

# MINUTES

# B - PUBLIC

**Policy and Resources Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Monday 25 November 2019 at 10am**

**Present:**

A Cooper	S Coutts
A Duncan	S Leask
E Macdonald	R McGregor
I Scott	G Smith
T Smith	

**Apologies:**

C Smith	R Thomson
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**In Attendance:**

C Ferguson, Director of Corporate Services  
N Grant, Director of Development Services  
J Smith, Director of Infrastructure Services  
A Inkster, Executive Manager – Marine Infrastructure and Airports  
D Bell, Executive Manager – Human Resources  
D Coupe, Executive Manager – Roads  
D Morgan, Interim Chief Social Work Officer/Executive Manager – Criminal Justice  
P Peterson, Executive Manager – Executive Services  
J Riise, Executive Manager – Governance and Law  
R Sinclair, Executive Manager – Assets, Commissioning and Procurement  
H Tait, Team Leader – Accountancy  
T Coutts, Team Leader – Business Development  
M Gordon, Team Leader – Policy and Employment Support  
J Macleod, Performance and Improvement Adviser  
P Wishart, Solicitor  
C Anderson, Senior Communications Officer  
L Adamson, Committee Officer

**Also in Attendance:**

S Flaws  
M Lyall  
S Hastie, Harper Macleod

**Chairperson**

Mr Coutts, Leader of the Council, presided.

**Circular**

The circular calling the meeting was held as read.

In referring to the pre-election period for the UK Parliamentary General Election, the Leader reminded Members on the Council's pre-election guidance during their discussions on the agenda items.

The Leader advised that Item 5 on the agenda, the "Palliative and End of Life Strategy for Shetland 2019-2022", would be carried forward for consideration at Policy and Resources

Committee in January, which would allow the matter to be considered first by the Integration Joint Board.

The Leader advised on a change of order for Items 12 and 13 on the agenda, where the report “Crown Estate Income Distribution” would be taken before the “Tall Ships’ Race 2023 – Business Justification Case”.

The Leader welcomed the attendance of Ms Lyall and Mr Flaws at Committee.

### **Declarations of Interest**

None

### **Minutes**

The minutes of the meeting held on 9 September 2019 were approved on the motion of Mr Leask, seconded by Mr Scott.

#### **60/19      SIC Overall Management Accounts 2019/20 Projected Outturn at Quarter 2**

The Committee considered a report by the Executive Manager - Finance (F-054-F), which set out the overall Council projected financial position as at quarter 2.

In introducing the report, the Team Leader – Accountancy highlighted the request to increase the contribution to ZetTrans to deliver two business cases, and she said that should that be approved, the payment would be funded from the contingency budget. In referring to the Appendices, she advised on the revenue and capital outturn position by Fund, and reported that overall the draw on reserves was £5.2 million less than the revised budget, mainly due to capital slippage.

In response to questions regarding the proposed payment to ZetTrans, the Director of Development Services explained that the expenditure primarily relates to external resources used for the outline business case for internal ferries and less so for the business case for the bus network. In terms of funding from the Scottish Government, he stated that the Council continues to press for funding for capital works and for solutions going forward, and to keep the momentum to move to future works, including the ferry for the Fair Isle route.

Reference was made to the decision of the Scottish Funding Council to withdraw on their agreement to fund the operational costs of the College in the lead up to the merger, and it was questioned whether this would result in additional funding by the Council. The Director of Development Services explained that the budget for this current year was overdrawn, and should the vesting date go beyond the end of March 2020 additional budget would be required.

On the motion of Mr Coutts, seconded by Mr Duncan, the Committee approved the recommendation in the report.

### **Decision:**

The Committee RECOMMENDED that the Council:

- NOTE the Management Accounts showing the overall projected outturn position at Quarter 2; and RESOLVE to

- APPROVE an increase in the contribution to ZetTrans of up to £0.099m to fund the delivery of business cases as part of the transport network re-design.

61/19

### **Council Investments – 2019/20 Mid Year Performance Review**

The Committee considered a report by the Executive Manager - Finance (F-058-19-F) presenting the 2019/20 mid year investment position and performance of the Council's long term external investments, managed on its behalf by Fund Managers.

The Team Leader – Accountancy introduced the report, and the Mid Year Performance Report at Appendix 1. She advised the Committee that the three Fund Managers would be reporting on their performance at the Council meeting on 22 January 2020.

During debate, it was questioned whether it would be possible to investigate greater drawdown from the reserves to support Council services. The Leader however advised that the approved Investment Strategy would be considered during the refresh of the Medium Term Financial Plan (MTFP). In that regard, a call was made for the MTFP to include a clear statement on the potential to draw from reserves, and for Members to be informed from discussions on the revenue estimates exercise in early course.

### **Decision:**

The Committee NOTED the outcome of the Mid Year Review.

62/19

### **Chief Social Work Officer Report**

The Committee considered the annual report by the Interim Chief Social Work Officer (CS-30-19-F).

In introducing the report, the Interim Chief Social Work Officer referred to Section 4, where she highlighted the key achievements in adult services, and reported on the main challenges, opportunities and the priorities in social work and social care activity going forward.

In responding to comments relating to the increasing use of self-directed support (SDS) and the financial impacts going forward, the Interim Chief Social Work Officer acknowledged that while the increased uptake was welcomed in terms of individuals receiving the package of care that they want, this was however impacting on other service areas and was being monitored.

During debate, Mr G Smith advised from the discussion at Education and Families Committee, in terms of the reassurance that children are being kept safe and that the high priority would be maintained, and he commended the Interim Chief Social Work Officer and her team in that regard. He advised that the Festival of Care events had brought together professionals and care users, and Mr G Smith again thanked all involved for organising the successful event.

The Leader echoed the comments in terms of the achievements and positive aspects as detailed in the report, and in referring to the table setting out the Social Services Inspection Grades on page 35 and 36, he commended the gradings achieved particularly within the context of challenges and changing needs.

Mr T Smith commented that he was heartened on how well the new Eric Gray Centre has fitted into the Service, and that he looked forward to the residential care home at Tingwall being up and running.

**Decision:**

The Committee NOTED the Annual Report from the Chief Social Work Officer.

63/19

**Shetland Islands Health and Social Care Partnership: Joint Strategic Commissioning Plan 2020-2023 – Process of Refresh**

The Committee considered a report by the Interim Director of Community Health and Social Care (CC-49-19-F) that provided information on how health and care services can be delivered, jointly, across the services described in the Shetland Islands Health and Social Care Partnership's Integration Scheme.

In the absence of the Interim Director of Community Health and Social Care, the Director of Corporate Services introduced the report. She advised the Committee that while the practice was to refresh the Strategic Commissioning Plan on an annual basis, the proposal would be for a 'light-touch' refresh this year aligned to the budget process. She also referred to the obligation to undertake a review of the Integration Scheme this year, being part of the legal framework that underpins the Integration Joint Board.

In response to questions, the Interim Chief Social Work Officer outlined to Committee the four options available when individuals are considering self-directed support to meet their care needs. She confirmed that no one would be encouraged to decide on one option against the other, and it is for the individual to decide what would best suit their situation. In response to a further comment, the Interim Chief Social Worker agreed to provide a Members briefing detailing the options available to individuals in terms of self-directed support.

During debate, Ms Macdonald said that she agreed with the recommendation in terms of a light touch refresh of the Strategic Commissioning Plan, and welcomed the approach for the focus to update the Plan to be aligned to the financial envelope. Members advised on their support in that regard. Reference was however made to Section 4.3 of the report, which highlighted the challenges in terms of the closing the funding gap between the cost of the current model of service and available resources.

On the motion of Mr Coutts, seconded by Mr Duncan, the Committee approved the recommendation in the report.

**Decision:**

The Committee AGREED not to require the IJB to rewrite the Strategic Plan at this stage.

64/19

**Palliative and End of Life Strategy for Shetland 2019-2022**

The Committee noted that consideration of the above report would be deferred until Policy and Resources Committee in January 2020, which would allow the matter to be discussed first at the Integration Joint Board.

65/19

**Scottish Household Survey**

The Committee considered a report by the Executive Manager – Assets, Commissioning and Procurement (ACP-14-19-F), which provided an opportunity to discuss the Scottish Household Survey results, the trends in local indicators, and comparisons between local and national indicators.

In introducing the report, the Performance and Improvement Adviser highlighted a number of the local results as set out in Section 4. In referring to Table 9.4, he reported that for the first time, Shetland has scored higher than Scotland in all categories including “does its best with the money”.

There were no questions. During debate, Mr Duncan commented that it was gratifying and encouraging to note the improvements, and that Shetland is now ahead of Scotland on the majority of results. In referring to Table 9.1, the Leader said that from a corporate perspective the level of satisfaction with Council services highlights a positive message, which the service committees can take forward using the trends and indicators in their particular areas.

**Decision:**

The Committee NOTED the content of the report.

66/19

**Travel at Work – Update**

The Committee considered a report by the Executive Manager – Human Resources (HR-09-19-F), which provided an update on the Travel at Work arrangements and the proposals to change the Employee Mileage rates, as set out in Appendix A.

The Team Leader – Policy and Employment Support summarised the main terms of the report.

There were no questions. During debate, comment was made on the good process followed to change the travel at work mileage arrangements, involving consultation with the trade unions, to develop mutually agreed arrangements. The Team Leader – Policy and Employment Support was thanked in that regard.

The introduction of passenger rates was also welcomed to promote car sharing.

On the motion of Mr Coutts, seconded by Mr G Smith, the Committee approved the recommendation in the report.

**Decision:**

The Committee RESOLVED to approve the revised Employee Mileage rates, set out at paragraph 4.8 and Appendix A.

67/19

**Equally Safe Policy Reviews**

The Committee considered a report by the Executive Manager – Human Resources (HR-08-19-F) that sought support for a new Policy on Supporting Employees Experiencing Violence Against Women and the updated Equality and Diversity Policy.

The Team Leader – Policy and Employment Support summarised the main terms of the report and the appendices. She advised that as part of the Equally Safe at Work Scheme the Employee Code of Conduct was to be reviewed, and that following discussions with trade unions would be reported to Committee in 2020. She advised on the support for the new and updated Policies at Employees Joint Consultative Committee (EJCC) and the College Lecturers Joint Consultative Committee. She said that while the meeting of the Local Negotiating Committee for Teachers was next week, there had been confirmation from the Joint Secretaries in terms of support for the underpinning principles of the Policies.

During debate, reference was made to the support for the Policies at EJCC, and that the process had been taken forward in an informative and respectful manner. The Team Leader – Policy and Employment Support was commended in that regard.

Comment was made that the Council's participation on the Equally Safe at Work pilot was very welcomed. In terms of the application of the Policies across the Council, a request was made for any instance of non-compliance to be identified, and in that regard an update on the how the policies were being applied was sought for a future date.

On the motion of Mr Coutts, seconded by Mr Leask, the Committee approved the recommendation in the report.

#### **Decision:**

The Committee RESOLVED to approve the Violence Against Women – a Policy to Support Employees (Appendix 1), and the updated Equality and Diversity Policy (Appendix 2).

68/19

#### **Strategic Roads Network – Strategic Outline Programme**

The Committee considered a report by the Executive Manager - Roads Services and the Team Leader – Asset and Network (RD-06-19-F) that provided information on current and projected needs, issues and opportunities around large-scale potential projects which might be required to maintain or develop the capability of the core Roads network in Shetland.

The Executive Manager – Roads summarised the main terms of the report. In referring to the decisions required, he advised that should there be support for the inclusion of the Cullivoe road as the priority project in the strategic roads network, the Strategic Outline Business case would be reported in January 2020.

During the discussion, Members advised on their support for the Cullivoe Road as a priority project, however there was some concern on the impact the project could have on the strategic roads network programme. However in that regard, disappointment was expressed that a route has not been set for prioritisation of the remaining projects and for commitment by the Council. The Executive Manager – Roads however referred the Committee to Section 4.3.4. of the report, and highlighted the proposal to report annually on the strategic roads network programme to Environment and Transport Committee. Comment was however made on the lack of detail on the proposed reporting at 4.3.4, when there was a need for clear rankings for each of the projects going forward. The Director of

Infrastructure Services advised from the decision at Environment and Transport Committee, on the undertaking to bring forward information earlier than the proposed annual review. The report would focus on the technical work related to the Cullivoe road and to set out the procedures to be followed and implications for the rest of the road network.

During the discussion, Mr McGregor advised that the Chair of Environment and Transport Committee had visited Mid Yell School to discuss proposals for the new road, and the pupils are awaiting the decision with much interest. He said that while he fully supported the proposal for the Cullivoe Road to be a priority, he shared the concern of Members on the impact on other schemes within the programme. Mr McGregor went on to advise that he would advocate additional draw from reserves to invest in the Council's infrastructure. Mr Leask commented on his disappointment with the previous administration, and said that the hiatus of work not done on the road infrastructure would impact financially. In that regard, he stressed the need to have a strategic roads network programme that was fit for purpose.

During further discussion, reference was made to Appendix 2, where the need for the road safety improvements to be carried out on the A970 Lerwick to Sumburgh Road at Levenwick were highlighted.

During debate, Mr Cooper moved that the Committee approve recommendations 1.1 to 1.5, with an additional recommendation at 1.6, namely "to agree that a report be presented next committee cycle on the process and timeline to take forward the remainder of the strategic road network". Mr Leask seconded.

The Leader commented that while there would clearly be resource implications, there was a need for robust processes to be in place when making decisions on the road network going forward.

### **Decision:**

The Committee RECOMMENDED that the Council:

- **NOTE** actions taken to date regarding the development and maintenance of Shetlands Strategic Roads network.
- **ENDORSE** the objectives and critical success factors set out in the Strategic Outline Programme including the proposed reporting arrangements;
- the identification of the B9082 Cullivoe road as the priority project for resolution within the Strategic Roads network;
- **DELEGATE** authority to the Director of Infrastructure Services or his nominee to initiate the preparation of a Strategic Outline Business case for the B9082 Cullivoe Road again in January 2020; and
- **NOTE** the addition of the road to the West Burrafirth Ferry Terminal to the strategic road network.
- **AGREE** that a report be presented next committee cycle on the process and timeline to take forward the remainder of the strategic road network.

69/19

**Business Transformation Programme Phase Two Update Report**

The Committee considered a report by the Director of Corporate Services (CRP-21-19-F) that informed on the progress of the Business Transformation Programme Phase Two.

The Director of Corporate Services summarised the main terms of the report.

In referring to the update given at Section 4.5 of the report, on paperless meetings, Mr G Smith questioned whether the current electronic devices provided to Members were possibly too sophisticated for purpose, and suggested that the ipads provided previously had been more suitable to access agendas online. Mr McGregor advised however that with some commitment, agendas could be navigated online using the current devices, and he asked that investigations continue to support the drive for paperless meetings for both Members and officers. Mr McGregor acknowledged however that a paper agenda would be more suitable for the Chair of the meeting. During the discussion, the Director of Corporate Services referred to the additional training available to Members on the use of their electronic devices, and she undertook to discuss with the Executive Manager – ICT any further training and support that could be offered. The Director of Corporate Services gave assurance that she would continue to investigate options to advance paperless meetings.

In response to a question, the Executive Manager – Governance and Law provided reassurance that periodic checks are undertaken with Clerks of Community Council with the aim to reduce the distribution of paper agendas.

Reference was made to the update provided on the Workforce Strategy, at Section 4.6, and in particular reference to “Recruitment issues continue to be raised in discussions at Committee”. The Executive Manager – HR advised on the particular areas of concern with the recruitment and retention of social workers and teachers. In that regard she confirmed the joint work being taken forward with the Interim Chief Social Work Officer on benchmarking, structures, pay and grading models, and including consolidation with the living wage. There was also an exercise underway to recruit and attract teachers, which she said could be extended to posts in early learning and childcare to deal with the increased demand in that area.

During the discussion, comment was made on the rationale for having a Business Transformation Programme and a separate Service Review Programme, when the objective of both programmes was to look to develop services at a lesser cost, while enhancing services to the community. The Director of Corporate Services advised the Committee on the distinction between the two programmes, and referred to the risk of having one programme in terms of double counting on savings achieved.

**Decision:**

The Committee NOTED the report.

70/19

**Service Redesign Programme Update Report**

The Committee considered a report by the Director of Corporate Services (CRP-22-19-F) that informed on progress of the Council’s Service Redesign Programme (SRP).



The Director of Corporate Services summarised the main terms of the report.

There were no questions.

During debate, disappointment was expressed at the first sentence in the 'Finance' Section at 6.5, namely "that there were no direct financial implications arising from the report". It was however clarified that the statement related to any decision of the Committee today, and in this case the report was for noting. The Leader stated that the report highlights the financial challenges, sustainability and the ability to fulfil corporate support roles within the project teams. In terms of resources required to take forward the SRP projects, the Leader said it was positive to note that the Executive Manager – Change Programme post had been filled, however it was important to continue as a team to progress the SRP, which he acknowledged would be particularly challenging for such a small local authority.

Reference was made to the second paragraph at Section 6.5, where it stated that the total savings for the SRD projects to date was £1.3m. In that regard comment was made on the challenges going forward, and the need to look at the Medium Term Financial Plan and how the overall figure would stand up to scrutiny. Comment was made that it was hoped that more resources could be committed to be able to provide efficient services rather than to cut services. Further comment was made on the need to consider additional draw from the reserves, and the Leader said that would be an area looked at during the refresh of the Medium Term Financial Plan.

**Decision:**

The Committee NOTED the report.

*(The meeting adjourned at 11.30am, and reconvened at 11.45am).*

71/19

**Crown Estate Income Distribution**

The Committee considered a report by the Director of Development Services (DV-35-19-F) that provided information in relation current and future arrangements for the distribution of Crown Estate monies received.

The Director of Development Services summarised the main terms of the report.

In response to a question, the Director of Development Services advised that there was no guarantee of increased funding in future years. He went on to explain that as the funding was generated by assets of the Crown Estate in the marine environment, he anticipated that any increased or decreased activity in that sector would impact on future funding.

Reference was made to the projects that could benefit from the funding, as set out in Section 4.6, and it was questioned whether it was an exhaustive list of projects. In responding, the Director of Development Services advised on the need to ensure growth includes both geographic communities and communities of interest that may get left behind, and to identify where there are issues of inequality to be addressed and to be more community focused.

In response to a question, the Director of Development Services welcomed the suggestion for Member involvement on the Working Group to develop the scheme for future years.

During debate, Mr G Smith said that he welcomed the funding to Shetland, and in moving the recommendations in the report, he proposed that the types of projects to be considered for funding, as set out in Section 4.6, could be expanded to support capacity building opportunities and economic development. In seconding, Mr Leask said that he also supported the proposal for Member involvement on the Working Group. In that regard, Mr Cooper advised on his involvement and representation at meetings of the Crown Estate. It was clarified that the Member involvement on the Working Group was to contribute during the development of the new scheme, rather than during the allocation of funding.

In response to a suggestion, Mr G Smith agreed to include in his motion, that the Chairs Group would act as a Sounding Board during development of the new scheme, and for an update report to be presented to Committee. This received the support of the seconder.

#### **Decision:**

The Committee RECOMMENDED that the Council RESOLVES to:

- GRANT delegated authority to the Chief Executive, or her nominee, to allocate £1,008,679 of 2019/20 Crown Estate funding allocation in line with priorities detailed in section 3 and para 4.6 (with the additional wording, “support capacity building opportunities and economic development.”), subject to satisfactory business case evaluations and/or third party funding applications, and in accordance with Scottish Government conditions and guidelines;
- CONTINUE the Officer Working Group to develop a new scheme for future years Crown Estate monies;
- AGREE that the Chairs Group act as a Sounding Board during the development of the new scheme; and
- AGREE for an update report to be presented to Committee.

72/19

#### **Tall Ships’ Race 2023 – Business Justification Case**

The Committee considered a report by the Team Leader – Business Development (DV-32-19-F), that presented information on a Business Justification Case (BJC) examining the business case for Shetland Islands Council to support a bid for Shetland to host the Tall Ships Race’ in 2023.

The Team Leader – Business Development summarised the main terms of the report.

In responding to a comment on the lack of detail in the report on the Smaller Scale Events Scheme, the Team Leader – Business Development advised that the projects could walking routes, sporting events, further investment in existing events, and to draw more economic benefits from niche and shoulder season events.

In response to questions, the Team Leader – Business Development advised that community planning partners had been involved during the consultation on the Business Justification Case. In terms of funding should Shetland bid to host the Tall Ships' Race in 2023, he advised that most of the financial contributions would be in kind, with there being a significant level of voluntary effort to deliver the project.

During debate, Members advised on their support for Shetland hosting the Tall Ships' Race in 2023, referring to the economic and wider benefits the event would bring to Shetland and also in terms of inward investment. Comment was made on the importance for the Council not to be the only contributor financially, and for the other organisations involved to provide more than "contributions in kind". In noting that there could be reputational concern in regard to the cost to the Council to host such an event, the Leader went on to say that the Tall Ship's Race would be fantastic for Shetland.

Comment was made that there was also capacity to take forward the small scale events scheme, which it was suggested could be an ongoing feature of the Crown Estate funding. Reference was also made to the aspiration for Shetland to host the Islands Games, and for a report to be brought forward in due course.

In referring to the decision required at Section 1 of the report, Mr G Smith moved that the Committee support both proposals, and in that regard, for the word 'or' to be changed to 'and'. Mr Cooper seconded.

#### **Decision:**

The Committee CONSIDERED the Business Justification Case on options to promote Shetland as an attractive place to live, work, study and invest, through support of events, and RECOMMENDED that the Council RESOLVES to:

- INSTRUCT the Director of Development (or his nominee) to bring forward a detailed report on a Support for Smaller Scale Events Scheme which realises local partnership objectives; and
- to support a bid for Shetland to host the Tall Ships' Race in 2023, acting as the signatory to the Host Port Contract, and providing financial support for staging the event.

73/19

#### **Business Continuity**

The Committee considered a report by the Resilience Advisor (GL-21-19-F), which sought approval of the SIC Business Continuity Management Policy.

The Executive Manager – Governance and Law summarised the main terms of the report, and the Action Plan at Appendix 2.

There were no questions.

During debate, comment was made on the good work to ensure business as usual should an unexpected or difficult situation arise.

Mr Coutts moved that the Committee approve the recommendation in the report. Mr Leask seconded.

**Decision:**

The Committee RESOLVED to approve the SIC Business Continuity Management Policy.

74/19

**Property Disposal**

The Committee considered a report by the Executive Manager – Assets, Commissioning and Procurement (ACP-15-19-F) that provided information with regard to the disposal of the property Quendale House in Lerwick.

In introducing the report, the Executive Manager – Assets, Commissioning and Procurement confirmed that the title restriction, likely to have limited the market value of Quendale House, has been extinguished.

There were no questions or debate.

Mr Coutts moved that the Committee approve the recommendation in the report. Ms Macdonald seconded.

**Decision:**

The Committee RESOLVED to instruct the Executive Manager – Assets, Commissioning and Procurement to;

- Offer Quendale House, in Lerwick for sale on the open market; and,
- Should an offer be received that represents market value, to dispose of the property.

**Mr Coutts moved that in order to avoid the disclosure of exempt information, the Committee resolve to exclude the public in terms of the relevant legislation during consideration of the following item of business. Ms Macdonald seconded.**

75/19

**Asset Investment Plan – Business Case – Staff Travel Project**

The Committee considered a report by the Executive Manager – Assets, Commissioning and Procurement that presented information on a Business Justification Case - Staff Travel Project.

The Executive Manager – Assets, Commissioning and Procurement summarised the main terms of the report.

In response to a question, the Director of Infrastructure Services said that he had not been made aware of any particular issues with breakdowns of the original fleet vehicles.

There were no further questions or debate. The Committee approved the recommendation in the report on the motion of Mr Coutts, seconded by Mr Cooper.

**Decision:**

The Committee RECOMMENDED that the Council RESOLVES to;

- APPROVE the proposal to adopt option 3 as described in Appendix A and section 4.3 of this report.

76/19

**Contract Matter**

The Committee considered a report by the Executive Manager – Marine and Airport Infrastructure.

In introducing the report, the Executive Manager – Marine and Airport Infrastructure outlined to Committee the key issues, and he referred Members to the detailed information included in the appendices. The Executive Manager – Marine and Airport Infrastructure responded to questions from Members.

During debate, Mr Leask moved that the Committee approve the recommendation in the report. Mr Coutts seconded.

**Decision:**

The Committee RESOLVED to approve the recommendation in the report.

The meeting concluded at 12.20pm.

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Chair