Shetland Islands Council

Environment and Transport Committee   **17 August 2015**

Infrastructure Directorate Performance Report **3 Month / 1st Quarter 2015/16**
Report No: ISD-23-15-F

Director of Infrastructure Services	**Infrastructure Services Department**

1.0   Summary

1.1   This report summarises the activity and performance of the Infrastructure Directorate for the reporting period above.

2.0   Decisions Required

2.1   The Environment and Transport Committee should discuss the contents of this report and make any relevant comments on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

3.0   Detail

3.1   Progress against those **"this year we will"** priorities from the **Council's Our Corporate Plan – 2015 update** led by the Infrastructure Directorate

Our Corporate Plan–"The Transport Services we need"

Lead Svs	Description	Date Due	Progress as at the end of this reporting period	RAG
Ferries/ Roads/ airport/ Transport Planning	Establish the Council's current investment in our transport Infrastructure and the future investment required to maintain transport services by developing a 50 year infrastructure investment plan	Sept 2015	Information provided to Capital Programmes Service to build Longer Term Asset Investment plan	G

3.2 The Council is migrating its various departmental performance management systems onto a single system: COVALENT to enable Managers to better track performance, identify when remedial action is required to correct performance and to enable the Committee to establish trends in performance data. Infrastructure Departmental Management Team has volunteered to convert the Directorate Plan and Service Plans into the new format on Covalent this quarter and the new style performance report is attached at Appendix 1.

3.4 The Committee is invited to comment on any issues which they see as significant to sustaining and improving service delivery. Appendix 2 shows the Council wide indicators and Appendix 3 shows the Key Directorate Indicators to enable the Committee to monitor service delivery. A summary of the number of complaints received and responded to are shown in Appendix 4. The risk register in Appendix 5 sets out the strategic and operational risks to the department's day to day services.

3.5 Infrastructure Services has for many years been involved in the Association of Public Service Excellence (APSE) performance networks voluntary benchmarking of local authority frontline services. These reports assist managers to compare and improve performance and compare unit costs. It is intended to provide the Committee with these reports for services as they are published to assist in strategic oversight of the performance of Shetland Islands Council Services benchmarked against others across Northern Ireland, Wales, England and Scotland. Attached in Appendix 6 are the APSE reports for 13/14 for Building Maintenance and Environmental Health.

3.6 A further indicator of performance is the outcome of external audits by our regulators. The CAA have recently completed an audit of Tingwall Airport and their report containing recommendations for consideration and the risk matrix is attached as Appendix 7. The report highlights the improvements being made in safety management and the development of a safety culture within the team.

4.0 Implications

Strategic

4.1 Delivery on Corporate Priorities – Effective Planning and Performance Management are key features of the Council's Improvement Plan and part of the "Organising our Business" priority in the Council's Improvement Plan.

4.2 Community /Stakeholder Issues – Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public.

4.3   Policy and/or Delegated Authority –

The Council's Constitution – Part C - Scheme of Administration and Delegations provides in its terms of reference for Functional Committees (2.3.1 (2)) that they;

"Monitor and review achievement of key outcomes in the Service Plans within their functional area by ensuring –

(a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework.

(b) Best value in the use of resources to achieve these key outcomes is met within a performance culture of continuous improvement and customer focus."

4.4   Risk Management – Embedding a culture of continuous improvement and customer focus are key aspects of the Council's improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of the Council working inefficiently, failing to focus on customer needs and being subject to further negative external scrutiny.

4.5   Equalities, Health And Human Rights – The Council is required to make sure our systems are monitored and assessed for any implications in this regard.

4.6   Environmental – NONE

Resources

4.7   Financial – The actions, measures and risk management described in this report has been delivered within existing approved budgets.

4.8   Legal – NONE

4.9   Human Resources - NONE

4.10   Assets And Property – NONE

5.0   Conclusions

5.1   This report demonstrates good progress against the priorities identified in the Council's Our Corporate Plan – 2015 update and the Infrastructure Directorate Plan 2015/16.

For further information please contact:

Maggie Sandison, Director of Infrastructure Services
maggie.sandison@shetland.gov.uk
01595 744851
5 August 2015

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Links to Background Documents

Infrastructure Services Directorate Plan

Appendix 1 - Infrastructure Directorate Plan - Progress on "Actions"

Shetland Islands Council

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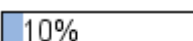
(Sc) PPMF Quarterly Report - Infrastructure ⬡ Red

(Th) A properly led and well-managed Council ⬡ Red

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
DP064 Workforce plan	Put in place multi-skilling training programmes to address skill gaps and long term succession planning.	Likely to meet or exceed target ✅	Planned Start	29-Aug-2014	⬡ 10%	Ongoing	Infrastructure Services Directorate
			Actual Start	29-Aug-2014			
			Original Due Date	31-Mar-2015			
			Due Date	31-Mar-2015			
			Completed Date				

(Th) Dealing with challenges effectively ⬡ Red

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
HN01 Waste Strategy Implementation	The waste Strategy was to be built around the Waste Scotland Regulation and the introduction of the Industrial Emissions Directive for the Energy Recovery Plant.	Significant issues, likelihood of failing to meet target 🔴	Planned Start	01-Oct-2014	⬡ 10%	The SIC is currently in discussion with the Scottish Government, Zero Waste Scotland and SEPA to find the best practice for Shetland. Until the way forward is decided Zero Waste Scotland are supportive that we should not commit ourselves to a strategy which is not adaptable to change.	Environmental Services
			Actual Start	01-Oct-2014			
			Original Due Date	31-Mar-2015			
			Due Date	31-Mar-2015			
			Completed Date				
HN02 Implement the COWIE report into District heating and Energy Recovery Plant	Implement the recommendations for the COWIE report into District heating and Energy Recovery Plant	Experiencing some issues, with a risk of failure to meet target ⚠️	Planned Start	01-Jul-2014	▶ 25%	Current discussions ongoing towards implementation decisions.	Environmental Services
			Actual Start	01-Jul-2014			
			Original Due Date	31-Jan-2016			
			Due Date	31-Jan-2016			
			Completed Date				

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
SP214 Develop decision making matrix for vehicle and plant replacement	Once Asset Investment Plan funding agreed in December 14	Likely to meet or exceed target ✅	Planned Start	01-Apr-2015	▶ 10%	The replacement periods by vehicle category are set out in section 4.4 (Table 1) of the Service Need Case – Vehicle and Plant Replacement Programme and will form part of the forthcoming overarching Fleet Policy. . . .	Estate Operations
			Actual Start	25-May-2015			
			Original Due Date	31-Mar-2016			
			Due Date	31-Mar-2016			
			Completed Date				

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
SP217 Carbon Management Plan – Implementation Programme	To implement the actions, programmes and projects set out in the Carbon Management Plan	Likely to meet or exceed target ✅	Planned Start	01-Apr-2015	▶ 7%	The items listed on the action plan are in the process of being put in place. The Project Board is scheduled to meet in August. Various projects under the CMP heading have been initiated and are ongoing. . . .	Estate Operations
			Actual Start	04-May-2015			
			Original Due Date	31-Mar-2016			
			Due Date	31-Mar-2020			
			Completed Date				

Th	Healthy economy	✅ Green

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
DP067 Develop the Scalloway Harbour business plan	Investigate options for developing Scalloway Harbour and present reports to members	Likely to meet or exceed target ✅	Planned Start	02-Mar-2015	▶ 30%	Reviewed the project brief from the Harbour Board Seminar on 18 June . Presented draft strategic case at staff training seminar on 9th July 2015. . .	Harbour Master & Port Operations
			Actual Start	02-Mar-2015			
			Original Due Date	31-Mar-2016			
			Due Date	07-Feb-2016			
			Completed Date				

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
DP068 Small ports development/maintenance plan	Small ports development/maintenance plan developed to decide future of these assets	Likely to meet or exceed target ✅	Planned Start	02-Mar-2015	▶ 20%	Toft pier option appraisal report developed.	Harbour Master & Port Operations
			Actual Start	02-Mar-2015			
			Original Due Date	31-Mar-2016			
			Due Date	31-Oct-2015			
			Completed Date				

Th	The transport services we need		✅ Green

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
HF01 Bigga Life Extension	Establish spare engine parts stock & propeller blades.	Likely to meet or exceed target ✅	Planned Start	01-Dec-2014	▶ 50%	Propellers have been fitted, engines and gearboxes to be installed by February 2016	Ferry Operations
			Actual Start	01-Dec-2014			
			Original Due Date	31-Mar-2016			
			Due Date	31-Mar-2016			
			Completed Date				

Code & Title	Description	Expected outcome	Dates		Progress	Progress statement	Lead
HF02 Fivla Life Extension	Install 3 new generators and new navigation equipment , shot blast exterior metal, Take out internal linings to check metal work behind it, and replace linings	Likely to meet or exceed target ✅	Planned Start	01-Nov-2015	▶ 0%	Not yet started	Ferry Operations
			Actual Start	01-Nov-2015			
			Original Due Date	31-Mar-2017			
			Due Date	31-Mar-2017			
			Completed Date				

Appendix 2 - Sickness Absences - Infrastructure

Shetland Islands Council

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Code & Short Name	Previous Years			Last year Quarter 1	This year Quarter 1	(past) Performance & (future) Improvement Statements
	2012/13	2013/14	2014/15	Q1 2014/15	Q1 2015/16	
	Value	Value	Value	Value	Value	
OPI-4C-H Sick %age - Infrastructure Directorate	4.0%	3.4%	4.0%	3.3%	4.1%	**Performance**: Some specific areas have shown a recent increase in sickness rates, these have all been investigated as legitimate absences **Improvement**: The department continues to apply the Council's "Promoting Attendance" policy and procedures to ensure that absences are minimised.

Appendix 2 - Sickness Absences - Others for comparison

Code & Short Name	2012/13	2013/14	2014/15	Q1 2014/15	Q1 2015/16
	Value	Value	Value	Value	Value
OPI-4C Sick %age - Whole Council	4.1%	3.6%	4.2%	4.0%	4.0%
OPI-4C-B Sick %age - Children's Services Directorate	2.8%	2.8%	3.7%	3.7%	3.1%
OPI-4C-E Sick %age - Community Health & Social Care Directorate	6.4%	6.0%	6.0%	5.7%	6.1%
OPI-4C-F Sick %age - Corporate Services Directorate	3.0%	1.6%	2.4%	2.7%	2.0%
OPI-4C-G Sick %age - Development Directorate	3.7%	2.7%	4.2%	3.2%	4.0%

Appendix 2 - (cont) Corporate-wide Indicators - Infrastructure

Shetland Islands Council

Generated on: 06 August 2015

| Code & Short Name | Previous Years | | | Last year Quarter 4 | This year Quarter 1 | (past) Performance & (future) Improvement Statements |
| | 2012/13 | 2013/14 | 2014/15 | Q4 2014/15 | Q1 2015/16 | |
	Value	Value	Value	Value	Value	
OPI-4A-H FTE (Contracted Hours) - Infrastructure Directorate	499	447	433	433	443	**Performance:** Staff numbers have remained steady, although recruitment problems are causing temporary difficulties in some areas **Improvement:** A workforce planning exercise is underway to predict and minimise future problems.
OPI-4E-H Overtime Hours - Infrastructure Directorate	53630	46600	48668	12399	18487	**Performance:** Overtime remains within budget but recruitment problems in some areas have resulted in reliance on overtime to deliver core services **Improv**ement: Overtime is always done as a best-value option after consideration of alternatives, the workforce planning exercise will help minimise reliance on overtime in the future.
H01 FOISA responded to within 20 day limit - Infrastructure Services	95%	88%	93%	98%	100%	**Performance:**Ensuring requests are responded to writhing mandatory target timescale. **Improvement:** Aim to have more information made public so there is less need for the public to make FOI requests.

Shetland Islands Council

Infrastructure Services

Generated on: 06 August 2015

Code & Short Name	Previous Years			Quarters		(past) Performance & (future) Improvement Statements
	2012/13	2013/14	2014/15	Q4 2014/15	Q1 2015/16	
	Value	Value	Value	Value	Value	
HN02 Food Hygiene Inspection Programme completed	96%	88%	87%		39%	**Performance:** This would appear to show that the service is ahead of programme, however the inspections are weighted for this quarter. Most food business start ups are in this quarter and subsequent risk rating places them within this quarter for subsequent inspections. **Improvement:** Staff reductions combined with an increase in demand for the service will be a challenge, the service is also carrying an unfilled vacancy. The service may not achieve target for 2015/16. Workforce planning is in progress but this is slow due to the Committee Process
HN03 Premises achieving PASS standard in Food Hygiene Information Scheme	81%	84%	77%		39%	**Performance:** There will be little change in the percentage of premises which achieve a Food Hygiene Information Scheme Pass. This is due in part to lack of staff and increase in demand for the service. **Improvement:** Those premises not achieving a PASS take more officer time and effort for which there are no resources at present.
HF10a Lost sailings by cause - Weather	79	515	313	253	0	No cancellations for weather in Q1
HF10b Lost sailings by cause - B'down	64	63	106	28	87	**Performance:** Bigga gear box problem (which persists) resulted in her having work in Fraserburgh. Fivla also had gearbox problems. This accounts for large breakdown figure, especially in June. **Improvement:** New gearbox pumps due in August, will be fitted ASAP. Engineers are closely monitoring temporary use of heavier oil which is helping meantime.
HF10c Lost sailings by cause - Crew	28	36	22	0	14	**Performance:** This was the result of sickness, affecting several crew, where no replacement could be found for that day **Improvement:** Increase in part-time Deckhand will help to overcome this in future
HF10d Lost sailings by cause - Other	0	6	145	129	0	No "Other" cancellations in Q1
HF10T Lost sailings - TOTAL	171	620	586	410	101	See individual Indicators (above)
HF11 Overall Ferry Availability			99.11%	97.43%	99.4%	**Performance:** 16,841 out of 16,942 runs were completed, also 3 emergency runs were done in the period. **Improvement:** see Improvement statements for individual indicators (above)
HH01a Tingwall Airport Landings - Islanders			649	136	247	**Performance:** Increased landings due, in part to resumption of regular, scheduled flights to Foula and Papa Stour. **Improvement:** Planned resumption of regular scheduled flights to Out Skerries.

Code & Short Name	Previous Years			Quarters		(past) Performance & (future) Improvement Statements
	2012/13	2013/14	2014/15	Q4 2014/15	Q1 2015/16	
	Value	Value	Value	Value	Value	
HH01b Tingwall Airport Landings - Air Ambulance			40	6	21	**Performance:** Improved dialogue with operators highlighting the range and quality of the services available at the airport and about the airport's flexible working arrangements. **Improvement:** Continue to improve the dialogue with operators and keep them appraised of the airport's services and availability.
HH01c Tingwall Airport Landings - Other			105	20	29	**Performance:** Improved dialogue with both commercial operators and the General Aviation community highlighting the range and quality of the services available at the airport. **Improvement:** Continue to improve the dialogue with all parties and keep them appraised of the airport's services and availability.
HH01T Tingwall Airport Landings - TOTAL			794	162	297	**Performance:** A number of factors outwith the control of the airport, i.e. improved weather conditions, contributed to increased landings overall. **Improvement:** The airport will use new and established means to promote the services available.
HS01 Reactive jobs completed by Building Services	4,000	3,502	3,510	1,090	741	**Performance:** The number of reactive jobs is following the normal trend and shows an increase over the inclement winter months due to failure of the existing worn infrastructure **Improvement:** The service is operating with less Staff, an ageing infrastructure and reduced budgets so minimising reactive jobs and disruption is a challenge
HR01 Road Condition Indicator (RCI)	42.5%	41.4%	41.9%	Not measured for Quarters	Not measured for Quarters	**Performance:** This annual, externally verified, indicator shows that our road infrastructure is aging and needs maintenance. **Improvement:** We use this figure to target our repairs and maintenance in order to maintain the condition of the asset through better targeting of expenditure
HH02 Council Energy Consumption MWh	105,815	100,324	97,174	25,959	24,560	**Performance:** Reducing energy usage saves Council budgets and reduces CO2 **Improvement:** Action plan to reduce energy usage is being implemented using spend to save funding and green loans.
HH03 Tonnes of CO2 from council operations	32,188	30,182	29,792	7,870	7,547	**Performance:** The Council has a statutory duty to reduce C02 **Improvement:** Action plan to reduce CO2 is being developed and implemented
HH04 Non-compliance ("Serious" audit comments) with Audit regimes - CAA, FSA, MCA			0	0	0	**Performance:** Achieving no major non-conformities at audit demonstrates good management practice and systems **Improvement:** Management systems are in place to ensure our service meet the compliance standards for our external auditors
HH01 % compliance with Standing Orders				100%	100%	**Performance:** 100% compliance indicates that the Councils systems are robust and will provide assurance to audit Scotland that financial systems are effective. **Improvement:** An action plan has been implemented to address previous non-compliance and Management systems and monitoring is in place

| Code & Short Name | Previous Years | | | Quarters | | (past) Performance & (future) Improvement Statements |
| | 2012/13 | 2013/14 | 2014/15 | Q4 2014/15 | Q1 2015/16 | |
	Value	Value	Value	Value	Value	
HN04 Amount of household waste collected (tonnes)	10,811	9,793	10,027	2,281	2,731	**Performance:** Increase in tonnage in 1st quarter is mainly due to green waste being collected. **Improvement:** New vehicles have reduced breakdown down time making service more efficient
HN05 Percentage of household Waste recycled	13.3%	11.2%	9.1%	9.3%	9.5%	**Performance:** Decrease in recycling due to kerbside collection in Lerwick and Scalloway stopping. **Improvement:** Public making better use of bring sites in particular textile banks.
H01 FOISA responded to within 20 day limit - Infrastructure Services	95%	88%	93%	98%	100%	**Performance:**Ensuring requests are responded to writhing mandatory target timescale. **Improvement:** Aim to have more information made public so there is less need for the public to make FOI requests.

Appendix 4 – Complaints

Complaint Type Description

No Value = 2 (13%)

Disagreement with decision made (where no formal appeal exists) = 1 (7%)

Dissatisfaction with Council policy = 2 (13%)

Failure to provide a service = 4 (27%)

Standard of service received = 6 (40%)
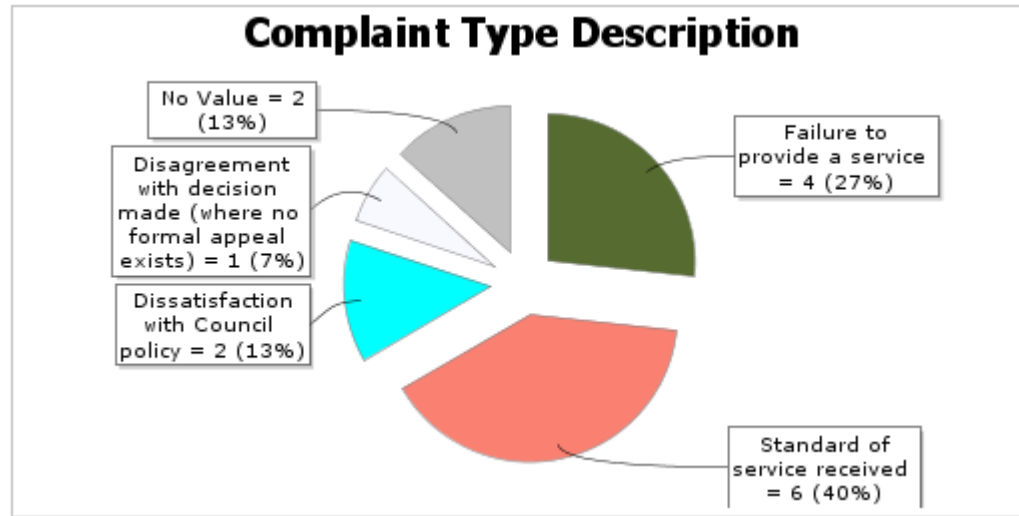
Number of complaints open during Quarter 1 -   14

Number of stage 1 complaints (Frontline) -   14

Number of stage 2 complaints (Investigation) -   0

Number of open complains at end of period – 1

Number of complaints handled within deadline – 71% (10)

Appendix 5 - Risk Report

Risks to Delivery/ Risk Register

	Insignificant	Minor	Significant	Major	Catastrophic
Almost certain	5	10	15	20	25
Likely	4	8	12	16	20
Possible	3	6	9	12	15
Unlikely	2	4	6	8	10
Rare	1	2	3	4	5

Rating	Descriptor	Description
5	Almost certain	I would not be at all surprised if this happened within the next few months
4	Unlikely	I would be mildly surprised if this occurred, but cannot entirely rule out the possibility
3	Possible	I think this could maybe occur at some point, but not necessarily in the immediate future
2	Likely	I think this could occur sometime in the coming year or so
1	Rare	I would be very surprised to see this happen, but cannot entirely rule out the possibility

What we are going to do to manage those risks

Current risk details

Target – in one

Risk	Details	Resid-ual Likeli-hood	Residual impact	Residu al Risk Rating and Current Risk profile	Current and planned Control Measure	Target Likeli-hood	Target Impact	Target Risk Rate	Lead Officer
4. Healthy economy									
Publicity - bad	Service has to manage response to Animal or infectious disease outbreak , management of the response fails to prevent further damage to public health or animal health	Unlikely (2)	Catastrophic (5) permanent damage to SSSI, Impact on whole of Shetland	High (10)	Professionally trained staff to maintain CPD, liaison with Communication Service in the event of an incident.	Rare (1)	Significa nt (3) Impact on a local commun ity, Local public or press interest	Low (3)	Director of Infrastructure Services
8. A properly led and well-managed council									
Breach of Legislati on - Data Protectio n, Human Rights, Employ ment Practice, Health	Failure to deliver a statutory duty or comply with legislation including EU procurement legislation ,Carbon reduction	Possib le (3)	Major (4) Litigation/ claim/ fine £250k to £1m	High (12)	Awareness raising, training and monitoring in place, staff have a better understanding of requirements, more pre-planning for large expenditure Development of Carbon management plan and climate change planning	Rare (1)	Major (4) Litigatio n/ claim/ fine £250k to £1m	Low (4)	Director of Infrastructure Services

Risk	Details	Resid-ual Likeli-hood	Residual impact	Residual Risk Rating and Current Risk profile	Current and planned Control Measure	Target Likeli-hood	Target Impact	Target Risk Rate	Lead Officer
and Safety etc									
Key staff - loss of	Loss of key staff, failure to recruit to key roles (Airport/Harbour/Ferries) means service cannot continue	Likely (4)	Significant (3) Financial loss/ increased cost of working £100k to £500k, Impact on a local community, Local press or public interest	High (12)	Workforce planning project, restructure being implemented	Unlikely (2)	Minor (2) Increased cost of working £10k to £100k	Low (4)	Director of Infrastructure Services
Policies - effect of	Failure to plan for the future investment required in infrastructure replacement, repairs or maintenance	Possible (3)	Major (4) Financial loss/ increased cost of working £500 k to £1m, Impact on several communities	High (12)	SIC Borrowing policy and strategy agreed in December 2013, fleet review ongoing, Infrastructure asset replacement strategy in place and climate change planning being undertaken	Unlikely (2)	Significant (3) Financial loss/ increased cost of working £100k to £500k,	Medium (6)	Director of Infrastructure Services

Risk	Details	Resid-ual Likeli-hood	Residual impact	Residual Risk Rating and Current Risk profile	Current and planned Control Measure	Target Likeli-hood	Target Impact	Target Risk Rate	Lead Officer
Accidents /Injuries Staff/Pupils/ Clients/ Others	Infrastructure delivers front line services across Shetland, employing 471 FTE and delivering a range of heavy engineering and transport services	Likely (4)	Major (4) Major injury to several people or death of an individual, Litigation/ fine £250k to £1m	High (16)	Health and Safety systems, safe systems of work in place, restructure being implemented which will ensure permanent staff are appointed to significant posts which impact on management of health and safety.	Unlikely (2)	Significant (3) Financial loss/ increased cost of working £100k to £500k,	Medium (6)	Director of Infrastructure Services
9. Dealing with challenges effectively									
Storm, Flood, other weather related, burst pipes etc	Extreme weather events cause flooding, coastal erosion, loss of key infrastructure, lost sailings, increased snow conditions, additional repairs	Likely (4)	Major (4) Impact on several communities	High (16)	Asset inspections and maintenance plan in place, emergency plans in place, well-maintained vessels on all routes, some newer vessels.	Possible (3)	Significant (3) Impact on a local community	Medium (9)	Director of Infrastructure Services
Escape of pollutant	Pollution incident at Port, Landfill/Waste to Energy Plant/ Airport	Possible (3)	Catastrophic (5) Permanent damage to SSSI, Multiple civil/ criminal actions/ litigation/ fine >£1m	High (15)	Regulations, safe systems of work, planed routine and reactive maintenance plans, booms, maximum quantities enforced, monitoring and reporting of all incidents.	Unlikely (2)	Catastrophic (5) Permanent damage to SSSI, Multiple civil/ criminal actions/ litigation	High (10)	Director of Infrastructure Services

Risk	Details	Resid-ual Likeli-hood	Residual impact	Residual Risk Rating and Current Risk profile	Current and planned Control Measure	Target Likeli-hood	Target Impact	Target Risk Rate	Lead Officer
							/ fine >£1m		

10. Living within our means

Risk	Details	Resid-ual Likeli-hood	Residual impact	Residual Risk Rating and Current Risk profile	Current and planned Control Measure	Target Likeli-hood	Target Impact	Target Risk Rate	Lead Officer
Loss of revenue/ income	Budget target is not delivered due to loss of income, uncontrolled spending or failure to deliver savings	Possible (3)	Significant (3) Financial loss/ increased cost of working £100k to £500k,	Medium (9)	Medium term Financial Plan is on track, budget control systems in place, restructure agreed and being implemented to help meet MTFP	Unlikely (2)	Significant (3) Financial loss/ increased cost of working £100k to £500k,	Medium (6)	Director of Infrastructure Services

High Operational Risks across Infrastructure Department

Airport									
Damage to vehicle, mobile plant and	Tingwall has vehicles, inc fire engine, aircraft, fuel bowser, pick-ups, etc, movement of freight takes place regularly. Passenger, staff and	Rare (1)	Catastrophic (5) Financial loss/ increased cost of working	High (5)	Safe systems of work including speed limit, signage and road markings, careful control of site/ contractors/ visitors/ passengers,	Rare (1)	Significant (3) Financial loss £100k to £500k,	Low (3)	Director of Infrastructure Services

equipment	contractor vehicles regularly manoeuvring in the area.		>£1m	High (5)			Litigation/ claim £50k to £250k	Low (green)	
Physical damage - People / Property - Other	Airport operate between thirty and fifty return flights per week	Rare (1)	Catastrophic (5)Death of several people, Financial loss/ increased cost of working >£1m	High (5)	Safe systems of work, trained staff, audit regime, CAA licence and inspections bi-annually	Rare (1)	Significant (3)	Low (3)	Director of Infrastructure Services
Professional Errors and Omissions	CAA licence mandatory	Rare (1)	Catastrophic (5) Financial loss/ increased cost of working >£1m	High (5)	Training, plan, reviews, revised procedures and systems	Rare (1)	Significant (3)	Low (3)	Director of Infrastructure Services
Terrorism/Activists	Tingwall airstrip is within 50 k of Europe's largest oil terminal, Sullom Voe	Rare (1)	Catastrophic (5) Death of several people, Total loss of a critical building, Impact on whole of Shetland	High (5)	Emergency procedures are part of the Aerodrome manual	Rare (1)	Significant (3)	Low (3)	Director of Infrastructure Services
Environmental - Other	Tingwall airport operates flights to five islands. Adverse weather conditions, fog, strong winds, snow can delay or prevent flights.	Almost certain (5)	Significant (3) Financial loss/ increased cost of working	High (10)	Flexible arrangements to fly outside timetable as weather window allows.	Likely (4)	Minor (2)	Medium (8)	Director of Infrastructure

			£100k to £500k	⬛				⬛	
Legal - Other	Transport Service has various legally appointed roles e.g. airport licence holders. Airport cannot fulfil ANSP licence holder requirements without key employees.	Possible (3)	Major (4) Impact on several communities	High (12)	Training has expanded staff capacity, resilience plan in place Additional staff trained	Rare (1)	Major (4) Impact on several communities	Low (4)	Director of Infrastructure Services

Estate Operations

Labour relations	Estate Ops has 59 FTE and has been restructured	Almost certain (5)	Major (4) Increased cost of working £100k to £500k	High(20)	Good communications with staff, systems for redeployment,	Possible (3)	Significant (3)	Medium (9)	Director of Infrastructure Services
Economic / Financial - Other	Increasing average energy costs are pushing up budgets, installation of alternatives required under spend to save, restricted amounts of money available, access to budget difficult, parameters are tight	Likely (4)	Significant (3) Increased cost of working £100k to £500k	High(12)	Energy management plans, changes to buildings to alter heating systems and improve energy efficiency	Possible (3)	Minor (2)	Medium (6)	Director of Infrastructure Services

Ports and Harbours

Escape of pollutant	Pollution incident from shore or operations, collision, grounding, uncontrolled release from vessels	Rare (1)	Catastrophic (5) Impact on the whole of Shetland, permanent environmental damage, Financial	High (5)	Safety Management System, Vessel Traffic Service, Compulsory pilotage, Qualified and competent staff, robust emergency response plan	Rare (1)	Catastrophic (5) Impact on the whole of Shetland, perman	High (5)	Director of Infrastructure Services

			loss/ increased cost of working >£1m	■			ent environ mental damage, Financia l loss/ increase d cost of working >£1m	■	
Loss of revenue income	Loss of income from downturn in business	Almost certain (5)	Major (4) Financial loss £500k to £1m	High (20)	Budget controls, monthly monitoring, ongoing attention to markets, working with customers to maintain demand	Possible (3)	Major (4) Financia l loss £500k to £1m	High (12)	Director of Infrastructure Services
Physical - People / Property - Other	Many ships/ vessels use the port, much of the larger area is of special interest or protected	Rare (1)	Catastrophic (5) Impact on the whole of Shetland, permanent environment al damage, Financial loss/ increased cost of working >£1m	High (5)	Safety Management System, Vessel Traffic Service, Compulsory pilotage, Qualified and competent staff, robust emergency response plan	Rare (1)	Catastro phic (5) Impact on the whole of Shetlan d, perman ent environ mental damage, Financia l loss/ increase d cost of working >£1m	High (5)	Director of Infrastructure Services

Environmental Services

Customer / Citizen - Other	Energy recovery plant is used to dispose of waste to meet statutory targets to divert from landfill, and to provide heat to SHEAP for district heating. Staffing, Maintenance, waste, key suppliers and customers are essential to the continued operation of the plant.	Possible (3)	Major (4) Impact on several communities,	High (12)	Waste Strategy developed	Unlikely (2)	Significant (3)	Medium (6)	Director of Infrastructure Services

apse performance networks

Building maintenance performance at a glance

Shetland Islands Council   6056

These pages show your authoriy's performance for each key performance indicator against the 2013/14 average performance of your family group. Whether your result has improved or not from 2012/13 is also shown. Icons are used to display this information and the idea of this report is that authorities can see 'at a glance' where improvements may need to be made. Where the box is blank, this indicates that there is no authority score available for this performance indicator. The key to the icons are displayed below each table.

Performance indicators	Performance in 2013-14	Improved since 2012-13? ^
PI 08a Productive labour costs as a percentage of total labour costs	🟢	▬
PI 10 Average value of work per operational full time employee	🔺	🔻
PI 14b Percentage of day to day jobs completed on time (excluding voids)	🔺	▬
PI 16a / 16d Staff absence (operational staff)	🔶	🔻
PI 06a Vehicles per operational employee	🟢	▬
PI 07a Average cost of vehicles	🟢	▬
PI 34 Emergency jobs as percentage of day to day maintenance jobs completed (excluding voids)	🟢	🔻
PI 09b Average value per job - direct contractors (non housing jobs)	🔺	🔻
PI 17 Quality assurance and consultation process	🟢	▬
PI 19 Human resources and people management process	🟢	▬

🟢	Performance for 2013-14 is better than the family group average
🔺	Performance for 2013-14 is within 25% of the family group average
🔶	Performance for 2013-14 is not as good as the family group average range above
🔺	Performance for 2013-14 has improved from the 2012-13 result
▬	Performance for 2013-14 is within 5% of the 2012-13 result
🔻	Performance for 2013-14 has detoriated from the 2012-13 result

^   Please note that the cost performance may be affected by inflation and this should be taken into account

Environmental Health performance indicator standings 2013/14 : whole service report

Name of authority
PIN

Shetland Islands Council
70027

Performance indicator	Number in service	Highest in service	Average for service	Lowest in service	Your output/score	Standing in service	Top quartile mark	Quartile achieved	Ten percentile mark
Key performance indicators									
PI 01 - Net cost of service per head of population	17	£18.00	£10.85	£6.52	£15.09	15	£8.99	4	£7.60
PI 02 - Inspection/operational staff cost per head of population	17	£11.34	£7.39	£4.46	£7.90	10	£5.52	3	£5.03
PI 03 - Total staff cost as a percentage of total Environmental Health expenditure	17	97.24%	73.97%	48.69%	69.54%				
PI 04 - Total transport cost as a percentage of total Environmental Health expenditure	17	4.44%	2.44%	0.03%	1.29%				
PI 05 - Environmental Health income as a percentage of Environmental Health expenditure	17	30.02%	11.80%	1.17%	27.49%	2	15.97%	1	23.74%
PI 06 - Customer satisfaction index	7	100.00%	86.68%	50.00%	100.00%	1			100.00%
PI 08 - Percentage staff absence (all staff)	3	2.83%	2.21%	1.30%					1.54%
PI 09 - Staff absence days per FTE – Scotland only	7	11.89	7.61	2.65					3.70
Food hygiene performance indicators									
PI 10 - Net cost of food hygiene service per head of population	14	£9.50	£3.69	£1.59	£9.50	14	£1.96	4	£1.69
PI 11 - Total number of category A, B and C premises per FTE	22	234.29	133.99	63.83	63.83	22	151	4	193
PI 12 - Total number of inspections (category A to E premises) per FTE	20	345.71	136.67	44.66	76.60	19	169	4	201
PI 13 - Number of Broadly Compliant Premises as a percentage of all premises	19	94.53%	88.40%	76.68%	91.17%	7	92.27%	2	94.04%
PI 14 - Percentage of food premises assessed and awarded a pass under FHIS	18	100.00%	84.03%	69.75%	78.07%	13	91.23%	3	96.00%
PI 16a - Number of other food hygiene complaints per 1,000 premises	22	373.07	74.78	10.40	373.07	22	24	4	20

Notes:

a. The authority will only be ranked in family group if it has shown an output / score within the set parameters for the performance indicator.

b. Quartile / percentile marks are only shown for those performance indicators for which there is a desirable achievement.

c. Quartile marks are only shown for those performance indicators for which there are a minimum of 8 outputs / scores within the set parameters.

Environmental Health performance indicator standings 2013/14 : whole service report

Name of authority
PIN

Shetland Islands Council
70027

Performance indicator	Number in service	Highest in service	Average for service	Lowest in service	Your output/score	Standing in service	Top quartile mark	Quartile achieved	Ten percentile mark
Food standards performance indicators									
PI 16b - Number of food standards complaints per 1,000 premises	20	349.40	41.16	0.00	15.87	12	7	3	6
PI 17 - Net cost of food standards service per head of population	8	£3.65	£1.44	£0.53	£2.20	7	£0.60	4	£0.56
PI 18 - Total number of category A and B premises per FTE	20	552.00	200.02	10.34	70.00	14	336	3	501
PI 19 - Total number of inspections (category A - C premises) per FTE	19	646.00	160.19	25.00	102.50	10	178	2	320
Health and safety performance indicators									
PI 20 - Net cost of health and safety service per head of population	8	£1.89	£0.88	£0.27	£0.27	1	£0.68	1	£0.37
PI 21 - Total number of premises per FTE	5	707.43	569.12	439.20					697
PI 22 - Number of Proactive Premise Inspections as a percentage of total premises within jurisdiction	11	8.13%	1.82%	0.07%					
PI 23 - Number of Topic interventions as a percentage of total premises within jurisdiction	19	26.55%	10.22%	0.82%	1.94%	18	15.05%	4	23.57%
Public Health (excluding Housing) enforcement performance indicators									
PI 24 - Net cost of public health (excluding housing) enforcement service per head of population	12	£10.65	£3.09	£0.08	£4.35	10	£1.30	4	£0.54
PI 25 - Number of service requests per FTE (public health)	14	435.50	264.70	138.75	138.75				
PI 27 - Percentage of service requests completed within 20 working days	12	100.00%	77.42%	50.60%	72.97%	7	97.52%	3	99.24%
PI 28 - Average time (days) for completion of a service request	12	45.00	14.43	2.10	10.90	7	6	3	3
Noise performance indicators									
PI 29 - Net cost of noise service per head of population (excluding ASB)	8	£5.48	£1.26	£0.08	£5.48	8	£0.45	4	£0.29
PI 34 - Average time (hours) between time of complaint and attendance on site, for those requiring attendance (under part 5)	9	0.81	0.56	0.30			0.40		0.38

CAA Phase 2 SMS Evaluation Tool

Organisation:	Approval Reference (s):
Shetland Islands Council	

Name and Signature:	Position:
Mrs Maggie Sandison	Director – Infrastructure Services

SMS Manual Revision:	Date of signing:
Tingwall Aerodrome Manual Issue 6 (effective from 01/01/2014)	October 2014

To be completed and signed for by the Safety Manager or Accountable Manager

For CAA use only

CAA Staff: Name and Dept:	Tommy Murney Aerodrome Inspector (RFF) Aerodrome Standards AAA	John Muir Aerodrome Inspector (Ops) Aerodrome Standards AAA	Ray Woods Air Traffic Inspector (Eng) AAA	Colin Hicks Air Traffic Inspector (Ops) AAA
Date of assessment:	4th November 2014		1st July 2015	

Version 4

SMS Evaluation Tool Instructions for use

This Tool evaluates the effectiveness of the SMS at 3 different levels based on the ICAO SMS Framework. An introductory paragraph from the ICAO SMS Framework is given for each element along with a cross reference to the EASA Management System requirements. For each of the 12 elements of the ICAO Framework there are a series of 'compliance + performance' and 'excellence and best practice' markers that are assessed for their presence, suitability, operating and being effective using the definitions below. The organisation should use the 'how it is achieved box' to describe how they have achieved the PSO or E level for the marker citing any evidence or examples to support their assessment. Once the individual markers are assessed by the organisation the CAA will then sample and verify each marker and assess the overall effectiveness assessment of each ICAO SMS element. The overall effectiveness for each element will be used by the CAA to determine the overall level of the SMS maturity and effectiveness using the Evaluation Summary matrix.

PSOE Definitions for individual markers (assessed and completed initially by organisation and verified by CAA)
Present
There is evidence that the 'marker' is clearly visible and is documented within the organisation's SMS Documentation.

Suitable
The marker is suitable based on the size, nature, complexity and the inherent risk in the activity

Operating
There is evidence that the marker is in use and an output is being produced

Effective
There is evidence that the element or component is effectively achieving the desired outcome

Key Element Definitions (assessed and completed by CAA)
Effectiveness Not Achieved
The overall effectiveness of that element has not been achieved
Effectiveness Achieved
All compliance + performance markers are at least operating and the overall effectiveness for that element, as described, is achieved
Signs of Excellence
Effectiveness is achieved as above and up to half of the excellence and best practices markers are at least operating
Excellence
Effectiveness is achieved as above and at least half of the excellence and best practices markers are effective

Completing the self assessment : Organisations should assess each marker to determine whether it is present, suitable, operating or effective by placing a tick in the appropriate PSOE column and then justifying that determination in the 'how its is achieved' column . The CAA will complete the rest of the document.

The Shaded markers reflect the organisation's safety culture

1.0 SAFETY RISK MANAGEMENT **Note:** Where the assessor has scored a compliance and performance marker that differs from the organisation assessment, the assessor amendments are recorded by a contrasting coloured cell and supporting comment.

X

1.1 HAZARD IDENTIFICATION OR*.GEN.200 (a) (3)

The organisation shall develop and maintain a formal process that ensures that aviation safety hazards are identified. This should include the investigation of incidents and accidents to identify potential hazards. Hazard identification shall be based on a combination of reactive, proactive and predictive methods of safety data collection.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
1.1.1	The organisation has a reporting system to captures errors, hazards and near misses that is simple to use and accessible to all staff.			x	✓	The Local Authority's PIN recording system. Weekly meetings where safety issues are an agenda item and minutes demonstrate actions taken. MOR reports.	Evidence was gathered from various manual paper based and electronic records and it is evident that this process is in hand through reporting on the SIC 'PIN' system and other issues for items as the hangar doors and Direct flight operations were discussed from the minutes and notes of the Weekly Safety Meeting and the quarterly Operations meetings. Based on this we assessed the marker to be at the 'Operating' level.
1.1.2	The organisation has proactively identified all the major hazards and assessed the risks related to its current activities.				✓	Local Authority's Risk Register / Hazard Log.	This marker is agreed as evidence from the department risk register and hazard log that was reviewed along with quarterly reporting to the Council allows the 'Effective' marker. 10/07/15 RW: Corporate Risk Register (JCAD) examined.
1.1.3	The safety reporting system provides feedback to the reporter of any actions taken (or not taken) and, where appropriate, to the rest of the organisation.				✓	Safety meeting minutes read by all staff.	Marker agreed as the Defect reporting/PIN system allows the reporter to track and see the item closure. This si also discussed at the weekly meetings.

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1.1.4	Safety investigations are carried out to identify underlying causes and potential hazards for existing and future operations.		✓	x		MOR reporting.	This marker is believed to be at the 'Operating' level based on the evidence presented on specific incidents such as the sheep on the runway on the 20 August and September incidents. It was also ascertained that this matter should not only refer to MOR's as quoted in the assessment.
1.1.5	Safety reports are acted on in a timely manner.			✓		Safety meeting minutes.	Marker agreed, however there were no specific incident relating to the airport. The Inspectors were advised that the Council's H&S Manager would carry out investigations. The Inspectors have suggested a flow chart be implemented to give guidance on the process for investigations.
1.1.6	Hazard identification is an ongoing process and involves all key personnel and appropriate stakeholders.				✓	Safety related issues are included on the agendas of Weekly meetings and Operational Meetings.	Agree with the marker as the information provided by the airport management team indicates that this is an ongoing topic even for such a small operation. 10/07/15 RW: Staff indicated involvement in brainstorming & regular corporate review.
1.1.7	Personnel responsible for investigating reports are trained in investigation techniques.		✓			Suitably qualified and experienced staff within the Authorities Safety & Risk Section.	The Inspectors were advised that the H&S Manager is fully trained and there are plans to have other trained to meet this requirement.
1.1.8C	Investigations establish causal/contributing factors (why it happened, not just what happened)		✓			MOR reporting	See 1.1.4 as the damage to the Hanger doors was an excellent example of an incident which may not be MOR'd but dealt with by the PIN system. The Inspectors advised the potential for an SOP

			P	S	O	E	How it is achieved	CAA Remarks
								in this area.
1.1.9C	Personnel express confidence and trust in the organisations reporting policy.			✓	x		Management meetings – no concerns raised.	This marker was agreed as being in the 'Operating' area as communications and relatiuonships are at a level that is considered to be good and possible signs of 'Just Culture' being used.
1.1.10	Human performance related hazards are being identified.				✓		Example: Passenger handling issues resolved with training.	This marker discussed and agreed, guidance as per CAP 642 being used, however no formal training completed but all staff aware of the requirement. 10/07/15 RW: Leaking fire appliance radiator and reluctance to report became a HF discussion point.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
1.1.11C	There is an active reporting system indicated by reporting levels of more than 1 report per employee per year.			✓			
1.1.12C	Safety Reports include the reporter's own errors and events that the reporter would not normally report (events where no-one was watching)	✓					
1.1.13	The reporting system empowers personnel to propose preventative and corrective actions.			✓		Weekly meetings include Safety as an agenda item.	
1.1.14C	The reporting system is actively used throughout the organisation.			✓		PIN forms used.	
1.1.15	The reporting system is available to contracted organisations and customers to make reports.			✓		Defect reporting system.	

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| 1.1.16 | There is a process in place to analyse safety data to look for trends and gain useable management information. | ✓ | | | | |

1.1 EFFECTIVENESS is achieved when aviation safety hazards are being identified and reported throughout the organization. Hazards are captured in a hazard register and assessed in a systematic and timely manner.	Effectiveness Not Achieved		CAA REMARKS
	Effectiveness Achieved	▓	The Inspectors believe that the airport has reached the effectiveness marker but as always through continuous improvement their systems will mature.
	Signs of Excellence		
	Excellence		

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1.2   RISK ASSESSMENT AND MITIGATION OR*.GEN.200 (a) (3)

The organisation shall develop and maintain formal process that ensures analysis, assessment and control of safety risks in operations to an acceptable level.

	COMPLIANCE + PERFORMANCE MARKERS	P	S	O	E	How it is achieved	CAA Remarks
1.2.1	There is a structured process for the management of risk that includes the assessment of risk associated with identified hazards, expressed in terms of likelihood and severity			✓	✓	Hazard Identification as detailed in the Aerodrome Manual, Part 5, Section 7.	Agree with the marker as the hazard log and risk assessment methodology is developing and some good examples were evident. This will improve through time. The Inspectors have suggested that the management now include the 'Just Culture' philosophy as part of the overall process. 10/07/2015 CH: Risk management is inclusive & includes accountable manager (sign off), airport manager, team leader -transport ops, AFISOs, fire-fighters, Directflight Ltd (based operator) when necessary.
1.2.2	There are criteria for evaluating the level of risk the organisation is willing to accept and risk assessments and ratings are appropriately justified.			✓		Risk Register.	Department and Strategic risks were reviewed and a specific example (AT7) for the Visual Control Room was discussed for tolerance and risk appetite. The top 5 were also discussed however there is a need to review and quality manage the numbering system for the registers. CH 10/07/15: SMS refers. Acceptable, Review, Not acceptable criteria are related to risk tolerability matrix. Use is also made of a list containing possible

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		P	S	O	E	How it is achieved	CAA Remarks
							mitigations that might be appropriate to a particular risk.
1.2.3	The organisation has risk control strategies that deliver effective and robust mitigations and controls and where applicable corrective action.			✓		Shetland Islands Council's Corporate Risk Log and Directorate Plan.	Marker agreed, after viewing the Infrastructure Directorate Plans and Corporate Risk Register.
1.2.4	Corrective actions resulting from the risk assessment, including timelines and allocation of responsibilities are documented.			✓		Aerodrome Manual, part 5.	Marker agreed as evidence of assessment through the review meetings and ongoing assessment process. A review of the current Green/Amber risks may be beneficial.
1.2.5	Risk management is embedded in day to day activities and routinely applied in decision making processes.			✓		Change Management Process.	Marker agreed as this process appears to be working well and maturing as the registers are updated. 10/07/15 RW: No change CH: Evidence through 12 change management forms in 2014, and 3 so far in 2015.
1.2.6	Senior management have visibility of medium and high risk hazards and their mitigation and controls.			✓		Attendance at weekly / operational meetings	Quarterly advice and notice to the Senior Management team to review and assess their red risks in the specific areas is carried out. 10/07/15 RW: Evident from Director of Infrastructure attending weekly meetings.
1.2.7	The CAA significant 7 are being considered and addressed as appropriate. (Refer to risk picture spreadsheet)			✓		Risk Register / Hazard Log.	The marker is agreed as evidence of the 'Significant 7' is being adopted and reviewed and contained in the risk registers. It was suggested that a review of the titles for the risks be review to align with the 'Sig 7'. 10/07/15 RW: Discussed, not all relevant. Attempts to promote
EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	**How it is achieved**	**CAA Remarks**

1.2.8	There is evidence that risks are being managed to as low as reasonably practical			✓	Risk register / Hazard Log and Operational Risk Assessments	10/07/2015 CH: risk register reviewed & mitigations appear to be practically achieved.
1.2.9	The organisation uses its risks management results to develop best practice guidelines that it shares with the industry.	✓				
1.2.10	The risk management processes are reviewed and improved on a periodic basis			✓	Risk register / Hazard Log and Operational Risk Assessments. Performance reports and JCAD System reports.	

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1.2 EFFECTIVENESS is achieved when the organisation understands and is managing its most significant safety risks through a formal process that ensures analysis, assessment and control of the safety risks in operations to an acceptable level.	Effectiveness Not Achieved		CAA REMARKS
	Effectiveness Achieved	▓	The Inspectors believe the Airport is operating in the effective area, however similar to the previous remarks this will continue to improve as the system matures.
	Signs of Excellence		
	Excellence		

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2.0   SAFETY ASSURANCE

2.1   SAFETY PERFORMANCE MONITORING AND MEASUREMENT OR*GEN.200 (a) (3)

The organisation shall develop and maintain the means to verify the safety performance of the organisation and to validate the effectiveness of safety risks controls. The safety performance of the organisation shall be verified in reference to the safety performance indicators and safety performance targets of the SMS.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
2.1.1	Safety objectives have been established that are specific, measurable, agreed to, relevant and time-based.			✓		Safety meetings. Quarterly performance reports.	Marker agreed as there are signs of this being on their 'Intranet', the Infrastructure Directorate Plan, PIN forms and annual safety audits indicate evidence. 10/07/15 RW: Excellent progress made developing and promoting Safety Objectives
2.1.2	Safety performance indicators have been defined, promulgated and are being monitored and analysed for trends.			✓		Safety meetings. Quarterly performance reports.	As above in 2.1.1; 10/07/15 RW: Excellent progress made developing SPIs based on the Objectives.
2.1.3	Safety performance indicators are linked to the organisation's safety objectives and reflect state safety risks and the related precursors where appropriate.			✓		Weekly / Operational & Safety meetings.	Marker agreed, based on evidence of safety meeting notes and minutes, however SPI's continue to be monitored and improved. 10/07/15 RW: Excellent progress made developing SPIs based on the Objectives. SPIs are of a leading nature.
2.1.4	Risk mitigations and controls are being verified / audited to confirm they are working and effective.			✓		Risk register, Hazard Log. Safety meetings.	Evidence viewed on the 'JCAD' system and supported by quarterly meetings and reviews. 10/07/15 RW: Excellent progress made developing an audit schedule.

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2.1.5	Safety audits and surveys are carried out that focus on the safety performance of the organisation and its services and assess normal operations.	x		✓	Daily checks / Management / OIC inspections / monitoring.	Marker was considered to be higher than anticipated by the operations team at the airport due to the fact that safety audits were limited to the H&S Manager and supported by monthly airport management visits and audits which could be improved on. 10/07/15 RW: Excellent progress made developing and audit schedule flexible to emerging risks.
2.1.6	Safety objectives and performance indicators are reviewed and updated periodically and are considered in resource allocation.			✓	Safety meetings. Quarterly performance reports.	Marker agreed and evidence at Strategic level was present but could be enhanced at airport level. Awareness is raised by the senior airport management team. 10/07/15 RW: Excellent progress made with airport staff collating & tabulating SPI statistics
2.1.7	Safety Assurance and Compliance Monitoring activities feed back into the hazard identification and risk management process.			✓	Daily checks, management monitoring and safety meetings.	Marker agreed due to the evidence presented in earlier pillars during assessment. 10/07/15 RW: SPI reporting and Just Culture boxes coupled to weekly meetings encouraging reporting of concerns shows improvement here.
2.1.8	Safety assurance takes into account activities carried out in all directly contracted organisations.			✓	Weekly meetings.	Marker agreed due to evidence provided on term contractors such as Ness Engineering and HIAL on runway friction measurement. 10/07/15 RW: Reported collation of CVs and statements from 3rd parties now in place.

| 2.1.9 | The organisation is monitoring its current, future and third party safety risks and is taking action to address unacceptable safety risks | | | ✓ | Weekly meetings. | Marker was agreed; however discussions revealed that this could be enhanced by the introduction of ASAT's to the wider airport audience such as DFL (Direct Flight Limited). 10/07/15 RW: Operational meetings; Aerodrome Safety Meetings and Tingwall Airport Safety Meeting all cited. |

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
2.1.10	When establishing and reviewing objectives and performance indicators, the organisation considers:-hazards and risks; financial, operational and business requirements; view of interested parties.	✓				Weekly / safety meetings	
2.1.11	Safety objectives and performance indicators encompass all areas of the organisation	✓					
2.1.12	Performance measurements have been defined for serious safety risks identified on the safety risk profile.	✓					
2.1.13	Personnel at all levels are aware of the safety performance measurements in their areas of responsibility and the results of performance measurements are transmitted to them.	✓					
2.1.14	The organisation uses a combination of leading and lagging indicators to measure the safety performance of the organsiation	✓				Safety meetings	

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2.1 EFFECTIVENESS is achieved when the organisation has developed a series of safety performance indicators that are appropriate to the type of operation. There is a means to measure and monitor trends and take appropriate action when necessary.	Effectiveness Not Achieved		CAA REMARKS
	Effectiveness Achieved		10/07/15 RW: Good progress has been made since the last assessment to achieve effectiveness.
	Signs of Excellence		

	Excellence		

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2.2 THE MANAGEMENT OF CHANGE OR*GEN.200 (a) (3)

The organisation shall develop and maintain a formal process to identify changes within the organisation and its operation, which may affect established processes and services, to describe the arrangements to ensure safety performance before implementing changes, and to eliminate or modify safety risk controls that are no longer needed or effective due to changes in the operational environment.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
2.2.1	The organisation has established a process and conducts formal hazard analyses/risk assessment for major operational changes, major organisational changes and changes in key personnel.			✓	✓	Change Management system	Marker agree due to evidence provided, an example is the hazard log and risk assessment utilised for the process involved in new staff appointments (Ref number 2014/5. This is documented in the aerodrome manual Section 5 Para 4.1. 10/07/2015 CH: Marker revised following audit of change management processes for changes to AFISO rota & new Iveco RFS appliance.
2.2.2	Safety Case/Risk assessments are aviation safety focused.			✓		Adherence to the process as defined in the CAP	Limited information here and generally adhere to the guidance in CAP 791/670 although not mentioned as the CAP's used.
2.2.3	Key stakeholders are involved in the change management process			✓	✓	Adherence to the process as defined in the CAP	Confirmed as part of the process evidence based on documents relating to water needs analysis and ATE maintenance on equipment with the term contractor. 10/07/2015 CH: Change management involves accountable manager (sign off), airport manager, team leader - transport operations, AFISOs, fire-fighters, Directflight Ltd (based operator) if appropriate.

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2.2.4	During the change management process previous risk assessments and existing hazards are reviewed for possible effect.	✓				Change Management System. Adherence to the process as defined in the CAP	Example viewed was CM-RA-05-2014 Staff rota changes, is to be sent to the Inspectors as evidence.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
2.2.5	Validation of the safety performance after organisational and operational changes have taken place to assure assumptions remain valid and the change was effective	✓				Change Management system	
2.2.6	All organisational and operational changes are subject to the change management process	✓				Change Management system	
2.2.7	Safety accountabilities, authorities and responsibilities are reviewed as part of the change.	✓				Change Management system	
2.2.8	Safety cases and risk assessments are reviewed regularly to ensure they remain appropriate and effective	✓		✓		Change Management system	10/07/2015 CH: Risk assessments reviewed with interval dependent on risk rating. Includes new risks derived from Just Culture programme output.

For CAA use only

2.2	EFFECTIVENESS is achieved when the organisation uses the safety risk management system to proactively assess all major changes to the organisation and its operations.	Effectiveness Not Achieved		CAA REMARKS
		Effectiveness Achieved	▓	As the majority of markers are operating it is felt that due to the size of the organisation effectiveness is achieved.
		Signs of Excellence		
		Excellence		

2.3   CONTINUOUS IMPROVEMENT OF THE SMS OR*.GEN.200 (a) (3)

The organisation shall develop and maintain a formal process to identify the causes of substandard performance of the SMS, determine the implications of substandard performance of the SMS, determine substandard performance in operations, and eliminate or mitigate such causes.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
2.3.1	The Safety Review Board or equivalent has the necessary authority to make decisions related to the improvement and effectiveness of the SMS.			✓		Accountable manager attends Safety / weekly meetings	Agreed with marker based on the evidence provided throughout the assessment.
2.3.2	The SMS is periodically reviewed for improvements in safety performance.			✓		Internal Audits Accountable manager attends Safety / weekly meetings	Marker agreed evidence from H&S Manager's audit and viewing of master risk register sheet which needs updating to include sign off when the risks are completed and reviewed. Confirmation that AOI's and TI's are included in the aerodrome manual update is required.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
2.3.3	There is evidence of continuous improvement of the SMS			✓		Management System reviews	
2.3.4	Evidence of lessons learnt are incorporated into the policy and procedures.			✓		Example: Enhanced aviation fuel handling training introduced following Audit comments.	
2.3.5	The organisation benchmarks its SMS against other organisations and is an active promoter of SMS within the aviation industry	✓				Regular dialogue with other airports.	
2.3.6C	Best practice is sought and embraced.	✓				Aerodrome Manual – Part 5.	
2.3.7C	Surveys and assessments of organisational culture are carried out regularly and acted upon.	✓				Regularly occur throughout the Local Authority.	
2.3.8	For safety related services the organisation requires contracted organisations to have an SMS			✓		Contract requirements – scheduled flight operator and main maintenance provider. Permit to Work system.	
2.3.9	For safety related services the SMS of the contracted organisation is interactive with that of the contracting organisation.			✓		Permit to work system. Aerodrome familiarisation /	

| | | | | | inductions. | |

2.3 **EFFECTIVENESS** is achieved when the organisation routinely monitors the SMS performance to identify potential areas of improvement and the outcomes of this process lead to improvements to the safety management system.	**Effectiveness Not Achieved**		**CAA REMARKS**
	Effectiveness Achieved	▓	**Based on the evidence and size of operation this is considered to be effective.**
	Signs of Excellence		
	Excellence		

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3.0 SAFETY POLICY AND OBJECTIVES

3.1 MANAGEMENT COMMITMENT AND RESPONSIBILITY OR*.GEN.200 (a) (2)

The organisation should define its safety policy which should be in accordance with international and national requirements, and which shall be signed by the Accountable Manager of the organisation. The safety policy should reflect organisational commitments regarding safety, including a clear statement about the provision of the necessary human and financial resources for its implementation and be communicated, with visible endorsement, throughout the organisation. The safety policy should include the safety reporting procedures and clearly indicate which types of behaviours are unacceptable and shall include the conditions under which disciplinary action would not apply. The safety policy should be periodically reviewed to ensure its remains relevant and appropriate to the organisation.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.1.1	There is a safety policy that includes a commitment towards achieving the highest safety standards signed by the Accountable Manager			✓		Aerodrome Manual – Part 5. Weekly meetings attended by Accountable manager.	Marker agreed, the Infrastructure Directorate Plan is the strategic document which drives the process. However, the Inspectors have suggested that whilst safety is apparent it would be prudent to review and adopt the term 'Just Culture' throughout the aerodrome manual and associated documents.
3.1.2	The organisation has a safety management system, that interfaces with other management system functions (eg compliance monitoring, finance etc)			✓		Training programmes. Safety meetings.	Agreed as detailed in 3.1.1 above.
3.1.3	The Accountable Manager and the senior management team promote and demonstrate their commitment to the Safety Policy through active and visible participation in the safety management system.			✓		Weekly / Safety meetings chaired by Accountable manager.	Agreed as detailed in 3.1.1 above
3.1.4	The safety policy is communicated to all employees (including contract staff) with the intent that they are made aware of their individual contributions and obligations with regard to Safety.			✓		Aerodrome Manual – Part 5.	Marker agreed, however the introduction of Airside Safety Awareness Training to the wider airport audience and third parties would be beneficial to ensure 'Just culture' awareness continues.
3.1.5	The safety policy includes a commitment to continuous improvement, observe all applicable legal requirements, standards			✓		Aerodrome Manual – Part 5.	Marker agreed as detailed in 3.1.1 above and the main policy is

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						How it is achieved	CAA Remarks
	and best practice providing appropriate resources and defining safety as a primary responsibility of all Managers.						adjusted to include the 'Just culture' philosophy.
3.1.6C	The safety policy actively encourages safety reporting		✓			Aerodrome Manual – Part 5.	As detailed in 3.1.5
3.1.7	The safety policy is reviewed periodically to ensure it remains current		✓			Aerodrome Manual – Part 5.	Annual review is carried out.
3.1.8C	A Just Culture policy has been defined that clearly identifies the conditions under which punitive action would be considered (e.g. illegal activity, negligence or wilful misconduct)		✓			Aerodrome Manual – Part 5.	See 3.1.5 above.
3.1.9C	There is evidence of decision making, actions and behaviours that reflect a positive safety culture.		✓			Aerodrome Manual – Part 5.	Marker agreed as evidence appears to be documented in various manuals and documents.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.1.10	Personnel at all levels are involved in the establishment and maintenance of the safety management system.			✓		All personnel attend regular safety meetings.	
3.1.11	There is one safety policy used throughout the organisation and it is implemented at all levels of the organisation.			✓		Aerodrome Manual – Part 5.	
3.1.12	The safety policy is clearly visible, or available, to all personnel (including significant contracted organisations) and is included in key documentation and communication media			✓		Aerodrome Manual – Part 5.	
3.1.13	Safety policy objectives drive the organisation's goals and mission statements			✓		Aerodrome Manual – Part 5.	
3.1.14	The organisation regularly verifies that personnel throughout the organisation are familiar with and have understood the policy and its message.			✓		Weekly meetings	
3.1.15	The Accountable Manager demonstrates their commitment by attending significant safety conferences.			✓		Safety meetings / Departmental Safety meetings.	
3.1.16C	The Just culture policy is endorsed by management and staff representatives			✓		Aerodrome Manual – Part 5.	

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3.1 **EFFECTIVENESS** is achieved when the organisation has defined its safety policy that clearly states its intentions, safety objectives and philosophies and there is visible evidence of safety leadership and	Effectiveness Not Achieved		CAA REMARKS
	Effectiveness Achieved		Effectiveness is achieved, however this will improve as the

| management 'walking the talk' and demonstrating by example. | Signs of Excellence | | reporting and just culture becomes more mature. |
| | Excellence | | |

3.2   SAFETY ACCOUNTABILITIES OR*.GEN.210 (a) and (b)

The organisation shall identify the accountable executive who, irrespective of other functions, shall have ultimate responsibility and accountability, on behalf of the organisation, for the implementation and maintenance of the SMS. The organisation shall also identify the safety accountabilities of all members of senior management, irrespective of other functions, as well as employees, with respect to the safety performance of the SMS. Safety responsibilities, accountabilities and authorities shall be documented and communicated throughout the organisation, and shall include a definition of the levels of management with authority to make decisions regarding safety risk tolerability.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.2.1	An Accountable Manager has been appointed with full responsibility and ultimate accountability for the SMS to ensure it is properly implemented and performing effectively.			✓		Aerodrome Manual – Part 5.	Marker agreed as detail in aerodrome manual and Infrastructure Directorate Plan.
3.2.2	The Accountable Manager has control of the financial and human resources required for the implementation of an effective SMS			✓		Aerodrome Manual – Part 5.	Marker agreed due to discussions and detailed as above in 3.2.1 above. 01/07/15 RW: Agreed after discussion with the Director of Infrastructure (Accountable Manager).
3.2.3	The Accountable Manager is fully aware of their SMS roles and responsibilities in respect of the safety policy, safety standards and safety culture of the organisation.			✓		Aerodrome Manual – Part 5.	As detailed in 3.2.1 above.
3.2.4	Safety accountabilities, authorities and responsibilities are defined and documented throughout the organisation.			✓		Aerodrome Manual – Part 5.	Marker agreed and fully documented in the aerodrome manual.
3.2.5	Staff at all levels are aware of and understand their safety accountabilities, authorities and responsibilities regarding all safety management processes, decisions and actions.			✓		Aerodrome Manual – Part 5.	Marker agreed, all SA&R's are signed and agreed by the appropriate staff and reviewed as required. 01/07/15 RW: Corroborated
3.2.6C	Safety management is shared across the organisation (and is not just the responsibility of the Safety Manager and his/her team)			✓		Aerodrome Manual – Part 5.	Example viewed – Fiona Johnston to the CEO was discussed and agreed.

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| 3.2.7 | There are documented management organisational diagrams and job descriptions for all personnel. | | | ✓ | | Aerodrome Manual – Part 5. | Marker agreed, aerodrome manual and IDP detail organograms. 01/07/15 RW: Corroborated |

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.2.8	There is evidence of employee involvement and consultation in the establishment and operation of the SMS.			✓		Attendance at regular safety meetings.	
3.2.9C	There is evidence that safety management system principles have penetrated all levels of the organisation and safety is part of the everyday language.			✓		Attendance at regular safety meetings.	
3.2.10	Safety accountabilities throughout the organisation are clearly documented and individuals sign for their accountabilities.			✓		Aerodrome Manual – Part 5.	
3.2.11	Key safety activities are clearly described in senior management duties and responsibilities are incorporated into personnel performance targets.			✓		Aerodrome Manual – Part 5.	
3.2.12	Management rewards positive safety behaviours and contributions			✓		Weekly meetings.	

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3.2 EFFECTIVENESS is achieved when there are clear lines of safety accountabilities throughout the organisation including an accountable person who has ultimate accountability for the SMS and the Accountable Manager and management team fully understand the risks faced by the organisation.	Effectiveness Not Achieved		CAA REMARKS
	Effectiveness Achieved	▓	**Considered to be operating in the effective area.**
	Signs of Excellence		
	Excellence		

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3.3 APPOINTMENT OF KEY PERSONNEL OR*.GEN.210(b)

The organisation shall identify a safety manager to be the responsible individual and focal point for the implementation and maintenance of an effective SMS. In addition the safety committees that support the Accountable Manager and the Safety Manager in delivering an effective SMS should be defined and documented.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.3.1	A competent person with the appropriate knowledge, skills and experience has been nominated to manage the operation of the SMS and fulfils the required job functions and responsibilities.			✓		Role fulfilled by the Accountable manager and Airport manger	Marker agreed, evidence provided in aerodrome manual and training records.
3.3.2	There is a direct reporting line between the Safety Manager and the Accountable Manager.			✓		Structure as detailed in Aerodrome Manual – Part 5. Attendance at weekly / Safety meetings.	Marker agreed, however the organogram could be improved to show the direct link to Fiona Johnston and appropriate senior manager (MS). 01/07/15 RW: Reviewed.
3.3.3	The organisation has allocated sufficient resources to manage the SMS including, but not limited to, manpower for safety investigation, analysis, auditing and promotion.	✓			✓	Weekly / Safety meetings. Departmental Safety meetings	As detailed in 3.3.2 above. 10/07/2015 CH: Evidence for re-grading through internal audits of SMS by Ferries Manager in past, which is to continue under new auditor. Two AFISOs trained in accident investigation though not specific to aerodrome operation. 'Tingwall Times' newsletter Issue 1 published recently.
3.3.4	Staff in key safety roles are kept current through additional training and attendance at conferences and seminars.			✓	✓	Accountable manager - CAA training	Marker agreed and A/C Manager has attended the CAAi Accountable Manager Course. 10/07/2015 CH: Fiona Farquhar booked on CAAi SMS course in Oct 2015. Recurrent specialist training contracted through external organisations (HIAL for RFS, independent AFISO training).

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| 3.3.5 | The organisation has established a structured safety committee or board, appropriate for the size and complexity of the organisation, consisting of a full range of senior management representatives. | | | ✓ | | Local Authority Safety Committee, Central Safety Committee and Departmental Safety meetings. | Evidence and discussion has provided information that the SMS is cascaded to the various committees and forums for the airport and council. |

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.3.6	The Safety Review Board or its equivalent monitors the safety performance of the operations and the effectiveness of the SMS and is normally chaired by the accountable executive.			✓		Safety meetings. Departmental Safety meetings.	
3.3.7	The person (s) responsible for managing and maintaining the SMS is/are given appropriate status in the organisation reflecting the importance of the safety role within the organisation and is independent of line management..			✓		Structure as detailed in Aerodrome manual – Part 5.	
3.3.8	Safety committees include stakeholders and significant contracted organisations.			✓		Attendance / Minutes of Safety meetings.	
3.3.9	Safety committees are focused on safety issues and attendees are actively encouraged to participate.			✓		Attendance / Minutes of Safety meetings.	

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3.3 EFFECTIVENESS is achieved when the SMS is facilitated by the responsible individual and there is a safety structure of key personnel from the various operational areas of the organisation. Business area heads are actively engaged in the safety management system.	Effectiveness Not Achieved		CAA REMARKS The discussions and evidence presented enables the effectiveness marker to be achieved in this section.
	Effectiveness Achieved	▓	
	Signs of Excellence		
	Excellence		

3.4   CO-ORDINATION OF EMERGENCY RESPONSE PLANNING AMC1-OR*.GEN.200(a)(3)

The organisation shall ensure that an emergency response plan that provides for the orderly and efficient transition from normal to emergency operations and the return to normal operations is properly coordinated with the emergency response plans of those organisations it must interface with during the provision of its service.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.4.1	An emergency response plan that reflects the size, nature and complexity of the operation has been developed and defines the procedures, roles, responsibilities and actions of the various organisations and key personnel.			✓		Aerodrome manual – Part 6.	The aerodrome emergency orders are contained within Part 6 of the Aerodrome Manual and are commensurate with the size of aerodrome. Recent amendment incorporate the introduction of and single police force (Police Scotland and a single Fire Service (Scottish Fire and Rescue Service)
3.4.2	The organisation has a process to communicate and distribute the ERP procedures and key personnel have easy access to the ERP at all times.			✓		Aerodrome manual – Part 6. Training programme.	The emergency response plan is an agenda item discussed at during the emergency planning meeting. (Recent minutes viewed). Copies of the document can be distributed as part of the aerodrome manual review and update. Return receipts were viewed during this audit.
3.4.3	The ERP is periodically tested for the adequacy of the plan and the results reviewed to improve its effectiveness			✓		Reports from tabletop and live exercises.	The plan was tested by way of a table top exercise followed by a live exercise (Islander 2) held at Tingwall airport on 9th September 2014. The exercise was well represented and included the agencies normally expected to attend an incident at Tingwall airport. Both a 'hot' and 'cold' debrief have been undertaken. A final report has been published

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							which records all the learning outcomes and actions.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.4.4	The organisation has Memorandums of Understanding (MoUs) or agreements with other organisations for mutual aid and the provision of emergency services.			✓		The provisions of the Civil Contingencies Act	
3.4.5	The organisation has implemented Critical Incident Stress Management for its staff	✓				Facilities provided.	

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3.4 **EFFECTIVENESS** is achieved when the organisation has an emergency response plan that is appropriate to the organisation and is regularly tested and updated including coordination with other organisations as appropriate.	**Effectiveness Not Achieved**		**CAA REMARKS** **The discussions and evidence presented enables the effectiveness marker to be achieved in this section.**
	Effectiveness Achieved		
	Signs of Excellence		
	Excellence		

3.5   SMS DOCUMENTATION OR*GEN.200(a) (5)

The organisation shall develop and maintain SMS documentation describing the safety policy and objectives, the SMS requirements, the SMS processes and procedures, the accountabilities, responsibilities and authorities for processes and procedures, and the SMS outputs. The organisation shall incorporate the SMS documentation into its existing organisation documentation, or shall develop and maintain a safety management system manual (SMSM) to communicate its approach to the management of safety throughout the organisation.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.5.1	There is documentation that describes the safety management system and the interrelationships between all of its elements.			✓		Aerodrome manual – Part 5.	Marker agreed due to evidence presented in the documentation and discussions throughout the assessment.
3.5.2	SMS documentation, including SMS related records, are regularly reviewed and updated with appropriate version control in place			✓	✓	Aerodrome manual – Part 5.	As detailed in 3.5.1 above. 10/07/2015 CH: Evidence for scoring is through annual re-issue of MAFIS & Aerodrome Manual, which includes SMS. Acc Mgr plans to move to continuous review of SMS. Read & sign process ensures awareness by staff.
3.5.3	SMS documentation is readily available to all personnel			✓	✓	Aerodrome manual – Part 5.	As detailed in 3.5.1 above. 10/07/2015 CH: SMS available to all staff. Amendments issued with read and sign to ensure awareness. Aerodrome Manual (incorporating SMS) is distributed to airport AOC holder and neighbouring businesses (adjacent companies) to ensure their awareness of airport activities and possible risks.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
3.5.4	Safety Management processes are integrated into existing organisational manuals.			✓		Aerodrome manual – Part 5. Manual of Flight Information Services.	

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| 3.5.5 | The company has analysed and uses the most appropriate medium for the delivery of documentation at both the corporate and operational levels. | | | ✓ | Aerodrome manual – Part 5. Manual of Flight Information Services. | |

3.5 **EFFECTIVENESS** is achieved when the organisation has SMS documentation that describes their approach to the management of safety that is used throughout the organisation and is regularly reviewed and updated. The documentation meets the safety objectives of the organisation.	Effectiveness Not Achieved		**CAA REMARKS**
	Effectiveness Achieved		**Based on the information this marker is considered to be at the effectiveness achieved level.**
	Signs of Excellence		
	Excellence		

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4.0   SAFETY PROMOTION

4.1   TRAINING AND EDUCATION OR*GEN.200 (a) (4)

All personnel are trained and competent to perform their SMS related duties and the training programme is monitored for its effectiveness and updated.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
4.1.1	There is a documented process to identify and provide Safety Management training, including initial and recurrent training, so that personnel are competent to perform their duties, including appropriate training records.			✓	✓	Management team and AFISO Training – including Airfield Ops training. RFFS staff training.	Viewed training records and tracking regime. Previous training by specialists has been provided, however follow up training should be considered to maintain competence. CH 10/07/15: Fiona Farquhar booked on CAAi SMS course in Oct 2015. Accountable Manager considering CAAi Accountable Manager course.
4.1.2	There is a process in place to measure the effectiveness of training and to take appropriate action to improve subsequent training.			✓		Training Plan. Safety meetings. Ongoing competency checks for a range of disciplines.	SMS training was discussed. It was agreed that a review of refresher training should be undertaken as the last recorded training was the last was carried out in 2012.
4.1.3	There is a process that evaluates the individual's competence and takes appropriate remedial action when necessary			✓		Training Plan & Competency checks.	This is completed in RFFS discipline but could be expanded to Airfield Operations.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
4.1.4C	Training includes human and organisational factors including just culture and non technical skills with the intent of reducing human error			✓	✓	Airfield Operations Training.	CH 10/07/15: Evidence from just culture programme including 'drop' boxes around airport for completed reporting forms to be left.
4.1.5	Training requirements are documented for each area of activity within the organisation, including areas where training			✓		Training Plan / Training Records. RFFS training records. Fuel	

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	requirements are not defined by regulations.				handling/sampling training. AFISO competency checks.	
4.1.6	A training needs analysis is carried out for all staff and is regularly reviewed.		✓		Staff appraisals	
4.1.7	Training is provided for third party contractors working in activities related to the company's operation.		✓		Staff appraisals	
4.1.8	Employees have a mechanism to request additional SMS training in relation to their role in SMS.		✓		Staff appraisals	
4.1.9	Management recognise and uses informal opportunities to instruct employees on safety management		✓		Weekly / Safety meetings	
4.1.10	Training includes attendance at symposiums and industry conferences.		✓		Attendance at Local Authority arranged events (e.g. Scottish Water, Safety Awareness, Lerwick, 2014)	
4.1.11	Training exercises and methods for all employees are kept current to reflect new techniques, technologies, results of investigations, corrective actions and regulatory changes.		✓		Training Plan	
4.1.12	An annual training plan is in place.				Training plan, Staff appraisals and in-house database records (AMOS)	

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4.1 EFFECTIVENESS is achieved when all personnel are trained and competent to perform their SMS related duties and the training programme is monitored for its effectiveness and updated.	Effectiveness Not Achieved		CAA REMARKS
	Effectiveness Achieved	▓	**Believed to be operating at effective level.**
	Signs of Excellence		
	Excellence		

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4.2 SAFETY COMMUNICATION OR*.GEN.200 (a) (4)

The organisation shall develop and maintain formal means for safety communication that ensures that all personnel are fully aware of the SMS, conveys safety critical information, and explains why particular safety actions are taken and why safety procedures are introduced or changed.

COMPLIANCE + PERFORMANCE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
4.2.1	Safety initiatives and strategies are communicated throughout the organisation to staff			✓	✓	Weekly and Safety Meetings. Local Authority Intranet.	Marker agreed, AOI's/TOI's are examples with read and sign process. Supported by H&S Manager and team briefings. CH 10/07/15: Minutes of management meetings distributed to airport staff. Local Just Culture programme encourages safety reporting. Evidence of reports being received and processed seen.
4.2.2	Significant events and investigation outcomes are communicated to staff, including contracted organisations where appropriate.			✓		Weekly / Safety meetings. (Example: Airside vehicle 'Banksman' training)	Marker agreed as being commensurate with the operations at Tingwall with good awareness of the safety culture.

EXCELLENCE AND BEST PRACTICE MARKERS		P	S	O	E	How it is achieved	CAA Remarks
4.2.3	There is a safety communication strategy that includes electronic communication, frequent meetings, SMS award systems, employee recognition system, SMS bulletins etc			✓		Weekly / Safety meetings	
4.2.4	Significant events and investigation outcomes from external sources are communicated to staff including contracted organisations where appropriate.			✓		Weekly meetings, staff emails via Document Control process.	
4.2.5	The effectiveness of safety communication is routinely assessed and the strategy revised as required.			✓		Weekly / Safety meetings	
4.2.6	Safety-related information is proactively shared with other parties.			✓		Weekly / Safety meetings. Attendance by Aerodrome stakeholders & Accountable Manager.	

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4.2 **EFFECTIVENESS** is achieved when personnel are aware of the SMS, safety critical information and their role in respect of aviation safety.	**Effectiveness Not Achieved**		**CAA REMARKS**
	Effectiveness Achieved		**Considered to be operating at the effective level with good awareness.**
	Signs of Excellence		
	Excellence		

SMS Evaluation Risk Picture

Risk Description (Top 5 Risks)	Mitigation actions
Legal – Other. (Transport Service has various legally appointed roles e.g. airport licence holders. Risk if knowledge is dispersed)	Training has expanded staff capacity. Resilience plan in place (Additional LCAS / RFFS trained. Additional A/G licensed staff trained)
Terrorism / Activists (Tingwall airstrip is within 50 k of Europe's largest oil terminal, Sullom Voe)	Local Authority Emergency Plan. Systems for controlling access to site, passenger controls.
Professional Errors and Omissions (CAA licence mandatory)	Training programme, staff resilience plan, audits (internal), regular management meetings, detailed procedures and systems
Physical damage - People / Property – Other (Airport operates between thirty and fifty return flights per week)	Safe systems of work, trained staff, audit regime, CAA licence and inspections bi-annually
Damage to vehicle, mobile plant and equipment. (Tingwall has vehicles, inc fire engine, aircraft, fuel Bowser, pick-ups, etc. Movement of freight takes place regularly. Passenger, staff and contractor's vehicles regularly manoeuvring in the area)	Safe systems of work including speed limits, signage and road markings. Careful control of site / contractors / visitors & passengers.
10/07/2015 CH: Environment; weather e.g. snow clearance, ice measurement.	Mitigation limited to awareness of risk. Based operator affected by environment at outer island airstrips which are likely to be worse than Tingwall.

Significant 7 Risk	How is it being addressed?	How is being measured?
Loss of Control	AFISO training	AFISO competency checks
Runway Excursion	AFISO Training. Winter Operations analysis ongoing.	AFISO competency checks. Daily / weekly / monthly RWY checks.
Runway Incursion	Airside Driver Training procedure. Controlled barriers and gates. Permit to Work system.SMS.	Airside Driver training as per CAP790. Safety reporting (PIN forms)
Airborne Conflict	AFISO training. Stakeholder dialogue.	AFISO competency checks. Safety meetings
Controlled Flight into Terrain	AFISO training	AFISO competency checks
Ground Handling	Airside Driver Training procedures. SMS.	Airside Driver training as per CAP790. Safety reporting (PIN forms)
Fire	RFFS training plans.	Training / Competency checks. Safety reporting

SMS Evaluation Summary

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Effectiveness Index	Initiating	Present and suitable	Operating	Effective	Excellence
The SMS as a whole	The SMS is still at the implementation stage	Achieved a successful phase 1 assessment	The systems and processes of the SMS are operating.	The SMS is working in an effective way and is striving for continuous improvement	The organisation is an industry leader and embraces and shares its best practice
Safety Risk Management	The SMS is still at the implementation stage	Achieved a successful phase 1 assessment	The hazard and risk registers are being built up and risks are starting to be managed in proactive manner.	The organisation is continuously identifying hazards and understands it biggest risks and is actively managing them and this can be seen in their safety performance. Safety Risk management is proactive and predictive.	Key Personnel throughout the organisation are aware and understand the risks relative to their responsibilities and are continuously searching out new hazards and risks and re-evaluating existing risks
Safety Assurance	The SMS is still at the implementation stage	Achieved a successful phase 1 assessment	The Organisation has established SPIs that it is monitoring and is auditing and assessing its SMS and its outputs	The organisation assures itself that is has an effective SMS and is managing its risk through audit, assessment and monitoring of its	The organisation is continuously assessing it approach to safety management and is continuously improving its

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				safety performance.	safety performance and seeking out and embracing best practice
Safety Policy and Objectives	The SMS is still at the implementation stage	Achieved a successful phase 1 assessment	There is a safety policy in place and Senior Management are committed to making the SMS work and is providing appropriate resources to safety management .	Senior Management are clearly involved in the SMS and the Safety Policy sets out the organisations intent to manage safety and is clearly evident in the day to day operations	The organisation is an industry leader and embraces best practice
Safety Promotion	The SMS is still at the implementation stage	Achieved a successful phase 1 assessment	The organisation has trained its people and has several mediums for safety promotion that it uses for passing on safety information	The organisation puts a considerable resource and effort into training its people and publicising its safety culture and other safety information and monitors the effectiveness of its safety promotion	In addition the organisation provides training and safety promotion to its contracted service providers and assesses the effectiveness of its safety promotion

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Shetland Islands Council

Education and Families Committee	**17 August 2015**
Social Services Committee	**17 August 2015**
Development Committee	**17 August 2015**
Environment and Transport Committee	**17 August 2015**
Policy and Resources Committee	**19 August 2015**
Shetland College Board	**8 September 2015**

**Development Services Directorate Performance Report
3 Month / 1st Quarter 2015/16**

Report No: DV-43-15-F

Director of Development Services	**Development Services Department**

1.0 Summary

1.1 This report summarises the activity and performance of the Development Services Directorate for the reporting period above.

2.0 Decisions Required

2.1 The Committee should discuss the contents of this report as appropriate to their remit and make any relevant comments on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

3.0 Detail

3.1 Highlights of progress against Council priorities from the Council's Corporate Plan by the Development Services Directorate are set out in Appendix 1. Further detail on Actions, Indicators and Risks are contained in appendices to this report.

3.2 The Committee is invited to comment on any issues which they see as significant to sustaining and improving service delivery.

4.0 Implications

Strategic

4.1 Delivery on Corporate Priorities – The Council's Corporate Priorities are set out in "Our Corporate Plan". This report reviews progress against these.

4.2 Community/Stakeholder Issues – Effective performance management and continuous improvement are important duties for all statutory and voluntary sector partners in maintaining appropriate services for the public.

4.3 Policy and/or Delegated Authority –

The Council's Constitution – Part C - Scheme of Administration and Delegations provides in its terms of reference for Functional Committees (2.3.1 (2)) that they;

"Monitor and review achievement of key outcomes in the Service Plans within their functional area by ensuring –

(a) Appropriate performance measures are in place, and to monitor the relevant Planning and Performance Management Framework.

(b) Best value in the use of resources to achieve these key outcomes is met within a performance culture of continuous improvement and customer focus."

4.4 Risk Management – Embedding a culture of continuous improvement and customer focus are key aspects of the Council's improvement activity. Effective performance management is an important component of that which requires the production and consideration of these reports. Failure to deliver and embed this increases the risk of the Council working inefficiently, failing to focus on customer needs and being subject to further negative external scrutiny.

4.5 Equalities, Health and Human Rights – The Council is required to make sure our systems are monitored and assessed for any implications in this regard.

4.6 Environmental – NONE.

Resources

4.7 Financial – The actions, measures and risk management described in this report have been delivered within existing approved budgets. The service performance has contributed to an overall projected underspend, which is detailed in the Quarter 1 Management Accounts for Development Committee, appearing on this agenda.

4.8 Legal – There are a number of projects and key actions within the Performance Report that have legal implications. Legal advice will be sought as matters progress to ensure that Shetland Islands Council complies with all statutory requirements.

4.9 Human Resources - NONE.

4.10   Assets and Property – NONE.

5.0   Conclusions

5.1   This report demonstrates good progress against the priorities identified in the Council's Corporate Plan and the Development Services Directorate Plan 2015/16.

For further information please contact:
Neil Grant, Director of Development Services
01595 744968, nrj.grant@shetland.gov.uk
Date Cleared: 07 August 2015

List of Appendices
Appendix 1 – Action Plan
Appendix 2 – Performance Indicators
Appendix 3 – Risk Management

Links to Background Documents
Development Directorate Plan
Our Corporate Plan – 2014 Update

| Theme	Dev Ref	Dir/ Service	Action Description	Expected Outcome (Dir Plan)	Q1 update - Mar-Jun15	Q1 RAG	Committee	Start date/ Comments (Dir Plan)	Covalent Code
The tranport services we need	13	Transport Planning	Develop and promote the new public bus network, increasing usage and ticket income and manage revenue security	Maximise public transport usage and income	The service does not yet have the staff and resources in place to undertake these tasks. Therefore there is a significant risk of under achieving on income targets and there are likely to be revenue security risks	R	Environment & Transport and ZetTrans	started	DP060
The tranport services we need	14	Transport Planning	Work with Fair Isle, Foula, Skerries, and Papa Stour communities to develop sustainable air and transport services	Specification for air and ferry contracts.	Review project progressing in line with programme.	G	Environment & Transport and ZetTrans	Mar-15	DP061
The tranport services we need	1	Transport Planning	Proposals for our external ferry provision beyond the current contract which ends in 2018	Agree new service specification with Transport Scotland	Process of engagement with Transport Scotland well developed. Workshops complete. Transport Scotland now establishing resources and process to continue work.	G	Environment & Transport and ZetTrans	Jun-14	DP048
The tranport services we need	2	Transport Planning	Increase usage of smart cards, chip and pin facilities and online booking facilities for internal ferry travel	Implement modern & efficient booking and payment systems transport network.	Shetland Travel Card (smart card) pilot project in development. Funding and technical support secured in principle from Transport Scotland	G	Environment & Transport and ZetTrans	Oct-15	DP049

Service Area – Economic Development

ED1 Employment Rate (%) Population Aged 16-64
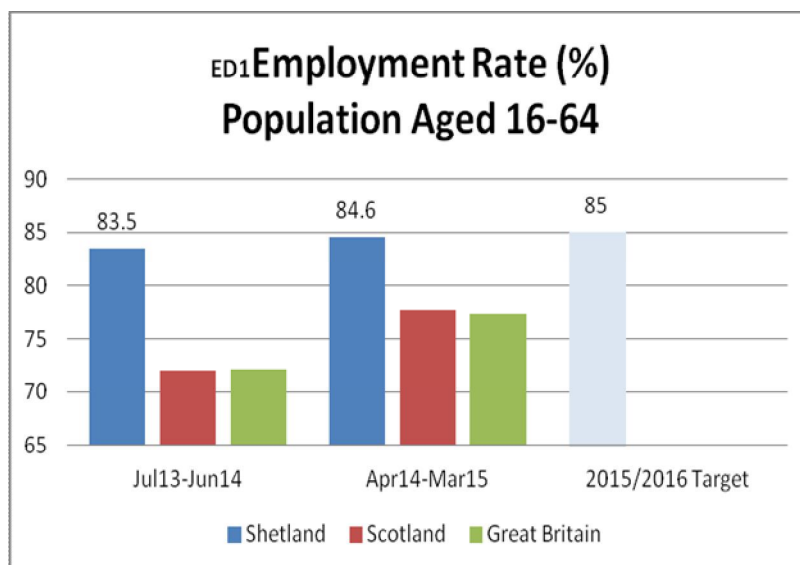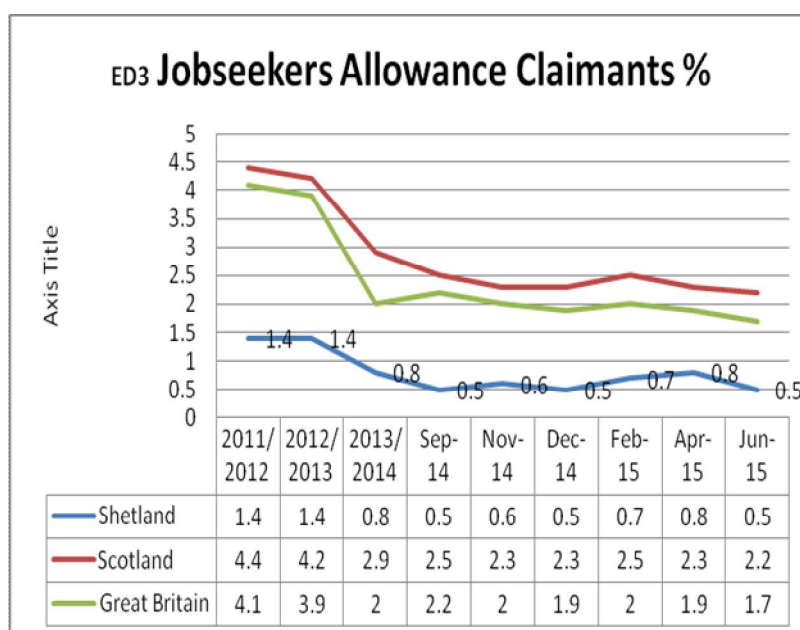

Trend Comment: Shetland's employment rate continues to be significantly higher than the Scottish or UK average, and has been relatively stable, with only minor fluctuations in the measured rate since Jan 2013, which reflects the high degree of private sector activity in the local economy. Employment rate is likely to be impacted by the Gas Plant construction phase run down later this year. Source: Office for National Statistics Information Gathered: Annually
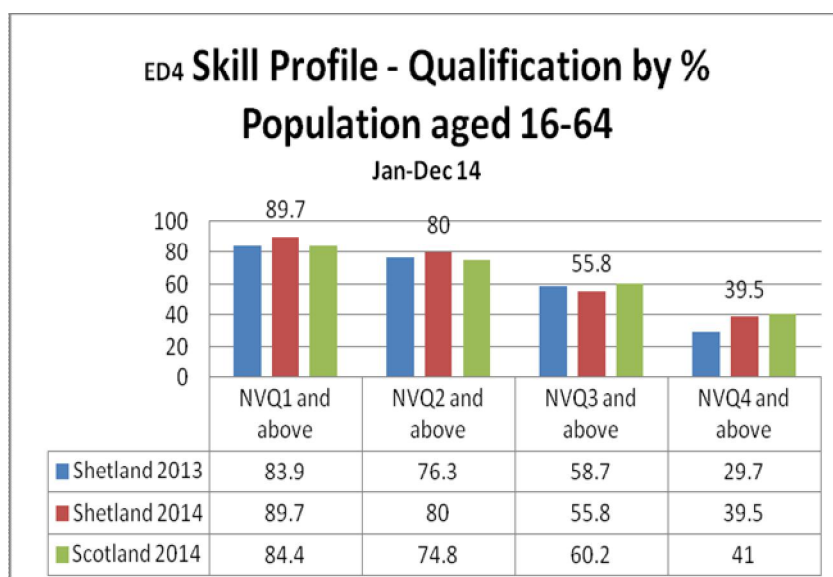
ED2 Gross Average Weekly Pay for Full Time Workers
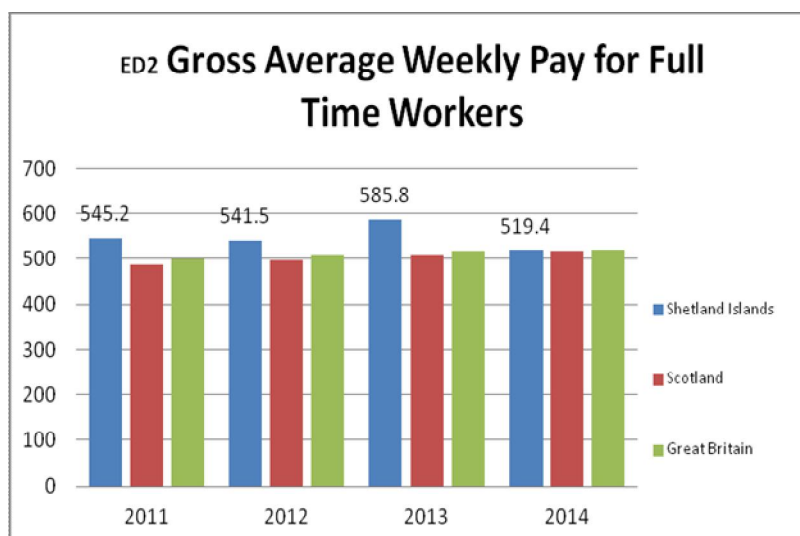
Trend Comment: The latest figures show a significant decline in gross average pay. It is possible that the apparent regression in these figures is due to inflated figures from 2013 due to sharp increases in demand in certain areas of the private sector. It is also possible that the survey has picked up an unrepresentative sample of workers' earnings.

Source: Office for National Statistics Information Gathered: Annually

ED3 Jobseekers Allowance Claimants %

	2011/ 2012	2012/ 2013	2013/ 2014	Sep-14	Nov-14	Dec-14	Feb-15	Apr-15	Jun-15
Shetland	1.4	1.4	0.8	0.5	0.6	0.5	0.7	0.8	0.5
Scotland	4.4	4.2	2.9	2.5	2.3	2.3	2.5	2.3	2.2
Great Britain	4.1	3.9	2	2.2	2	1.9	2	1.9	1.7

Trend Comment: The claimant count remains very low and has been stable at this level for the last 12 months (at or around 0.5%) and this remains to be the lowest in Scotland. This reflects the current strong performance of the private sector, and suggests that previous fluctuations in the JSA count caused by seasonal or temporary employment are not currently being experienced. See comments above re Gas Plant construction phase run down.
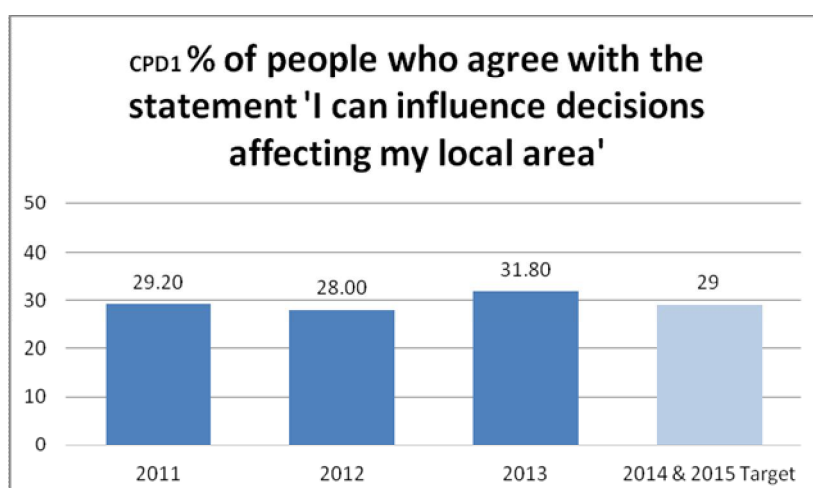
Source: Office for National Statistics Information Gathered: Monthly

ED4 **Skill Profile - Qualification by % Population aged 16-64**

Jan-Dec 14

	NVQ1 and above	NVQ2 and above	NVQ3 and above	NVQ4 and above
Shetland 2013	83.9	76.3	58.7	29.7
Shetland 2014	89.7	80	55.8	39.5
Scotland 2014	84.4	74.8	60.2	41

Trend Comment: The local skills profile continues to show a degree of attainment at NVQ1 level which is higher than the Scottish average (89.7% in Shetland against 84.4% nationally), but which is significantly lower at NVQ4 level (39.5% in Shetland against 41% nationally). It can be inferred from these figures that Shetland continues to have high educational attainment but the structure of the local economy provides limited opportunities for graduates to return or relocate.

Source: Office for National Statistics
Information Gathered: Annually

Service Area – Community Planning & Development

CPD1 **% of people who agree with the statement 'I can influence decisions affecting my local area'**
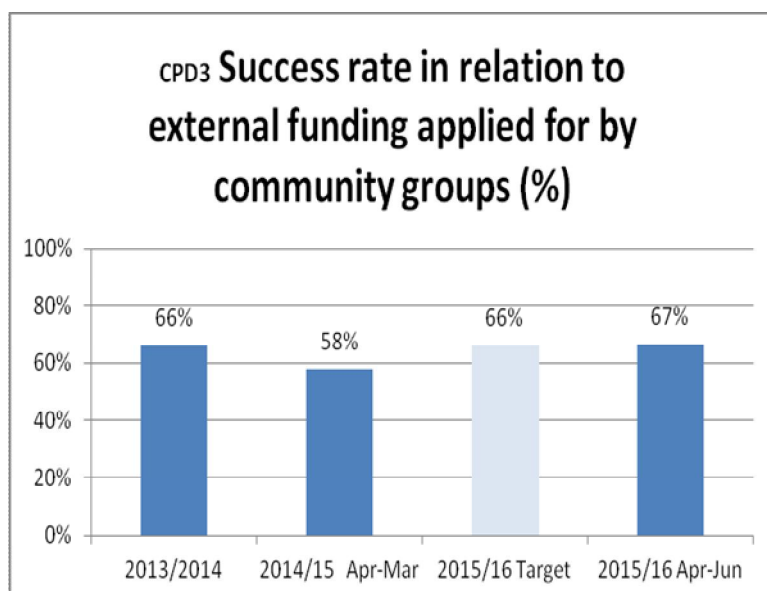
Trend Comment: Slightly above target showing a positive improvement in trend.   We are well above the national average of 22%.

Source: Scottish Household Survey
Information Gathered: Annual

CPD2 **Number of community groups accessing community guidance**
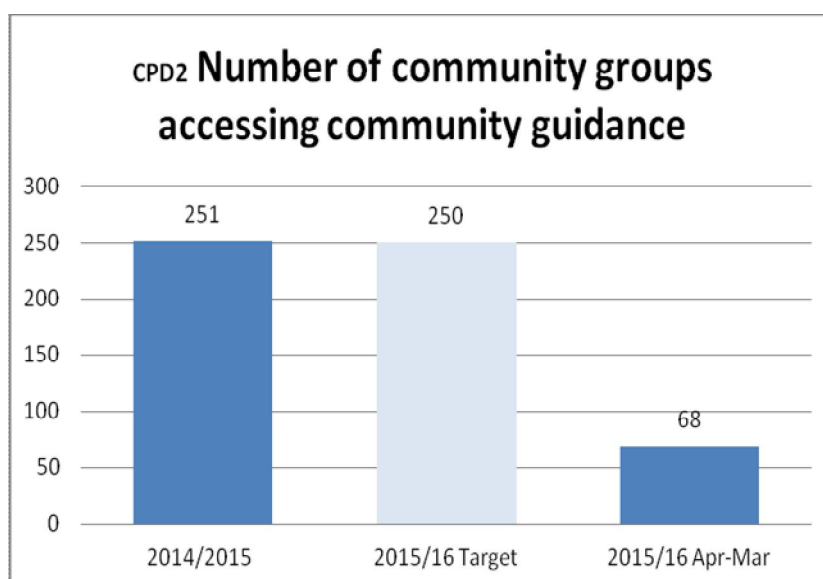
Trend Comment: Above target, providing an indication of a possible upward trend in relation to the number of community groups seeking advice and support from Community Development.

Source: Community Planning & Development
Information Gathered: Quarterly

2

CPD3 **Success rate in relation to external funding applied for by community groups (%)**

⬆ Trend Comment: Above target, showing a slight positive improvement in trend.

Source: Community Planning & Development
Information Gathered: Quarterly

CPD4 **Level of external funding applied for by Community Groups - amount secured to date**
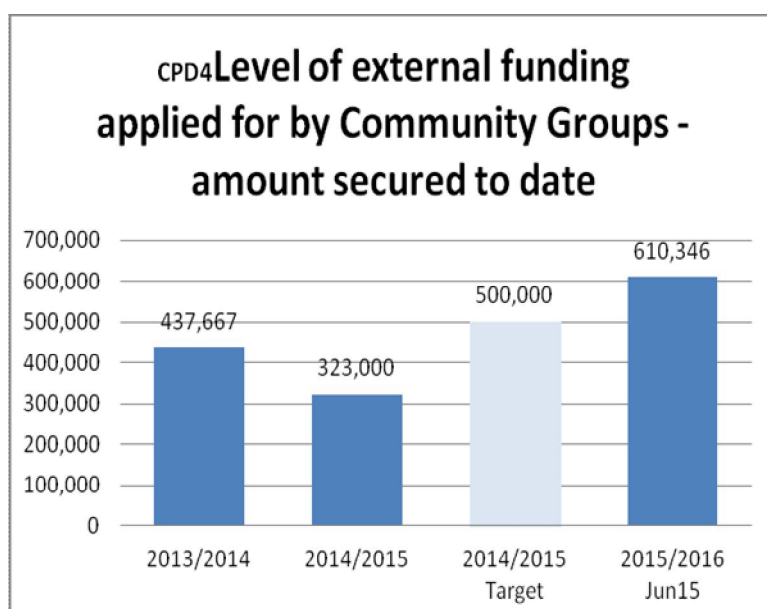
⬆ Trend Comment: The level of external funding secured is well above annual target in first quarter. This is mainly due to the allocation of EU Employability Funding, which has not yet been awarded due to late changes in the process. A total of £826k has been applied for in the first quarter, which is well above target. Awaiting decisions on £153k.

Source: Community Planning & Development
Information Gathered: Quarterly

Service Area – Housing Service

HSG3 **% Housing stock achieving Scottish Housing Quality Standard (SHQS)**
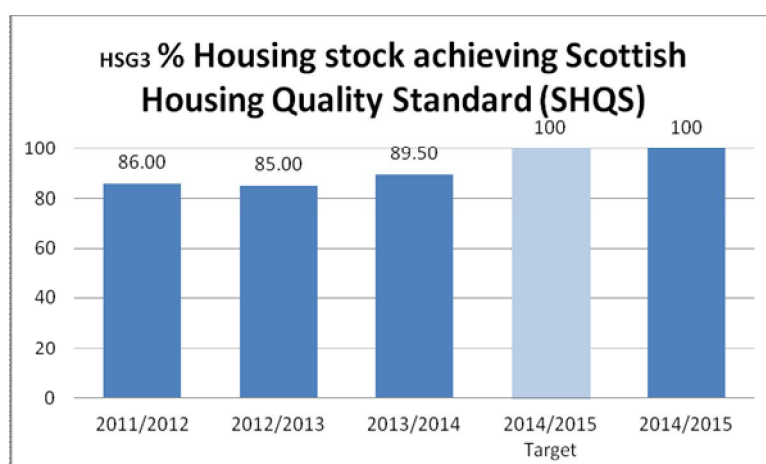
⬆ Trend Comment:
At April 2015 the housing stock met the housing quality standard, with exemptions applying to 194 properties. These were under the energy efficiency category and further work is planned under the new EESSH standard to be achieved by 2020.

Source: Housing Service
Information Gathered: Quarterly

3

HSG1 Average time to re-let Not Low Demand Properties (days)

Year	Value
2011/12	20
2012/13	23
2013/14	36
2014/15	33
2015/16 Target	28
2015/16 Apr-Jun	28
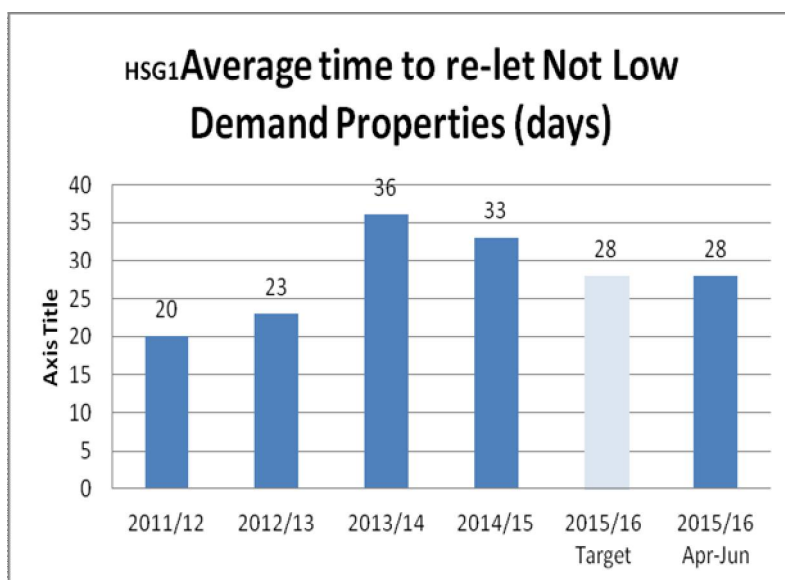
Trend Comment: Housing void policy review, together with continuing demand, has led to some improvement in time taken to re-let properties. The target for 2015/16 has been met in the first quarter.
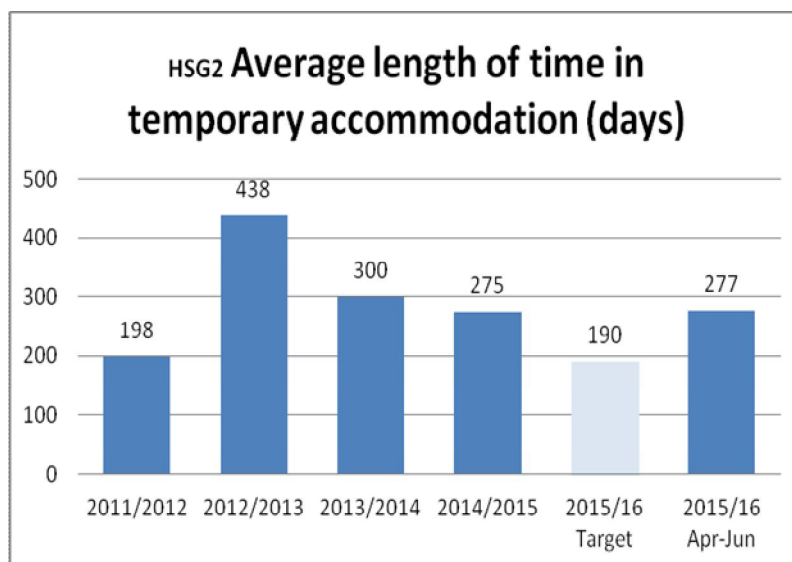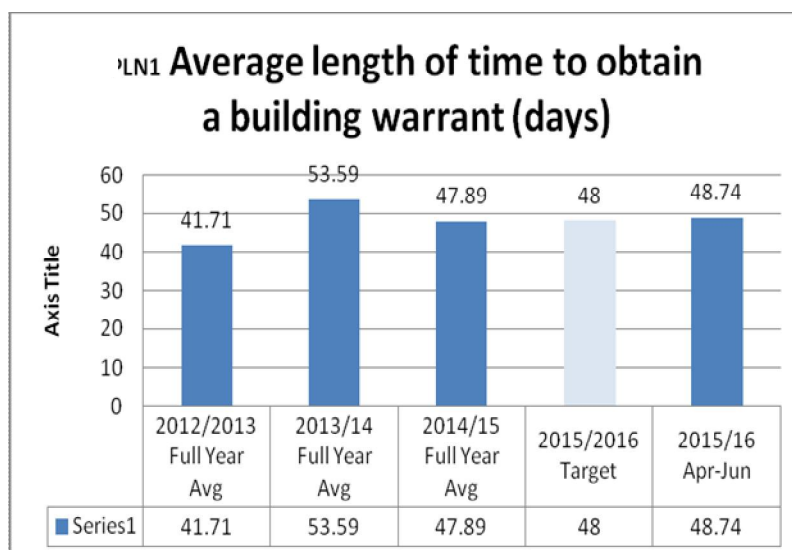
Source: Housing Service
Information Gathered: Quarterly

HSG2 Average length of time in temporary accommodation (days)

Year	Value
2011/2012	198
2012/2013	438
2013/2014	300
2014/2015	275
2015/16 Target	190
2015/16 Apr-Jun	277

Trend Comment: Still well above target due to pressure on housing stock/supply. The trend is going down year on year from 2012/2013.

Source: Housing Service
Information Gathered: Quarterly

Service Area – Planning

PLN1 Average length of time to obtain a building warrant (days)

	2012/2013 Full Year Avg	2013/14 Full Year Avg	2014/15 Full Year Avg	2015/2016 Target	2015/16 Apr-Jun
Series1	41.71	53.59	47.89	48	48.74

Trend Comment: The value included is a combined measure of the time taken by both the Council and the applicant or their agent to process an application through to approval. Separation of these times is not yet available but when this is available, we will be able to report on the SIC performance only. Evidence gleaned from recent inspections shows that more emphasis needs to be given this year to inspection of works under construction.

Source: Planning Service
Information Gathered: Quarterly

% of all local development planning applications dealt with within 2 Months
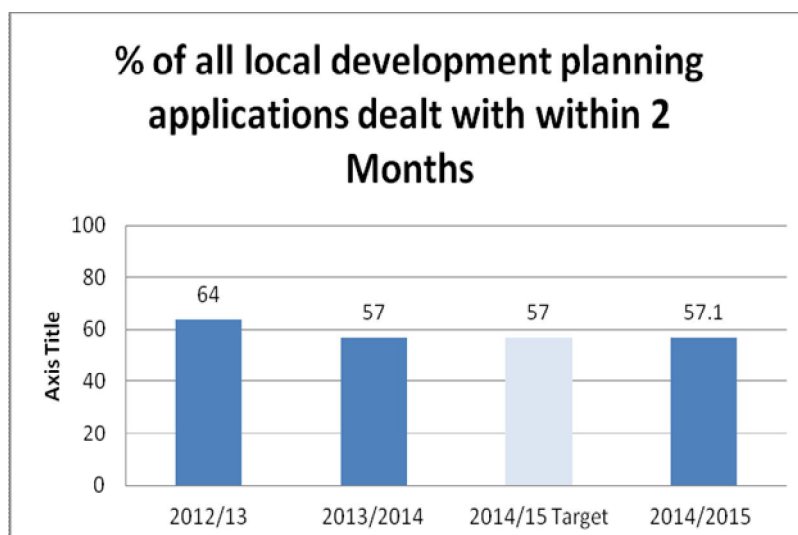
Trend Comment: The target set for 2014/2015 was met. Ongoing staffing issues impacting on service delivery.

Source: Planning Service
Information Gathered: Quarterly

PLN3 % of the 15 Planning Performance Framework National Headline Indicators Marked as Green or Amber
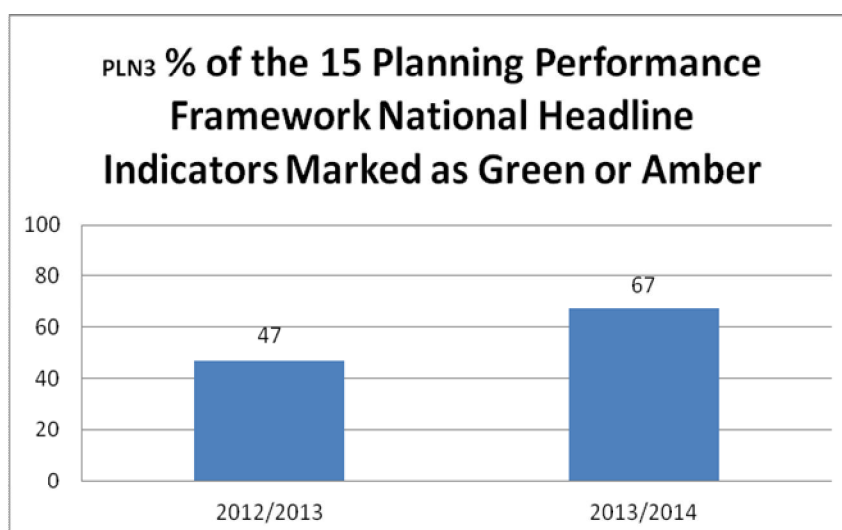
Trend Comment: Improvement made in the national framework. The update for 2014/2015 will be available later in 2015.

Source: Planning Service
Information Gathered: Annually

Service Area – Train Shetland

TS1 Number of modern apprentices recruited by Train Shetland
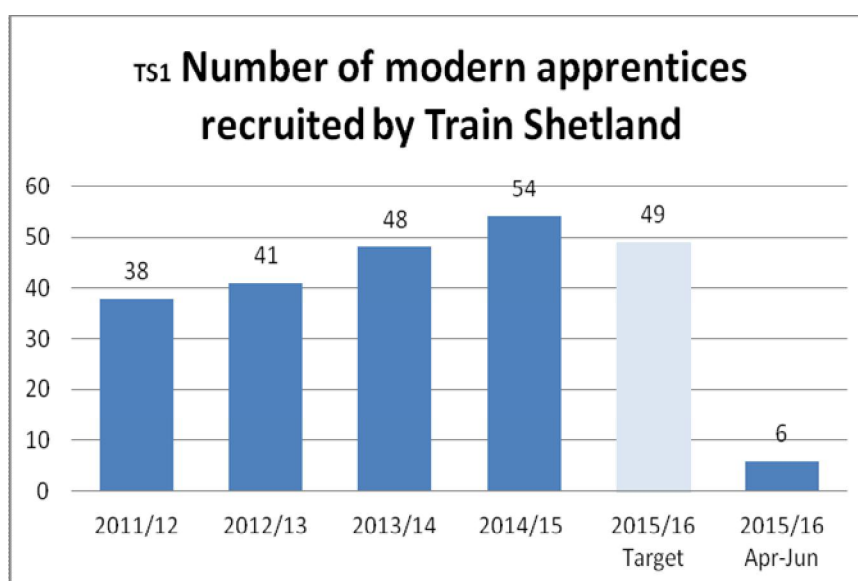
Trend Comment: Q1 figures are as expected and match the pattern of previous years. The majority of apprentices start in August/September and this pattern is profiled by Skills Development Scotland on our contract this year.

Source: Train Shetland
Information Gathered: Quarterly

5

TS2 Achievement rate for Modern Apprentices as recorded by Skills Dev Scotland (%)

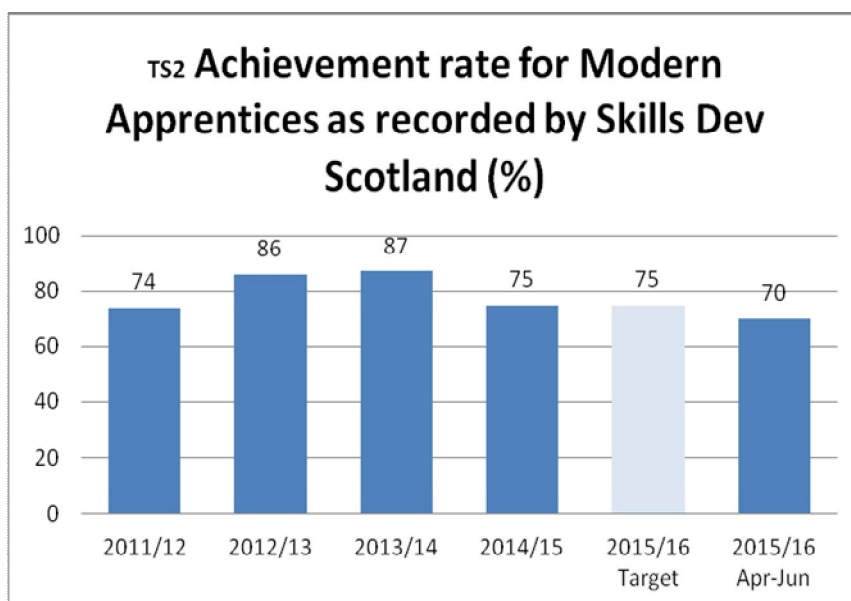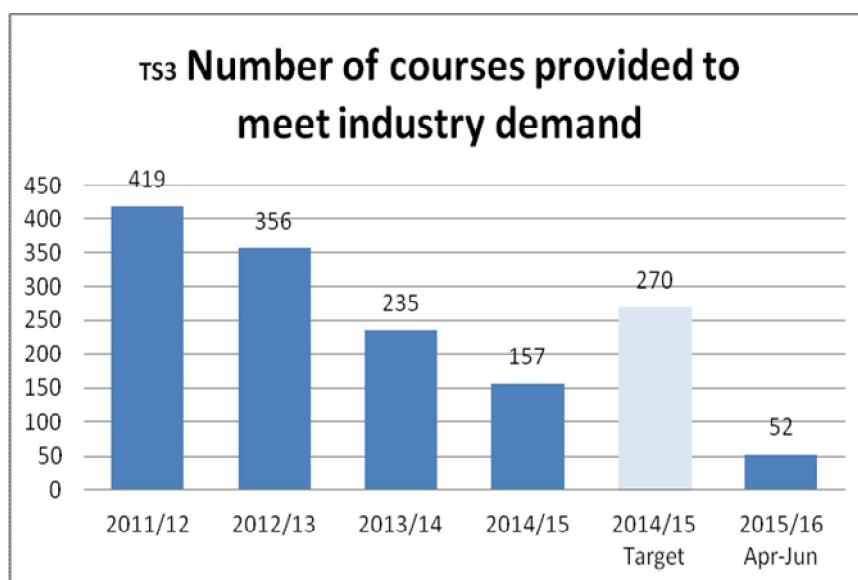| Year	Value
2011/12	74
2012/13	86
2013/14	87
2014/15	75
2015/16 Target	75
2015/16 Apr-Jun	70

The achievement rate % is what would be expected for Q1.

Source: Train Shetland
Information Gathered: Quarterly

TS3 Number of courses provided to meet industry demand

Year	Value
2011/12	419
2012/13	356
2013/14	235
2014/15	157
2014/15 Target	270
2015/16 Apr-Jun	52

This does not included courses provided for SIC Workforce Development. Q1 for 2015/16 mirrors the 2014/2015 Q1 figure.

Source: Train Shetland
Information Gathered: Quarterly

Service Area – Shetland College

SC3 Shetland College Student Enrolments Further Education & Higher Education Combined

Date	Value
Dec-10	1501
Oct-11	1011
Oct-12	1072
Oct-13	854
Nov-14	776
Jan-15	821
Apr-15	946
Jun-15	769
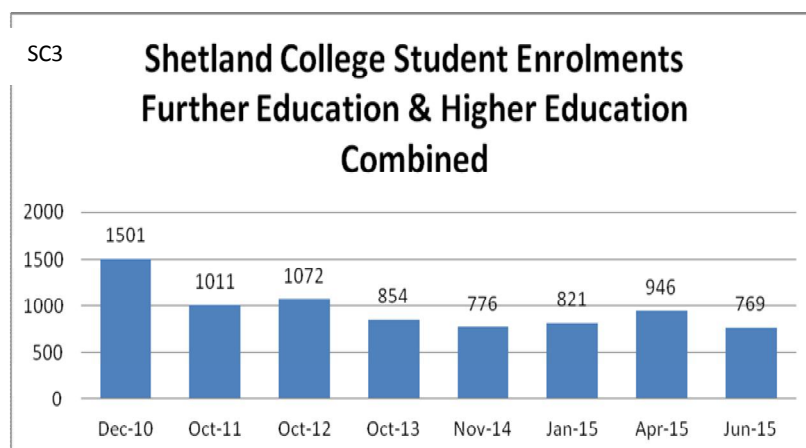
Trend Comment:

Figures are shown as combined head counts for full-time and part-time further and higher education students.

Source: Shetland College
Information Gathered: Quarterly

6

SC4

sc4 Total WSUMS (inc Train Shetland & NAFC)

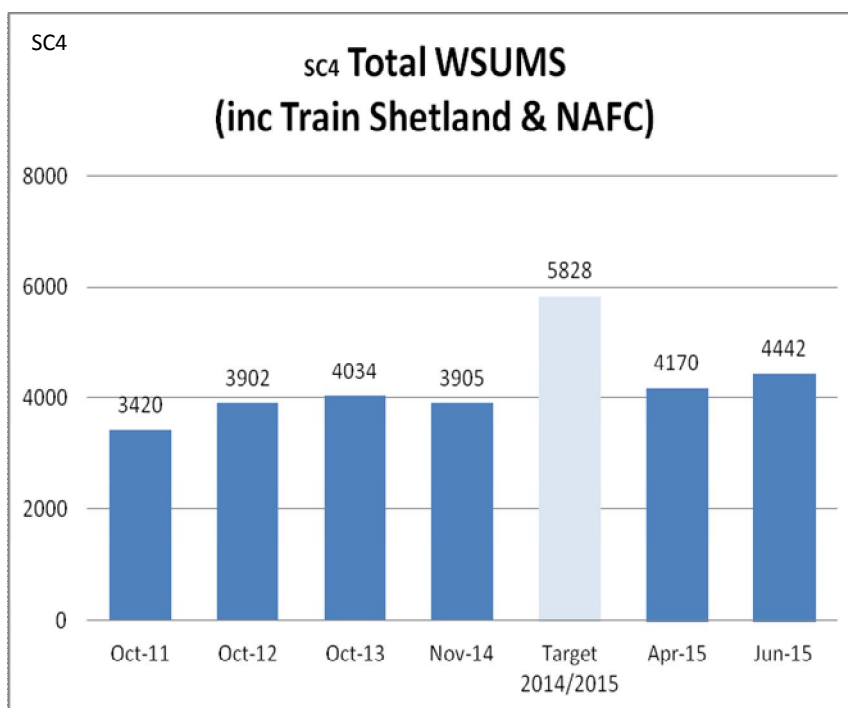Trend Comment: WSUMs (Weighted Student Units of Measurement) is the funding term used by the Scottish Funding Council for further education. The funding carries different weightings for individual subject areas. For every notional 40 hours of study, a further education student generates a WSUM which translates into funding.

The structure of the funding is changing in the 15/16 academic year where credits will be awarded rather than sums. The credit value being allocated to Shetland College and the target set for 2015/16 are yet to be set.

Source: Shetland College
Information Gathered: Quarterly

7

Development Dept - Corporate Indicators

Staff Numbers - Full Time Equivalent Development Directorate
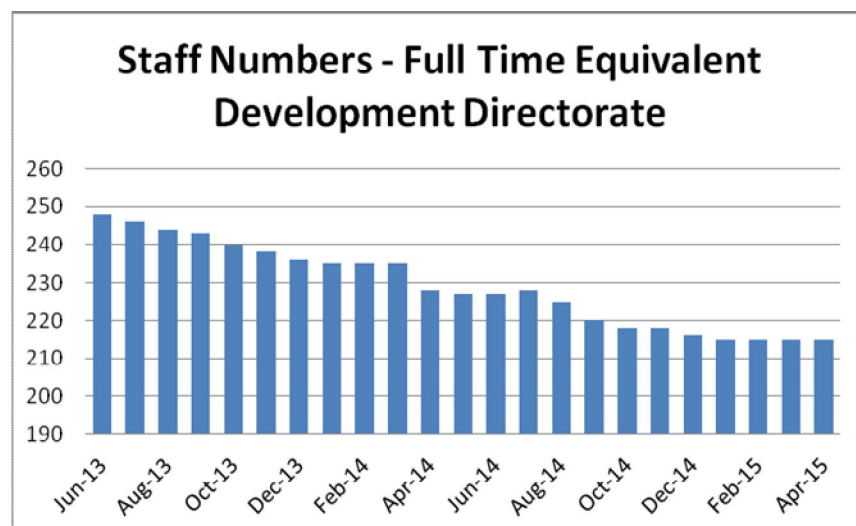
Trend Comment: The staffing number continues to decrease. As at April 2015, these figures include 24.6 FTE staff on Temporary Contracts.

Source: SIC
Information Gathered: Monthly

COR2 Sickness % Development Directorate
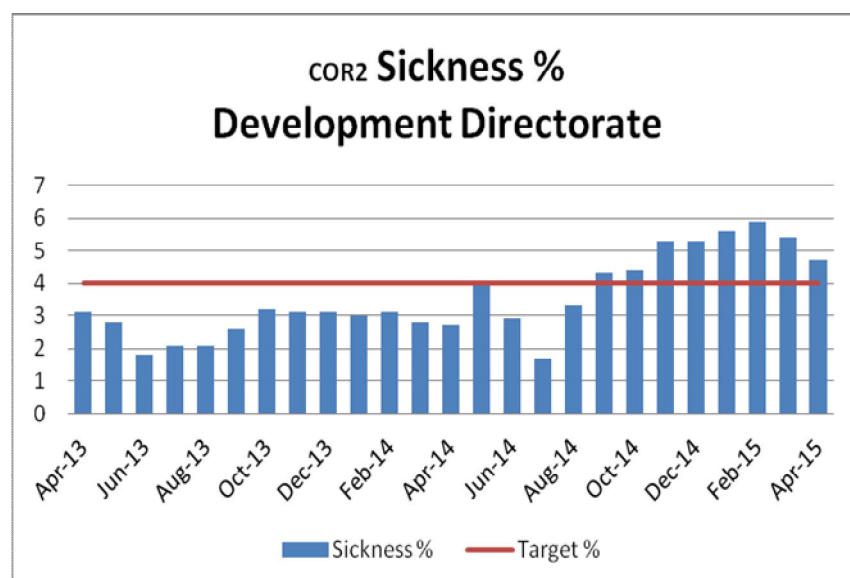
Trend Comment: Long Term sickness in Shetland College, and Transport Planning are improving but issues with long term absence in Housing service are persisting but being addressed. There has been a further significant reduction in June 2015.

Sickness %   Target %

Overtime Hours Development Directorate
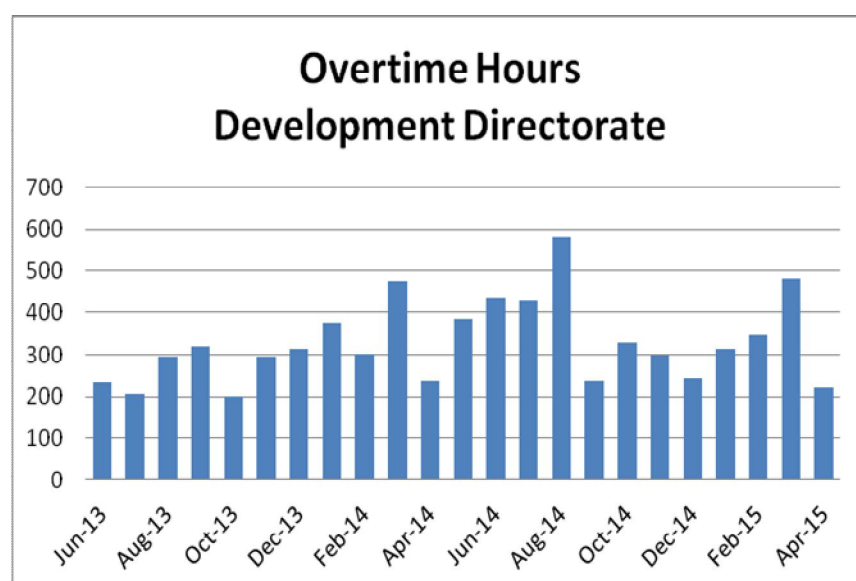
Trend Comment:

Overtime hours in the Development Directorate covers housing repairs callouts but currently additional overtime has been required in Transport Planning. Staffing resources in Transport Planning arec currently being addressed.

Source: SIC
Information Gathered: Monthly

8

Risk Assessment for Development Directorate									Appendix 3	
		Current						**Target**		
Risk & Details		**Frequency**		**Severity**		**Risk Profile**		**Current and Planned Control Measures**	**Severity**	**Frequency**	**Risk Profile**	**Assigned To**

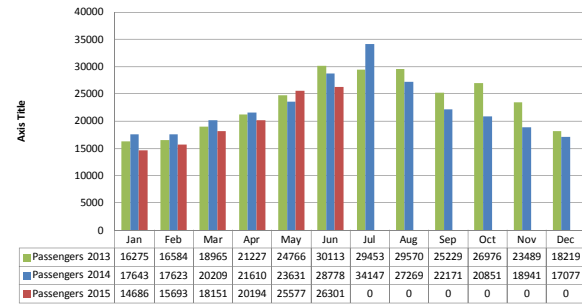
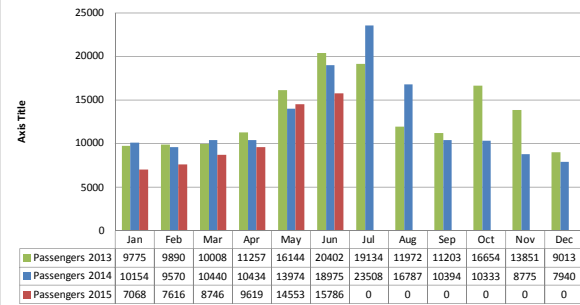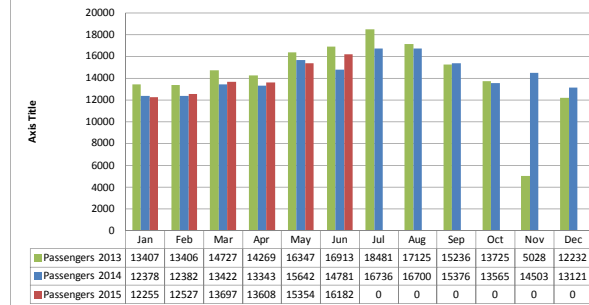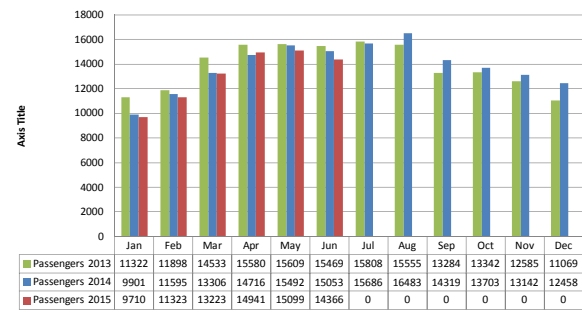| Risk & Details	Frequency		Severity		Risk Profile		Current and Planned Control Measures	Severity		Frequency		Risk Profile		Assigned To
Level	**Directorate**													
Corporate Plan	*03. The transport services we need most*													
C0027 - Central Govt Funding Issues - Central	Unlikely	2	Minor	2	Low	4		Insignificant	1	Possible	3	Low	3	Neil Grant
Corporate Plan	*04. Healthy economy*													
C0017 - Key staff - loss of - Service reviews are taking place with some still outstanding	Likely	4	Significant	3	High	12	• Corporate wide Staff Survey (Viewpoint) • Five year plan to attract people to live and work in Shetland • Some reviews complete, restructure ER/VR implemented.	Significant	3	Possible	3	Medium	9	Neil Grant
C0018 - Breach of Legislation - Data Protection, Human Rights, Employment Practice, Health and Safety etc - Development Service operates within a complex legislative environment and is expected to be an exemplar.	Likely	4	Significant	3	High	12	• Train staff and adhere to standing orders, ongoing staff training on employment practices, H & S, ensure risk assessments are completed.	Minor	2	Unlikely	2	Low	4	Neil Grant
Corporate Plan	*06. Working with partners*													
C0026 - Economic climate - One or more communities fail to be sustainable	Possible	3	Significant	3	Medium	9	• Impact of connectivity from broadband and transport links, working with communities to develop sustainable plans	Significant	3	Unlikely	2	Medium	6	Neil Grant
Corporate Plan	*09. Dealing with challenges effectively*													
C0019 - Strategic priorities wrong - Development Directorate is managing a number of significant projects of strategic importance, including Colleges Review; Internal and External Ferries; Outer Isles Transport; Economic Development Service, Commercial Lending; Participatory Budgeting; Strengthening Community Involvement; High Speed Broadband; Local Housing Strategy; Local Development Plan; Transport Strategy; Economic Development Strategy; Energy Strategy; SOA (Outcome Improvement Plan) 2016-2020	Possible	3	Major	4	High	12	• Ensure projects are a priority activity in achieving the Outcomes identified in the new Corporate Plan • Appropriate governance and decision-making processes followed, PRINCE2 project management in place	Significant	3	Unlikely	2	Medium	6	Neil Grant
C0021 - Economic / Financial - Other - Development Service delivers a service with reducing resources and constraints including the MTFP	Likely	4	Significant	3	High	12	• Restructure implemented	Significant	3	Possible	3	Medium	9	Neil Grant
C0022 - Communications poor - Development Service works in a number of areas and necessarily publishes information on its activities	Unlikely	2	Major	4	Medium	8	• Adhere to corporate communications policy, use Communications Section	Significant	3	Rare	1	Low	3	Neil Grant
C0023 - Legal / Compliance - Other - Development Directorate has complex governance arrangements which can impact on decision making	Possible	3	Significant	3	Medium	9	• Appropriate governance arrangements • Planning and performance management framework, governance	Significant	3	Possible	3	Medium	9	Neil Grant

Yell Sound Ferry Passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2013	16275	16584	18965	21227	24766	30113	29453	29570	25229	26976	23489	18219
Passengers 2014	17643	17623	20209	21610	23631	28778	34147	27269	22171	20851	18941	17077
Passengers 2015	14686	15693	18151	20194	25577	26301	0	0	0	0	0	0

Bluemull Ferry Passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2013	9775	9890	10008	11257	16144	20402	19134	11972	11203	16654	13851	9013
Passengers 2014	10154	9570	10440	10434	13974	18975	23508	16787	10394	10333	8775	7940
Passengers 2015	7068	7616	8746	9619	14553	15786	0	0	0	0	0	0

Bressay Ferry Passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2013	13407	13406	14727	14269	16347	16913	18481	17125	15236	13725	5028	12232
Passengers 2014	12378	12382	13422	13343	15642	14781	16736	16700	15376	13565	14503	13121
Passengers 2015	12255	12527	13697	13608	15354	16182	0	0	0	0	0	0

Whalsay Ferry Passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2013	11322	11898	14533	15580	15609	15469	15808	15555	13284	13342	12585	11069
Passengers 2014	9901	11595	13306	14716	15492	15053	15686	16483	14319	13703	13142	12458
Passengers 2015	9710	11323	13223	14941	15099	14366	0	0	0	0	0	0

Skerries Ferry Passengers

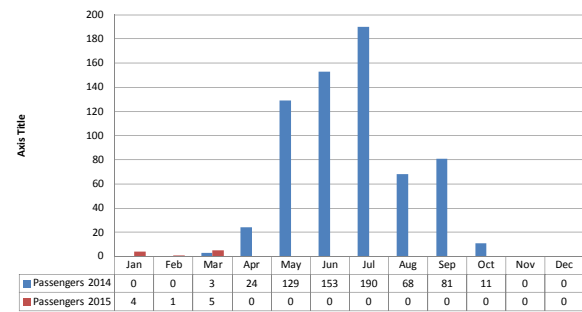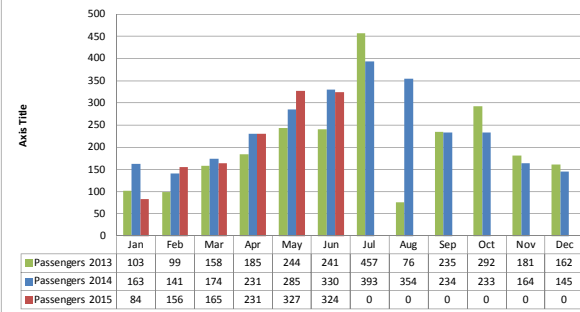|	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2013	354	422	541	528	641	727	664	556	421	578	407	324
Passengers 2014	158	270	344	453	526	1213	905	631	381	592	324	318
Passengers 2015	184	437	400	643	553	586	0	0	0	0	0	0
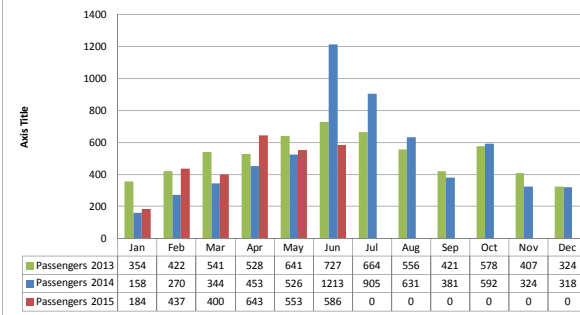
Trend Comment: There has been a drop in ferry usage. Further analysis is to be carried out to understand the reasons for the downward trend.

Fair Isle Ferry Passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2014	0	0	3	24	129	153	190	68	81	11	0	0
Passengers 2015	4	1	5	0	0	0	0	0	0	0	0	0

Papa Stour Ferry Passengers

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Passengers 2013	103	99	158	185	244	241	457	76	235	292	181	162
Passengers 2014	163	141	174	231	285	330	393	354	234	233	164	145
Passengers 2015	84	156	165	231	327	324	0	0	0	0	0	0

Source: SIC Ferries

Shetland Islands Council

Environment and Transport Committee   17 August 2015

Management Accounts for Environment and Transport Committee: 2015/16 – Projected Outturn at Quarter 1
F-035-F

Report Presented by Executive Manager - Finance	**Corporate Services**

1.   Summary

1.1 The purpose of this report is to enable the Environment and Transport Committee to monitor the financial performance of services within its remit to ensure that Members are aware of the forecast income and expenditure and the impact that this will have with regard to delivering the approved budget. This report shows the projected financial consequence of the service performance detailed in the Infrastructure Directorate and Development Directorate Performance Reports, and allows the Committee the opportunity to provide early instruction to officers to address any forecast overspends in order that the budget is delivered by the year-end.

1.2 This report describes the projected outturn position for the 2015/16 year as at the end of the first quarter for revenue and capital. The forecasts have been determined by Finance Services after consultation with the relevant Budget Responsible Officers for the services in this Committee area.

1.3 The projected outturn position for the services in this Committee area is an underspend of £1.563m on revenue and an underspend of £1.476m on capital.

2.   Decision Required

2.1   That the Environment and Transport Committee RESOLVE to review the Management Accounts showing the projected outturn position at Quarter 1.

3. Detail

3.1 On 3 December 2014 (SIC Min Ref: 96/14) the Council approved the 2015/16 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 £7.646m. It is vital to the economic wellbeing of the organisation 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.

3.2 This report forms a part of the financial governance and stewardship framework that ensures that the financial position of the organisation is identified, 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.

3.3 Since the approval of the 2015/16 budget, revisions to the budget have been processed that take account of the carry forward scheme that is in place for the Council. Therefore the appendices to this report refer to the revised budget that is now in place for the relevant services. An allocation of budget from contingencies has also been made to cover the shortfall in ferry fare income and for additional drydocking costs, which had been provided for as potential cost pressures in the approved budget.

Revenue

3.4 The projected revenue outturn position for Environment & Transport Committee is an underspend of £1.563m (6%) which means the services in this Committee area are collectively on course to spend less than their Council approved budget. Of the £1.563m, a total of £195k will be recurring savings and the £400k compensation payment from Total is ring-fenced for this purpose and will be carried forward into 2016/17.

Capital

3.5 The projected outturn position on Environment & Transport capital project expenditure is an underspend of £1.476m (19%) which means the services in this Committee area are collectively on course to spend less than their Council approved budget. It should be noted that the total underspend relates to slippage on capital projects and will be required in 2016/17 and future years.

4. Implications

Strategic

4.1 Delivery On Corporate Priorities
There is a specific objective within the Corporate Plan to ensure that the Council is "living within our means" and the Council continues to pursue a range of measures which will enable the Council to manage its finances effectively and successfully now and over the medium to long term. This involves the Council aligning the allocation of its resources with its priorities and expected outcomes and maintaining a strong and resilient balance sheet.

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

4.2   Community /Stakeholder Issues – None.

4.3   Policy And/Or Delegated Authority
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 2015/16 financial year. This report provides information to enable the Committee to ensure that the services within its remit are operating within the approved budgets.

4.4   Risk Management
There are numerous risks involved in the delivery of services and from a financial perspective risks are an integral part of planning for the future, as assumptions are made, internal and external factors and demand and supply all have an impact throughout the financial year, while unplanned or unexpected costs may arise without warning.

This report is part of the framework that provides assurance or provides the opportunity to correct any deviation from the budget that may be placing the Council in a financially challenging position.

The awareness of risks is critical to successful financial management and the Council makes provision within its budget for items that may or may not arise as cost pressures and in doing so ensures that funding at the corporate centre is available should it be necessary. This provides additional confidence that having taken account of the ever changing operating environment that the Council can continue to live within its means.

A strong balance sheet and the availability of usable reserves ensures that the Council is prepared for significant unforeseen events should they arise.

If the Council were to have to draw reserves in any one year that are beyond what has been deemed sustainable (£10m) then this would have an adverse impact on the value of Council long-term investments. This would have to be addressed to recover the position in future years. Drawing reserves of less than this value should enable the Council to build its investment value over the long term.

4.5   Equalities, Health And Human Rights – None.

4.6   Environmental – None.

Resources

4.7   Financial

The 2015/16 Council budget was set as a budget that reflects the fact that the Council can live within its means, as it does not require a draw on reserves in excess of the returns that the fund managers can make on average in a year.

For every £1m of reserves spent (in excess of a sustainable level) it will mean that the Council will have to make additional savings of £50k each year in the future as a result of not being able to invest that £1m with fund managers to make a return.

It is therefore vital that the Council delivers its 2015/16 budget, and based on the information contained within this report the Environment and Transport Committee services are projecting to achieve this.

4.8 <u>Legal</u> – None.

4.9 <u>Human Resources</u> – None.

4.10 <u>Assets And Property</u> – None.

5. Conclusions

5.1 The projected outturn position for the services under the remit of the Environment & Transport Committee is an underspend of £1.563m on revenue and an underspend of £1.476m on capital projects.

For further information please contact:
Brenda Robb
01595 744690
Brenda.robb@shetland.gov.uk

<u>List of Appendices</u>
Appendix 1 – Projected Revenue Outturn Position 2015/16
Appendix 2 – Projected Capital Outturn Position 2015/16

<u>Background documents:</u>
SIC Budget Book 2015-16, SIC 3 December 2014
http://www.shetland.gov.uk/coins/submissiondocuments.asp?submissionid=16958

Environment & Transport Committee

1. Projected Revenue Outturn Position 2015/16

Service	Annual Budget 2015/16 £000	Projected Outturn 2015/16 £000	Budget v Proj. Outturn Variance (Adv)/ Pos £000
Director of Infrastructure Services	1,020	1,011	9
Environmental Services	3,191	3,017	174
Estate Operations	1,082	1,025	56
Ferry Operations	12,160	12,142	18
Roads Service	4,024	2,539	1,485
Transport Planning	5,483	5,663	(180)
Total Controllable Costs	**26,961**	**25,397**	**1,563**

An explanation for the main variances by service is set out below.

1.1 Director of Infrastructure Services - **projected outturn underspend £9k (1%)**

This projected underspend relates to minor variances across employee costs and will be a one-off saving against budget in the current year.

1.2 Environmental Services – projected outturn underspend of £174k (5%)

This projected underspend mainly relates to:
- increased income for the Landfill Site and Waste to Energy Plant due to increased waste volume from accommodation vessels £51k;
- Scottish Government approval to delay implementation of increased recycling to allow consideration of wider implications of the Council's waste management strategy £40k; and
- reduction in fuel price against budget set across the service £38k.

All of these will be one-off savings in the current year.

1.3 Estate Operations – projected outturn underspend £56k (5%)

This projected underspend is mainly due to:
- vacancies across the service resulting from difficulty in recruiting staff in the current competitive job market £154k;
- offset by a corresponding reduction in Building Maintenance income charges as less work can be undertaken with less staff (£120k).

All of these will be one-off savings in the current year.

1.4   Ferry Operations – projected outturn underspend of £18k (0.1%)

The projected outturn position comprises the following variances:
- vacancies across the service £54k;
- savings against budgeted fuel price of 43p per litre and current average price of 35p per litre £370k;
- underachievement of fare income, as budgets were set pending the outcome of the Ferry Fare Review (£242k); and
- additional two vessel drydocks are required this year to enable a reconfiguration and even distribution of the annual drydocking schedule across future years. This will assist in organisation of relief vessel cover to ensure that service disruption is minimised and also enable better facilitation of vessel 5 yearly re-certification requirements (£348k).

It should be noted that £322k has been allocated to Ferry Operations from the Corporate Contingency Budget to meet the underachievement of fare income and additional drydocking costs, as set out in the 2015/16 budget in anticipation of the possibility of these events.

The vacancy and fuel savings are one-off savings in the current year.

1.5   Roads Service – projected outturn underspend £1.485m (37%)

The projected outturn underspend relates to:
- receipt of a compensation payment from Total for remedial road works unable to be undertaken this year due to volume of other work therefore this will slip into 2016/17 £400k;
- supply of coated roadstone for Gas Plant which was anticipated and budgeted for last year but was delayed, will now go ahead this year, which together with the current cost of bitumen is resulting in additional income for the current year £960k;
- spend to save scheme to change fuel for Scord Quarry to kerosene which is 10% cheaper resulting in £63k saving;
- full gritter maintenance budget will not be required as there are 8 new gritters in the fleet £102k.

The compensation payment, bitumen saving and income from supply of materials for the Gas Plant are all one-off savings in the current year. The fuel saving and gritter maintenance savings will be recurring savings.

1.6   Transport Planning - projected outturn overspend (£180k) (3%)

The projected overspend relates to:
- under achievement of income across the Shetland-wide public bus service, currently estimated to be in the region of 25%; work is on-going to enable a more accurate projection for future reporting (£181k); and

- inter-island air contract inflation of 3% (21k).

Note: Inter-island air contract inflation has been met from the central cost pressure budget which was earmarked for this purpose (£21k).

Environment & Transport Committee

2. Projected Capital Outturn Position 2015/16

Service	Budget 2015/16 £000	Outturn 2015/16 £000	Proj. Outturn Variance (Adv)/ Pos £000
Director of Infrastructure Services	1	1	0
Environmental Services	461	461	0
Estate Operations	3,544	2,068	1,476
Ferry Operations	767	767	0
Roads Service	3,014	3,014	0
Transport Planning	20	20	0
Total Controllable Costs	**7,807**	**6,331**	**1,476**

An explanation for the main variances by service is set out below.

2.1   Director of Infrastructure Services - projected outturn breakeven

The outstanding budget for the Servitor Upgrade project will be fully spent.

2.2   Environmental Services - projected outturn breakeven

The budgets are projected to be fully spent on Energy Recovery Plant equipment replacement programme, Landfill Capping and Waste Management Recycling projects.

2.3   Estate Operations – projected outturn underspend £1,476k (42%)

This projected underspend relates to:

- reprofiling of the Town Hall conservation project to 2016/17 and 2017/18 as approved by Council £1.150m;
- design works for the Bells Brae Primary School refurbishment project will only be completed in October resulting in slippage to 2016/17 of £325k;
- all other project budgets will be fully spent: Building Maintenance Capital Works, Sound Primary School Refurbishment, Gremista Security Gate and Vehicle and Plant Replacement.

2.4   Ferry Operations – projected outturn breakeven

The budgets for the Bigga Life Extension, Linga Conversion and Fivla Life Extension projects will be fully spent.

2.5 **Roads Service – projected outturn breakeven**

It is projected that the budgets for the Clickimin Roundabout/Access Road, Laxaburn Bridge Replacement, Burra Bridge Bearings, Trondra Bridge Bearings, Scord Quarry Fixed Plant Replacement and Roads Rolling Programmes will be fully spent.

2.6 **Transport Planning – projected outturn breakeven**

The rolling programme budget for Bus Services is projected to be fully spent.

Shetland Islands Council

Environment and Transport Committee   **17 August 2015**

Environment and Transport Committee - Business Programme – 2015/16	
GL-30-15-F	
Team Leader – Administration	Governance and Law Corporate Services

1.0   Summary

1.1   The purpose of this report is to inform the Committee of the planned business to be presented to Committee for the financial year to 31 March 2016 and discuss with Officers any changes or additions required to that programme.

2.0   Decision Required

2.1   That the Committee considers its business planned for the financial year to 31 March 2016 and RESOLVES to approve any changes or additions to the Business programme.

3.0   Detail

3.1   The Council approved the Council's Meeting Dates and Business Programme 2015/16 at its meeting on 17 December 2014 (Min Ref: 108/14).

3.2   It was agreed that the Business Programme would be presented by Committee Services to the Council and each Committee, on a quarterly basis, for discussion and approval.

3.3   The manner in which meetings have been scheduled is described below:

- Ordinary meetings have been scheduled, although some have no scheduled business at this stage.   Where there is still no scheduled business within 2 weeks of the meeting, the meeting will be cancelled;

- Special meetings may be called on specific dates for some items – other agenda items can be added, if time permits;

- PPMF = Planning and Performance Management Framework meetings have been called for all Committees and Council once per quarter. These meetings are time restricted, with a specific focus on PPMF only, and therefore no other business will be permitted on those agendas;

- Budget = Budget setting meetings – other agenda items can be added, if time permits, or if required as part of the budget setting process; and

- In consultation with the Chair and relevant Members and Officers, and if required according to the circumstances, the time, date, venue and location of any meeting may be changed, or special meetings added.

3.4   The Business Programme for 2015/16 will be presented by Committee Services to the Council and each Committee, on a quarterly basis, for discussion and approval, particularly in relation to the remaining projects and reports which are listed at the end of the business programme page for each Committee, as still to be scheduled.

4.0   Implications

Strategic

4.1   Delivery On Corporate Priorities – The recommendation in this report is consistent with the following corporate priorities:

Our Corporate Plan 2013-17
- To be able to provide high quality and cost effective services to people in Shetland, our organisation has to be run properly.
- Fully align the timetables, time spans and approaches for financial planning relating to the medium term yearly budgeting with Council, directorate and service planning.

4.2   Community /Stakeholder Issues – The Business Plan provides the community and other stakeholders with important information, along with the Council's Corporate and Directorate Plans, as to the planned business for the coming year.

4.3   Policy And/Or Delegated Authority – Maintaining a Business Programme ensures the effectiveness of the Council's planning and performance management framework. The Business Programme supports each Committees' role, as set out in paragraph 2.3 of the Council's Scheme of Administration and Delegations, in monitoring and reviewing achievements of key outcomes within its functional areas, whilst ensuring best value in the use of resources is met to achieve these outcomes within a performance culture of continuous improvement and customer focus.

4.4   Risk Management – The risks associated with setting the Business Programme are around the challenges for officers meeting the timescales required, and any part of the business programme slipping and causing reputational damage to the Council.   Equally, not applying the Business Programme would result in decision making being unplanned and haphazard and aligning the Council's Business Programme with the objectives and actions contained in its corporate plans could mitigate against those risks.

4.5   Equalities, Health And Human Rights – None.

4.6   Environmental – None.

Resources

4.7   Financial – There are no direct financial implications in this report, but indirect costs may be avoided by optimising Member and officer time.

4.8   Legal – None.

4.9   Human Resources – None.

4.10   Assets And Property – None.

5.0   Conclusions

5.1   The presentation of the Business Programme 2015/16 on a quarterly basis provides a focussed approach to the business of the Committee, and allows senior Officers an opportunity to update the Committee on changes and/or additions required to the Business Programme in a planned and measured way.

For further information please contact:
Anne Cogle
Tel Ext: 4554, email: anne.cogle@shetland.gov.uk
5 August 2015

List of Appendices
Appendix 1 – Environment and Transport Committee Meeting Dates and Business Programme 2015/16

Background documents:
Report GL-20-F: SIC Business Programme and Diary of Meetings 2015/16
http://www.shetland.gov.uk/coins/Agenda.asp?meetingid=4382

Environment and Transport Committee			
			D= Delegated R=Referred
Quarter 1 **1 April 2015** **to** **30 June 2015**	**Date of Meeting**	**Business**	
		Inter Island Ferry Fares Review	D
		ASN & Social care transport review	D
		Transport Planning Service Restructuring	R EJCC 27 Apr P&R 4 May
		Contract Standing Orders - Giera	D
		Contract Standing Orders - Fivla	D
		Carbon Management Plan	R P&R 4 May SIC 13 May
	PPMF 25 May 2015 3.30 p.m.	Management Accounts – Quarter 4	D
		Development Services Directorate Performance Report: 12 Month/4th Quarter 2014/15	D
		Infrastructure Directorate – Performance Overview – Quarter 4	D
		Infrastructure Directorate Plan – Integrated and Formatted Final Edit	D
		Committee Business Programme 2015/16	D
	Ordinary 15 June 2015 2 p.m.	Road Collaboration Report	D
		A970 Sumburgh to Lerwick Road at Levenwick: Possible Safety Improvements	D
		Exceptions to Contract Standing Orders for Work on Ferries	D
		Inter Island Ferry Fares Review	D
		Single Source Energy Supply Agreements – Update Report	D
		Installation of Small Scale Renewables at Council Properties	D
		Energy Recovery Plant/SHEAP Agreement	D
		Carriageway Condition of Shetland's Roads	D
Quarter 2 **1 July 2015** **to** **30 September 2015**	**Date of Meeting**	**Business**	
	PPMF 17 August 2015 3.30 p.m.	Management Accounts – Quarter 1	D
		Infrastructure Directorate – Performance Overview – Quarter 1	D
		Development Services Directorate Performance Report 3 Month/1st Quarter 2015/16	D
		Committee Business Programme 2015/16	D

Environment and Transport Committee - *continued*			
			D= Delegated R=Referred
Quarter 3 1 October 2015 to 31 December 2015	**Date of Meeting**	**Business**	
	Ordinary 5 October 2015 2 p.m.	PURE Presentation & Hydrogen Update	D
		Climate Impacts Report	D
		Energy Efficiency	D
		Fivla Gearbox – Emergency Repair	D
		Bigga – Emergency Repair	D
		Green Investment Bank Project	D
		Energy Contract Report	D
		Koblenz Assembly (Pastoralists) Declaration	D
	PPMF 16 November 2015 3.30 p.m.	Infrastructure Services Directorate – Performance Overview – Quarter 2	D
		Development Services Directorate Performance Report – Quarter 2	D
		Committee Business Programme 2015/16	D
	Budget 24 November 2015 2 p.m.	Infrastructure Services Directorate Plan 2016-17	D
		Development Services Directorate Plan 2016-17	D
		Management Accounts – Quarter 2	D
		2016-17 Budget Proposals and Charges	R P&R 25 Nov
Quarter 4 1 January 2016 to 31 March 2016	**Date of Meeting**	**Business**	
	Ordinary 20 January 2016 2 p.m.	Traffic Regulation Orders	D
		Street Lighting Update	D
		Burial Grounds	D
		Pelican Crossing Consultation	D
		Esplanade 20mph Consultation	D
	PPMF 29 February 2016 3.30 p.m.	Management Accounts – Quarter 3	D
		Infrastructure Services Directorate - Performance Overview Q3	D
		Development Services Directorate Performance Report – Quarter 3	D
		Committee Business Programme 2016/17	D

Planned Committee business still to be scheduled - as at Monday, 10 August 2015

- School and Public Transport Review
- Transport Infrastructure project, including Fixed Links
- Smartcards (NEC)
- Refresh Shetland Transport Strategy
- Infrastructure Investment Plan (R Sinclair)
- Repair & Replacement Costings for Lifetime of Council Assets
- 2018 Northern Isles Lifeline Ferry Contract
- Sustainable Community Transport

tbc = to be confirmed
PPMF = Planning and Performance Management Framework meetings – no other business to be added
Budget = Budget setting meetings – other items can be added if time permits
Ordinary = Ordinary meetings – other items can be added
Special = Special meetings arranged for particular item(s) – other items can be added if time permits

END OF BUSINESS PROGRAMME as at Monday, 10 August 2015