Category	Corporate							
Corporate Plan	A2. Young People - Vulnerable Children and young people's opportunities							
Child Protection - Children's Services deliver a range of services across a wide geographic area and all service users need to be safe. Children's Social Work manage high risk, complex situations in their work with families. Often it requires significant resource provision to mitigate risks and ensure the safety of a child or young person. <b>Trigger</b> : Crisis or escalation of complex situation, usually unanticipated and which puts child at increased risk of harm. <b>Consequences</b> : Failure to act quickly or to the extent that is required because of restricted resources can result in child being exposed to potentially more harm or to harm for a longer period of time, harm to child, impact on services, financial impact. <b>Risk type</b> : Physical - People / Property - Other <b>Reference</b> - ORG0025	Possible	Major	High	• Robust systems and procedures in place. Preventative measures, effective communications and information sharing to ensure that any changes or increased risk are identified quickly. The Shetland Adult Support & Protection/Child Protection Committee through its Training Strategy and training sub-committee ensure that a range of Child protection training is available and delivered. This Inter-agency training is led by Shetland Islands Council and training activity is reported quarterly to the Adult and Child Protection Committee.	Unlikely	Major	Medium	Helen Budge Shetland Islands Council
Failure to appropriately accommodate looked-after children, off-island placement. There are circumstances when the Children & Families Team is required to accommodate children and young people away from home. Currently, there is a shortage of foster placements and residential placements in Shetland. On occasion this results in placements being sought away from Shetland, which is undesirable and which comes at a high cost to the Local Authority. <b>Trigger</b> : Shortage of foster placements and residential placements in Shetland. There are situations whereby the assessed needs of a child or young person are such that they require a specialist service that is not available in Shetland, such as secure accommodation or a parenting assessment unit. <b>Consequences</b> : Placements have to be sought away from Shetland, which come at a high cost to the Local Authority. <b>Risk type</b> : Economic / Financial - Other <b>Reference</b> - ORG0026	Likely	Significant	High	• Working to identify and develop alternative and flexible solutions which includes development of fee-paid foster carers and ensuring a second residential property becomes operational	Possible	Significant	Medium	Helen Budge Shetland Islands Council
Corporate Plan	A4. Young People - Protecting vulnerable children and young people							

As per risk no 026, Children's Services on occasion require an off-island placement for a child. The cost of that placement would be met by Shetland Islands Council and the host local authority would provide appropriate educational access services as they would for any child in their catchment area. Some host local authorities have indicated that the additional cost of a school place or education provision, including meeting the possible additional support needs of a pupil placed off-island, will be recharged to the Shetland Islands Council. This is currently quantified, unanticipated and not in the revenue budget. <b>Trigger :</b> Child requires an off-island placement, and the destination local authority chooses to recharge for the education element of the placement. <b>Consequences :</b> Additional unanticipated revenue cost <b>Risk type :</b> Fees/Charges Loss <b>Reference :</b> ORG0038	Possible	Minor	Medium	• From a resources perspective the risk is managed through the resource allocation panel in terms of gatekeeping and through subsequent commissioning of placements via the national framework. The framework allows for all costs to be negotiated prior to placements starting.	Unlikely	Minor	Low	Helen Budge Shetland Islands Council
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### Corporate Plan

### B2. Older People - Independent Living

Risk of harm to a vulnerable adult - Shetland has an increasing older population and an increase in people with a learning disability reaching older age. Statutory services will need to have oversight of an increasing number of vulnerable adults to prevent harm occurring. <b>Trigger :</b> Statutory services fail to identify and take account of all vulnerable adults within their remit, systems failure means that information is not fully collated and/or shared <b>Consequences :</b> Vulnerable adult is not given access to full range of services that they need, delay in access to services leads to harm to vulnerable adult, reputational risk to organisation, potential for HSE action, Care Commission/ external advisors' negative report, civil action. <b>Risk type :</b> Communications failure <b>Reference :</b> - ORG0024	Possible	Major	High	• There are well established mechanisms in place to support the detection of risk with an active Adult Protection Committee overseeing the work. There is good multi-agency working within formal arenas to discuss individual cases causing concern. Transitions group in place for Learning Disability Services to manage childhood support to adult support. Ongoing work to review services to make effective use of limited and reducing budgets.	Unlikely	Major	Medium	Simon Bokor-Ingram Shetland Islands Council
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### Corporate Plan

### F1. Our "20 by '20" - Leadership & Management

Management capacity to deliver the benefits of health and social care integration. Significant effort is required to continue driving the integration agenda and to realise the benefits, and adequate management capacity and skill is required to achieve this. Locality working will require further drive and effort to achieve a shift in structure that delivers front line benefits to residents. <b>Trigger :</b> Interim management arrangements <b>Consequences :</b> Management does not have the capacity to manage extra functions, impact on other services and on staff <b>Risk type :</b> Professional - Other <b>Reference :</b> ORG0016	Possible	Major	High	• There is a joint management structure in place. Work underway to deliver strategic direction agreed by IJB where localities are better supported. Structures in place around joint projects/ programmes of work.	Possible	Significant	Medium	Simon Bokor-Ingram Shetland Islands Council
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<p>Failure to deliver major STERT review on time and on budget. The time frame for the project is up to June 2018 i.e. the end of the Interim Joint Principal position.</p> <p><b>Trigger :</b> Project management failure, partner failure, project resources</p> <p><b>Consequences :</b> Failure to deliver a sustainable and affordable model for Tertiary Education, training and Research.</p> <p><b>Risk type :</b> Professional - Other</p> <p><b>Reference</b> - ORG0022</p>	Unlikely	Significant	Medium	<p>• Progress the colleges' integration steps as follows: Integrated second tier management structure, Joint curriculum, Joint business development and marketing plan.</p>	Unlikely	Minor	Low	Neil Grant Shetland Islands Council
<p>Failure to deliver major AHS build project on time and on budget. Complex project involving several external parties, following a methodology not previously used by the Council Design Build Financial Model (DBFM) which increases the risk of the project going off track. However, financial close was achieved in July 2015, and construction has commenced. Project completion is currently timetabled for Sept 2017</p> <p><b>Trigger :</b> Lack of understanding of DBFM, project management failure, partner failure</p> <p><b>Consequences :</b> A project is delayed and/or budget rises, negative reaction in press and public.</p> <p><b>Risk type :</b> Professional - Other</p> <p><b>Reference</b> - ORG0028</p>	Possible	Significant	Medium	<p>• Project risk register in place which is closely monitored and managed</p>	Unlikely	Significant	Medium	Mark Boden Shetland Islands Council

Recent Council activities plus local / national issues have led to an increased workload for Services across the Council and within Corporate Services - and particularly for Finance, Governance and Law, Capital Programme and Human Resources. There is a limit to how much additional work staff can absorb - staff and services are considered to be at capacity. The implemented move from 8 North Ness was disruptive and there is an ongoing increase in workload caused by the work arounds required so that the Council can continue to operate from other locations. <b>Trigger</b> : Main triggers include: revised budget post Scottish Govt settlement, budget setting challenges - the requirement to make savings now and in the future, implementing various pay and conditions requirements plus 3rd edition of JE scheme, specific problems associated with CHRIS 8 transition (Payroll, HR, ICT), the tertiary review is a significant on-going piece of work, as are the various tasks and activities around the establishment and operation of the IJB. Governance and law workload includes an election plus governance reviews and organisation-wide project work. Service redesign work also requires significant staff time. <b>Consequences</b> : Impact on planned work including in particular important corporate/ strategic reviews and strategy development: there is a risk that work will not be scheduled or will not be completed on time, leading to missed opportunities and/or increased costs. Teams at capacity, stress on staff, potential sickness absence, any reduction in resources, e.g. from absences, or resources diverted, can lead to missed opportunities or deadlines/ impact on quality of work as well as difficulty in meeting timescales. Significant work/ strategic planning/ long-term vision is affected or displaced by urgent tasks, short deadlines, reactive work and external demands. Impact on quality of work, missed information, failure to take adequate account of all relevant information, poor quality input / information can lead to poor decision-making. <b>Risk type</b> : Corporate/Community plan - failure to meet <b>Reference</b> - ORG0032	Possible X Significant	Medium	<ul style="list-style-type: none"><li>• The effects of the move from 8 North Nessare being monitored and adjustments made where possible to ensure minimal disruption to services.</li></ul> ☐Our Plan 2016-20 has been agreed. This explains the outcomes that the SIC wants to achieve by April 2020. Our financial planning process is more robust and in line with other planning processes. The risks to Directorate and Service plans are articulated and considered in reports. The Risks for new initiatives including the allocation of resources are considered at Project start up and kept under review.	Unlikely	Minor	Low	Christine Ferguson Shetland Islands Council
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<p>The Medium Term Financial Plan covers the period from 2016 to 2022 and as an instrument to direct the organisation's budget setting and expenditure is prudent and in line with available resources. Over 70% of the Council budget is funded by the Scottish Govt. The local authority's annual grant from the Scottish Govt has reduced by a greater percentage than anticipated for the last two years. It is expected to continue to reduce in the short and medium term but is currently un-quantified, and has been estimated at between 6.08% and 15.68% over the next 5 years. The MTFP scenario assumes grant reduction at 7.38% over 5 years.</p> <p><b>Trigger :</b> Organisation's failure to plan or put in place sustainable services for future years, continued reductions to govt grant of an unanticipated or unknown magnitude.</p> <p><b>Consequences :</b> If there is no adequate planning to take account of grant reduction then the Council will be unable to respond to the uncertainty presented by austerity which could result in knee-jerk decisions being made to balance budgets and/ or an unsustainable draw from Council reserves.</p> <p><b>Risk type :</b> Economic climate</p> <p><b>Reference -</b> ORG0039</p>	Possible	Extreme	High	<p>• Service redesign across all areas to identify and implement sustainable levels of service going forward. Implementation of business transformation programme to support service redesign.</p>	Unlikely	Major	Medium	Jonathan Belford Shetland Islands Council
<p>Shetland Islands Council and specific Directorates, Services and sections are in a number of partnerships. Some have a legislative element and have a strategic directing role (the Community Planning Partnership, SADP, etc), some are entered into for the purpose of delivering services (Community Health and Social Care/ IJB, SIC Housing Service and Hjaltland Housing Association). Many are contractual but for some, the partnership may exist only through an informal agreement. There is no formal list of the council's partnership arrangements or agreements.</p> <p><b>Trigger :</b> Partner fails (legally, financially, is wound up, becomes insolvent or goes into administration) or is no longer able to provide their part of the partnership. Grant or funding is cut to partner. Board resignation, difficulty in recruiting board members, failure to achieve buy-in from essential partners, volunteer fatigue.</p> <p><b>Consequences :</b> If a partner fails, the responsibility to deliver service or function for which the partnership was formed, may fall to Shetland Islands Council. Contractual obligations such as leases may become the (moral or financial) responsibility of Shetland Islands Council. Financial responsibilities such as for pensions, may fall to Shetland Islands Council. Civil liabilities such as through claims, may fall to Shetland Islands Council in the event that joint liability exists.</p> <p><b>Risk type :</b> Partnership working failure</p> <p><b>Reference -</b> ORG0040</p>	Possible	Extreme	High	<p>• Various controls in place. All new admitted bodies comply with current requirements, all contracts are scrutinised by Legal Services / Governance and Law/ Finance staff.</p> <p>Assurance required that managers engage with Corporate Services BEFORE commencing service redesign programmes. Managers must adhere to Commissioning and Procurement framework.</p>	Unlikely	Major	Medium	Mark Boden Shetland Islands Council

<p>Reduced funding and the reductions in workforce over the past five years have put new pressures and stresses on existing staff against a backdrop of rising demands in frontline services such as health and social care. The work of local authorities relies on the knowledge and expertise of its workforce. Recruitment pressures are expected to worsen as the private sector jobs market improves, leaving councils unable to compete in terms of wages and working conditions. Geography also plays a role in our capacity to recruit from outside Shetland. The Council also has considerable occupational segregation in some areas that currently impacts upon the size of the recruitment pool.</p> <p><b>Trigger :</b> Inability to recruit staff to vacant posts.</p> <p><b>Consequences :</b> Posts remaining unfilled due to failure to recruit which places strain on services to deliver and increases pressure on existing workforce.</p> <p><b>Risk type :</b> Demographic change</p> <p><b>Reference</b> - ORG0018</p>	Likely	Minor	Medium	<p>• HR continually reviews the council's HR policies and processes to ensure policies and procedures support the organisation to become more responsive and flexible in the deployment of existing staff. The Council's Workforce Strategy provides a framework to focus attention and prioritise work streams that identify and developing talent as well as increase the number of ways young people can join the organisation. The Council's Market Forces Policy can be applied in appropriate circumstances.</p>	Unlikely	Minor	Low	Denise Bell Shetland Islands Council
<p>Engaging and developing employees and giving them the skills and confidence to continue to grow helps to retain an excellent workforce, committed to delivering excellent services in our community. The Council wants to encourage people who are committed to the delivery of public services to stay with us, staff must feel valued for their efforts and want to stay with us. Restructuring and reduction of senior posts and delayering of managerial posts has also reduced opportunities for career progression.</p> <p>Reasons for leaving a post within the Council include moving to another post within the organisation, moving to another organisation or leaving Shetland. The workforce profile also shows an ageing workforce in some key areas and key posts across the council which is recognised in the risk registers for specific service areas.</p> <p><b>Trigger :</b> Increasing pressure from service or organisational change, poor employee engagement and lack of/poor leadership and line management leads to low morale, and increased employee turnover.</p> <p><b>Consequences :</b> Poor employee health and well-being resulting in increased employee absence, increased turnover of staff, high vacancy rates in some areas, a failure to retain staff, impact on service and remaining staff, stress, managers spend disproportionate time spent on recruitment and, for example, arranging cover for shifts and over reliance on relief workers.</p> <p><b>Risk type :</b> Employment issues</p> <p><b>Reference</b> - ORG0043</p>	Likely	Significant	High	<p>• The Council has a Workforce Strategy that informs actions for improvement activity being led by Human Resources. The Strategy focuses on 3 themes. Rights Shape, Right Skills and Right Culture. As part of this a planned approach to workforce planning is being developed in order to provide services with workforce profile information to inform these plans. The Viewpoint Action Plan, following the Council's first employee survey is being delivered and includes the development and implementation of a set of Council Values and Behaviours to inform workforce activities and policy development. Investment in staff development continues to be a priority and local/ departmental controls include - temporary cover, bank staff (schools), relief staff, traineeships, career grades</p>	Unlikely	Significant	Medium	Christine Ferguson Shetland Islands Council

Corporate Plan

F15. Our "20 By '20" - Assets

<p>The current Anderson High School campus is a large open site with a number of buildings on it. There are various access points to the campus and it is surrounded by residential properties. The school will be vacated when the service/ staff/ pupils, etc move to the new build at the Clickimin.</p> <p><b>Trigger :</b> Failure to properly plan for the future of the site</p> <p><b>Consequences :</b> A failure to plan for the future of the site could lead to missed opportunities to capitalise on this asset, . There will be on-going costs associated with the site, rates, maintenance etc. and a risk of vandalism or other damage. There is also a risk of reputational damage if the site is not developed.</p> <p><b>Risk type :</b> Missed opportunities</p> <p><b>Reference :</b> - ORG0035</p>	Unlikely	Extreme	High	<p>• The Council has completed a Development Brief for the site - and will shortly be undertaking a masterplanning exercise. It is hoped this will be complete by May 2018.</p>	Unlikely	Significant	Medium	Robert Sinclair Shetland Islands Council
<p>On 24th January, BP announced an agreement to sell part of its interest in the Magnus Oilfield and some associated infrastructure to EnQuest. EnQuest's role as operator at Sullom Voe terminal will be to improve efficiency by driving down operating costs at the terminal and to deliver the renewal and rationalisation programme for the 25 owner companies in order that the terminal can remain open &amp; economic. Shetland Islands Council states in its Corporate Plan that it's priority is to 'have made the council's future role in the port of Sullom Voe clear and we will be seeing the best possible returns from our investments'.</p> <p><b>Trigger :</b> The Council has a role in a number of issues and activities, any of which could trigger a risk and result in adverse consequences for the Council and/ or Shetland. Any failure to fully understand the implications of any decisions.</p> <p><b>Consequences :</b> Missed opportunity, adverse impact on Shetland's economy and/or environment, potential contractual or legal uncertainty.</p> <p><b>Risk type :</b> Economic - Other</p> <p><b>Reference :</b> - ORG0041</p>	Possible	Major	High	<p>• Director of Infrastructure Services has responsibility for various arrangements, senior management team is actively considering the issues and various strands to this complex development.</p>	Unlikely	Significant	Medium	Maggie Sandison Shetland Islands Council

Corporate Plan

F2. Our "20 By '20" - Staff Value & Motivation

<p>An organisation-wide Staff Viewpoint Survey was carried out in January 2015 for the purpose of gauging staff opinions. The returns were analysed with the issues prioritised, and that information was reported to Directors, Managers and staff. Managers and Directors were then tasked with putting in place a range of measures to address the specific issues raised. The comments made reflect concerns about the Council, recent changes, and the impact of those changes. In general you suggested things such as: •better communication, •listening more, •being clear about Council strategy and sticking to it, •having better training for Managers, •Senior Leaders spending more time on the "shop floor".</p> <p><b>Trigger :</b> Perception (real or imagined) that organisation, senior management or specific manager(s) will not/ have not acted upon the findings of the survey. No change evidenced, status quo despite assurances or promises to the contrary. Failure to communicate change to front-line staff, failure to embed change, so situation reverts to that which led to dis-satisfaction.</p> <p><b>Consequences :</b> Disillusioned/ unhappy / disengaged staff, increased disillusionment following the expectation that the survey would make a difference, no confidence in manager or organisation, demotivated staff, poor commitment to Service, impact on Service and/or productivity. Staff retention issues - Increased turnover of staff with resulting recruitment costs and service impacts. Reputational damage, staff more likely to raise grievances. Stress, increase in sickness absence, perception that the whole exercise was a waste of public money.</p> <p><b>Risk type :</b> Missed opportunities</p> <p><b>Reference -</b> ORG0031</p>	Possible	Significant	Medium	<ul style="list-style-type: none"> <li>• Check and ensure good communication between staff and management. ERD's and training needs are implementedAll managers must ensure effective communication methods are in place between managers and staff. The Council's Workforce Strategy, Staff Development Policy and Personal Development Plan Policy set out clear direction and framework to ensure the tools are in place to make sure this happens. The Viewpoint Action Plan has led to the launch of a new set of Council Values &amp; Behaviours which have been launched and promoted council-wide. An on-going publicity campaign is in place to make sure there is continuing awareness. New Directorate Consultation Forums have been put in place to bring together senior managers and staff representatives at least 4 times a year to exchange information and maintain communication throughout the organisation.</li> </ul>	Rare	Significant	Low	Denise Bell Shetland Islands Council
<b>Corporate Plan</b>								
<p>Malicious cyber attack could happen at any time. ICT and SIC have a host of security systems and approaches in place. However, an attack, successful or otherwise, can always happen. It may be impossible to tell whether there has been an attack, or what any attack has looked at/ taken/ copied. Any attack could result in compromise /damage to systems or reputation, data leak, loss of data or system downtime.</p> <p><b>Trigger :</b> Attack on the Council's network resulting in compromise/damage to systems or reputation, data leak, etc</p> <p><b>Consequences :</b> Loss of data, system downtime</p> <p><b>Risk type :</b> Malicious damage/ vandalism/sabotage</p> <p><b>Reference -</b> ORG0029</p>	Unlikely	Major	Medium	<ul style="list-style-type: none"> <li>• Anti-virus and firewall defences, ICT security policy,boundary appliance scan all incoming e-mail. Corporate anti-virus installed on all servers and workstations. Corporate firewalls Surecloud vulnerability scanning and IDS appliance - Systems support team monitor network activity and check open server ports Annual penetration testing</li> </ul>	Rare	Significant	Low	Susan Msalila Shetland Islands Council
<b>Corporate Plan</b>								
<b>F5. Our "20 by '20" - Standards of Governance</b>								

<p>The Council invested heavily in infrastructure at the time when the oil industry was taking off. This infrastructure was funded from income generated from the oil industry. That infrastructure is now ageing and will need to be replaced, however, the financial situation is now tighter which will mean that it will be challenging to finance this.</p> <p><b>Trigger :</b> Need for Investment in Shetland's infrastructure</p> <p><b>Consequences :</b> Challenge to finance the maintenance and/or replacement of existing infrastructure</p> <p><b>Risk type :</b> Physical - People / Property - Other</p> <p><b>Reference</b> - ORG0021</p>	Likely	Extreme	High	<p>• The current Asset Investment Plan focuses on the maintenance of existing assets in order to prolong their useful economic lives. This should mitigate against the risk of immediate failure. In order to address the longer term replacement of assets, a Borrowing Policy was approved by Council on 11 December 2013.</p> <p>Other measures in place include: MTFP, budget monitoring and scrutiny, clear and robust roles and responsibilities for managers and financial procedures &amp; regs. A report on Long Term Asset Investment planning has been prepared and presented to the Council. It identifies the extent of future programmes, which will inform funding options. LTAI planning highlights the significant challenges - for example fair funding for ferries is a challenge that is larger than is manageable by the SIC and requires national input and support. Lobbying of Scottish Govt to be undertaken.</p>	Likely	Major	High	Christine Ferguson Shetland Islands Council
<p>The Council handles significant quantities of data including confidential and personal data on a daily basis. It is expected to be an exemplar of good practice and to maintain high standards of security and confidentiality at all times. Information management is managed within the legislative framework as set out by the Information Commissioner.</p> <p><b>Trigger :</b> Data is released in an uncontrolled manner, accidentally or deliberately, and potentially without the knowledge of the organisation, because of a lack of training/ understanding, poor security, loss of paperwork or data-storing technology.</p> <p><b>Consequences :</b> Release results in reputational damage or action against the organisation by the Information Commissioner. Financial loss/ fine. Negative media coverage and reputational damage. Possible disciplinary action, stress for staff. Loss of confidence in Services.</p> <p><b>Risk type :</b> Breach of Legislation - Data Protection, Human Rights, Employment Practice, Health and Safety etc</p> <p><b>Reference</b> - ORG0030</p>	Unlikely	Major	Medium	<p>• Current and planned controls -Current: There are already robust systems and procedures in place to prevent the loss of data and information. To date, over 600 staff have accessed training in basic Data Protection and Freedom of Information principles, including attendance at a conference provided by the Assistant Information Commissioner in 2015, and by the Office of the Scottish Information Commissioner in 2016, and by accessing online training through iLearn/Brightwave.</p> <p>Planned: Information management and improvement is a strand of the Business Transformation Programme 2016-2020. This is supported by an Information Management Strategy, which provides a framework for improvement and development of information management policies and procedures to ensure our services can work together in a smarter way. The Improvement Programme includes a number of work streams, including information security, business continuity, culture and training, all of which will contribute to further reducing the risks inherent with maintaining and processing large amounts of information, and will aim to keep these considerations at the forefront of business transformation projects. Governance, accountability and strategic direction for the Information Improvement Programme is provided by the Information Governance Board. The Board includes those who have management responsibility, accountability and ownership of information assets and this will be supplemented by the continued raising of awareness amongst, and further training of, managers, administrators and other staff in the proper handling of information.</p>	Rare	Major	Medium	Jan Riise Shetland Islands Council

<p>The Equal Pay Audit carried out on 2015/16 pay resulted in a published pay gap of 11.21% in favour of men. This is calculated on basic pay, and when other pay elements and allowances, except non-contracted overtime are included the gap increases to 16.23%. when non-contracted overtime is included the gender pay gap increases further to 20.05%. The Equality and Human rights Commission advise that any gender pay gap greater than 5% is of concern and action should be taken to address the gap.</p> <p><b>Trigger :</b> Failure to address the identified issues, public / media scrutiny, equal pay claim from a member of staff, scrutiny by EHRC.</p> <p><b>Consequences :</b> There is a risk that not addressing the equal pay gap identified in the Equal Pay Audit 2016 could lead to equal pay claims being made where pay inequalities exist. There is a risk that recruitment and retention of staff is detrimentally impacted by a failure to address barriers from gender, disability and race inequalities, and that this will impact on service delivery. A failure to realise the benefits of greater diversity in employment represents a waste of talent and an opportunity to address workforce and skills shortages. Occupational segregation means the clustering of employees with a particular protected characteristic into particular occupations or different levels of work. The published Equal Pay Statement 2017-2021 provides analysis that shows 97% of employees in the Marine occupational category are men, while 89% of employees in the Care occupational category are female. The data also shows an under representation of male employees in lower grades relative to their share of total employees, and an over representation at higher grades, with the reverse that case for female employees.</p> <p>These will also place a demand on resources and require specialist legal input, there will be financial pressure from legal costs and any damages, reputational damage and negative media coverage should there be equal pay claims, and a detrimental impact on staff confidence and morale. Increased recruitment and retention difficulties and likely.</p> <p><b>Risk type :</b> Economic - Other <b>Reference :</b> ORG0044</p>	Possible X Major	High	<p>• The Equal pay Statement 2017-2021, approved at P&amp;R 7 March 2017 describes the Council's commitment to the principle of equal pay for all employees. It sets out how, regardless of protected characteristic, employees should receive equal pay for the same or broadly similar work, work rated as equivalent and for work of equal value. It also describes how the Council operates a pay and grading system which is transparent, based on objective criteria and is free from bias, by using an analytical Job Evaluation system for SJC staff and teaching promoted staff are subject to job sizing. It notes that Council's commitment to address equal pay gaps and reduce occupational segregation. The Equal Pay Audit 2016 action plan sets out a number of actions to address occupational segregation including a programme of work experience that challenge gender norms and stereotyping; identifying barriers in significantly occupationally segregated roles and carrying out remedial action as necessary; taking positive action to develop and encourage females into management roles; and carrying out an Equality Impact Assessment of wider terms and conditions of employment given the increased gender pay gap when all allowances are included.</p> <p>The Council's Workforce Strategy 2016-2020 underlines the priority given to Equality and Diversity, and the HR service will work with trades union representatives and stakeholders to identify and address inequalities.</p>	Unlikely	Significant	Medium	Denise Bell Shetland Islands Council
<p><b>Corporate Plan</b></p> <p>The SIC Pension Fund is currently not 100% funded. At 31 March 2014 triennial evaluation the Fund was 91.7% funded. The SIC Pension Fund, as well as the Council has a number of Scheduled and Admitted Bodies that have liabilities to fund over the long term. Admitted bodies failing or being unable to meet their contributions places risk from these arrangements on the Council, as the largest contributor to the Pension Fund.</p> <p><b>Trigger :</b> Any circumstance that triggers a liability to crystallise</p> <p><b>Consequences :</b> Financial impact, significant long term obligations on pension fund employers</p> <p><b>Risk type :</b> Customer / Citizen - Other <b>Reference :</b> ORG0034</p>	Almost Certain	Major	High	Rare	Extreme	High	Jonathan Belford Shetland Islands Council
<p><b>Corporate Plan</b></p>			F8. Our "20 by '20" - Efficient				

<p>If the Council operates unsustainably and without intervention, it would rely more and more on its reserves, the compounding effects of this being an over-reliance on funds that are non-recurring. The consequences would ultimately be a depletion of Council reserves and an enormous reduction in the annual budget.</p> <p><b>Trigger :</b> Persistent unsustainable draw from reserves.</p> <p><b>Consequences :</b> Council runs out of reserves which means no investments and therefore budgets being prepared on a substantially lower income level.</p> <p><b>Risk type :</b> Economic / Financial - Other</p> <p><b>Reference</b> - ORG0020</p>	Unlikely	Extreme	High	<p>• The Financial Management arrangements of the Council have been strengthened, it has an approved MTFP, rigorous budgetary control &amp; monitoring arrangements at officer and Councillor level. Long term planning assumptions have demonstrated the impact and capital expenditure has reduced from historic levels.</p>	Unlikely	Major	Medium	Jonathan Belford Shetland Islands Council
<p>Long term financial planning - discharging the Council duty of best value has been defined (in part) by the Accounts Commission as addressing and doing more long term planning. Failure to recognise the longer term factors that impact on Council finance and service delivery obligations and challenges may result in serious criticism from Audit Scotland and the Accounts Commission, while at the same time impacting on customers and the organisation at large.</p> <p><b>Trigger :</b> Failure to prepare and take account of longer term scenario planning and to make informed assumptions about the impact of those on services and finance.</p> <p><b>Consequences :</b> Reputational damage, customer outcomes not achieved, finances depleted.</p> <p><b>Risk type :</b> Economic / Financial - Other</p> <p><b>Reference</b> - ORG0042</p>	Rare	Extreme	High	<p>• Strong financial management arrangements in place; robust annual budget process, MTFP refreshed and the LTFP assumptions reviewed and reported to Council in March 2017</p>	Unlikely	Major	Medium	Jonathan Belford Shetland Islands Council

On 23rd June 2016, a country-wide referendum was held to identify whether the UK wished to remain in, or leave, the European Union. Following the immediate political turmoil, there has been ongoing economic and political uncertainty. Various organisations in Shetland receive EU funding and this could be (and in some cases, has been) removed. The Shetland Islands Council receives EU funding for a number of purposes.

**Trigger :** Referendum result, post referendum political and economic uncertainty or change

**Consequences :** Short-term - Withdrawal of funding, political and economic uncertainty, potential impact on recruitment, uncertainty for non-UK EU nationals employed by SIC/ in Shetland - the potential impact on the councils workforce planning of the uncertainties that Brexit creates, will add to the already complex arrangements put in place by the UK Borders Agency in relation to preventing illegal working. There is much speculation about the impact on employment in the UK which HR are monitoring to ensure the council responds appropriately. Impact on partner organisations and partner-funded bodies. Does the SIC have a lobbying role?; Medium term: Withdrawal of funding, political and economic uncertainty, legislative change, regulatory uncertainty, impact on pension fund and Council investments, issues round fish quotas/ market/ pelagic fleet, economic impact, uncertainty for non-UK EU nationals employed by SIC/ in Shetland, potential impact on recruitment (of staff/ students),/ on SIC's workforce planning particularly given the already complex arrangements put in place by the UK Borders Agency in relation to preventing illegal working potential for further legislative, political and structural change, opportunity to influence direction and shape of new legislation, impact on partner organisations and partner-funded bodies, requirement to consider risks around capital expenditure. What is the SIC's role and priorities?; Long-term: Uncertainty, impact on longer term planning for organisation, potential for further legislative, political and structural change.

**Risk type :** Political - Other

**Reference** - ORG0037

Likely X  
Major

High

• Development Services are providing regular updates, preparing regular update papers to Committee and Community Planning board. An EU Engagement and Brexit Sounding Board has been agreed by the Development Committee as its 12 June meeting, and will meet regularly to help inform the Council and Community Partners of opportunities and risks.

Possible

Minor

Medium

Mark  
Boden  
Shetland  
Islands  
Council