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journeys*



partnership minute

Strathclyde Partnership for Transport

Minute of meeting

11 February 2011

held in Consort House, Glasgow

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Minute of the meeting of the Strathclyde Partnership for Transport held in Consort House, Glasgow, on 11 February 2011.

Present:	Argyll and Bute	Al Reay (deputy)
	East Dunbartonshire	Alan Moir
	East Ayrshire	Robert McDill
	East Renfrewshire	Eddie Phillips
	Glasgow	Jonathan Findlay (Chair)
	Glasgow	Jim McNally
	Glasgow	Archie Graham
	Glasgow	Mathew Kerr (deputy)
	Glasgow	George Roberts
	Inverclyde	David Wilson
	North Ayrshire	Tom Barr (deputy)
	North Lanarkshire	Kaye Harmon
	North Lanarkshire	David Fagan
	North Lanarkshire	Mark Griffin
	Renfrewshire	Marie McGurk
	South Lanarkshire	Ian Gray
	South Lanarkshire	Denis McKenna
	South Lanarkshire	Chris Thompson
	West Dunbartonshire	William Hendrie
	Appointed Member	Tom Hart
	Appointed Member	Alan Malcolm
	Appointed Member	Gavin Scott

Apologies:	Argyll and Bute	Duncan MacIntyre
	South Ayrshire	Bill Grant
	Glasgow	Tommy Morrison
	Appointed Member	Niall McGrogan
	Appointed Member	Ronnie Mellis

Attending: Valerie Davidson, Secretary; Gordon MacLennan, Chief Executive; Eric Stewart, Assistant Chief Executive (Operations) and Neil Wylie, Director of Finance & HR.

1. SPT projects: progress update

The Chair referred to a paper (tabled) providing a progress update on various SPT projects. He advised members that the paper had been presented to the Transport Minister at a recent meeting which had been very positive.

2. Declaration of interest

Councillor Archie Graham declared an interest in respect of agenda item no 11 as he was Vice-Chair of the Riverside Museum Appeals Trust.

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3. Minute of previous meeting

The minute of the meeting of 10 December 2010 was submitted and approved as a correct record.

4. Committee minutes

The minutes (issued) of the undernoted committees were noted, subject to the 'P' paragraph contained in the Strategy and Programmes minute which was approved:-

- (1) Operations Committee of 21 January 2011;
- (2) Strategy & Programmes Committee of 28 January 2011; and
- (3) Recruitment Committee of 4 February 2011.

Arising from the minute of the Recruitment Committee with regard to page 1, paragraph 1, the Partnership

- (a) agreed unanimously to continue the interim arrangements for the posts of Chief Executive and Assistant Chief Executives for a period of 6 months from April 2011; and
- (b) agreed that the Director of Operations post be filled on an interim basis, at no additional cost to the Partnership.

5. Membership update

Mrs Davidson informed members that North Lanarkshire and Argyll and Bute Councils had intimated the following changes to their membership, respectively:-

- (1) Councillor Kaye Harmon had been appointed to replace Councillor Robert Burrows with Councillor Harry Curran appointed as a depute member; and
- (2) Councillor Al Reay had been appointed as a depute member to replace Councillor Roderick McCuish.

Thereon, the Partnership

- (a) noted the position;
- (b) agreed that Councillor Harmon be appointed to the committees on which her predecessor had served; and
- (c) welcomed Councillors Harmon and Reay to the meeting.

6. Representation on outside bodies

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With reference to the minutes of

- (1) 31 May 2007 (page 6, paragraph 9) when the Partnership had

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- (a) considered a list detailing various outside bodies on which the Partnership might wish to be represented; and
 - (b) agreed that the list be remitted to the Chair and Vice-Chairs for them to make the necessary appointments; and
- (2) 29 June 2007 (page 3, paragraph 5) when the Partnership had noted SPT's representation on the various organisations agreed by the Chair and Vice-Chairs,

there was submitted a report (issued) of 24 January 2011 by the Secretary

- (i) informing members that following the appointment of the current Chair in February 2010 and having discussed the matter with him and the Vice-Chairs, it was felt that the Partnership might wish to take the opportunity to re-consider representation on all outside bodies and determine whether or not membership was still relevant;
- (ii) advising members
 - (a) that all of the outside bodies had been contacted to confirm membership requirements, remit, frequency of meetings etc; and
 - (b) that a summary of responses was appended to the report;
- (iii) explaining that although there was a number of responses outstanding, members might wish to consider representation based on the information SPT currently held; and
- (iv) requesting that the Partnership consider SPT's representation on outside bodies and agree appropriate representation.

After discussion and having heard Mrs Davidson advise members that she had recently received a response from Greenguage 21 which was a body established to research and develop the concept of a high speed rail network as a national economic priority, the Partnership agreed to representation on outside bodies as follows:-

Outside Bodies	Member
ITA Special Interest Group	Jon Findlay
Glasgow International Airport Consultative Committee	Jon Findlay Marie McGurk (deputy)
West of Scotland Road Safety Forum	Alan Malcolm
Strathclyde Concessionary Travel Joint Committee	Jon Findlay
Glasgow Prestwick Airport Consultative Committee	Bill Grant

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Denis McKenna (deputy)

North Channel Partnership Steering Group	Jon Findlay
West Coast 250	David Fagan
Clyde Ferry Users Group	Denis McKenna
Sustainable Glasgow	Jon Findlay
Strathclyde Freight Quality Partnership	Gavin Scott
RTP Chairs Committee	Jon Findlay
Greenguage 21	David Fagan

7. Revenue budget and plan 2011/12

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With reference to the minute of 10 December 2010 (page 3, paragraph 7) when the Partnership had

- (1) considered a report outlining the background to the production of SPT's draft revenue plan and budget for financial years 2011/2012 and 2012/2013 which took account of the current reductions in public service funding; and
- (2) agreed that a finalised budget for 2011/12 be presented to this meeting of the Partnership,

there was submitted a report (issued) of 4 February 2011 by the Assistant Chief Executive (Business Support)

- (a) informing members that since the last meeting, the opportunity had been taken to refine and review all draft budget plans, and funding options including further discussion with the funding partners;
- (b) appending
 - (i) a proposed revenue budget of £38.532m for the financial year 2011/2012 which protected front line services, reflected reductions in the available funding from the funding partners and provided total savings equivalent in real terms to 7.5%;
 - (ii) a summary of the proposed requisition from constituent authorities which in cash terms amounted to a 2.8% reduction on 2010/11 levels; and

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- (iii) the significant savings which had been identified in all areas, with the exception of bus operator payments, whilst maintaining front line service levels;
- (c) highlighting
 - (i) the fact that bus operator payments were under increasing pressure as bus operators continued to withdraw commercial services; and
 - (ii) that there was an expectation that SPT would fill service gaps to ensure socially necessary services were maintained which was expected to add a further £580,000 to the cost base;
- (d) advising members
 - (i) that in order to maintain the value of subsidised bus fares in light of the pressures on this budget, it was necessary to propose an increase to the average fare table used by bus operators;
 - (ii) that although other operator fares had been increased by up to 6%, it was proposed to cap the average fare table used on SPT services at an average of 4.2%; and
 - (ii) that whilst any fare increase was not to be welcomed, this would only maintain the level of income from this source and maintain the level of services;
- (e) explaining
 - (i) that, as previously reported, it was not proposed to change Subway fares or bus departure charges at this stage due to them showing signs of being adversely affected by the current economic circumstances; and
 - (ii) that both were being monitored closely and a detailed analysis was being undertaken to assess potential impacts and would be reported to a future meeting;
- (f) intimating
 - (i) that the proposed budget would require a draw on the reserves of £218,000 which could be accommodated in the long term plan and would maintain the level of reserves within agreed tolerances; and
 - (ii) that continuing use of reserves was unsustainable in the longer term and it would be necessary to continue with the ongoing organisational changes to free up resources in future years;
- (g) summarising the planned expenditure plan:-

Expenditure Plan as shown in attachments	£38.532m
Local Authority Requisition	£37.381m

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Scottish Government Support	£ 0.993m
Total funding available	£38.314
Deficit/draw on reserves	£ 0.218m and

- (h) concluding that although at this stage, limited information was available on future year funding availability, planning assumptions as outlined previously suggested further reductions and therefore efficiency savings would continue to be sought across the organisation.

After discussion, the Partnership agreed

- (A) a net revenue budget and expenditure plan of £38.532m;
- (B) a requisition from the constituent councils equivalent in cash terms to a 2.8% reduction on 2010/2011 levels;
- (C) the amendment to subsidised bus fares; and
- (D) a draw of up to £218,000 in reserves as detailed in the report to balance the budget.

8. Proposed Capital Programme 2011/12 to 2013/14

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With reference to the minute of 10 December 2010 (page 5, paragraph 8) when the Partnership had

- (1) considered a report outlining the background to the preparation of a three year draft capital programme for financial years 2010/2011 to 2012/2013;
- (2) noted
 - (a) that although the Scottish Government's last three year comprehensive spending review had allocated an average of £25m to SPT each year until 2010/2011, the allocation for 2011/2012 would only become clear with the publication of the Local Government settlement; and
 - (b) that it was anticipated that capital resources would be lower than in previous years; and
- (3) agreed that a final budget be presented to this meeting of the Partnership, taking cognisance of the available funding and any movements between the current year and 2011/2012,

there was submitted a report (issued) of 27 January 2011 by the Assistant Chief Executive (Business Support)

- (A) reminding members that, as consistent with previous years, the investment proposals had been categorised as follows:-

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- category 1 those projects for which approval was being sought to incur expenditure in year 1 which best met the policies of SPT and the delivery priorities of the Regional Transport Strategy (RTS);
 - category 2 those projects which matched less well with the RTS, particularly the top six priorities, or which required further development or additional funding to ensure smooth delivery; and
 - category 3 those projects which required further development or were planned to be delivered in future years;
- (B) informing members that although a proposed capital grant allocation of £20,511m, a reduction of 18% on the previous three year average allocation, had been included in the Local Government settlement, this could not be finalised until the Scottish Government budget was approved;
- (C) appending a proposed three year capital programme which was prepared on the basis of an allocation of £20.511m and took account of estimated delivery status and the agreed priorities of the Transport Outcome Reports for each council area and local authorities' priorities in their own submissions;
- (D) summarising the capital bids over each category and year as currently assessed which would be reviewed continually to take account of changes in delivery status as well as funding;
- (E) explaining
- (i) that the level of funding and proposed capital programme would result in a funding shortfall of £4.6m; and
 - (ii) that, as was normally the case, the programme had been set in excess of their anticipated funding and would enable management of the delivery of risks throughout the year to ensure that SPT met its budget commitment;
- (F) highlighting that although funding was unknown at this stage, the indicative programme for 2012/13 and 2013/14 had been built on the assumption of a consistent capital grant allocation over that period; and
- (G) recommending that the Partnership
- (I) approve the capital programme and budget for 2011/2012;
 - (II) approve the indicative plan for 2012/2013 and 2013/2014; and
 - (III) agreed that a report on year end movements would be presented to the meeting of the Partnership on 15 April 2011.

After discussion and having heard Mrs Davidson and Mr Wylie in answer to members' questions, the Partnership approved the recommendations at (G) above.



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9. Monkton Park and Ride progress report

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With reference to the minute of 26 February 2010 (page 8, paragraph 19) when the Partnership had

- (1) considered a progress report on the delivery of the Park and Ride project at Monkton; and
- (2) noted that the park and ride element fitted within the wider "Project Ayr" which provided for real time information, bus priority measures and investment by the operators in new vehicles as well as improvements to Ayr Bus Station; and
- (3) approved the purchase of 13.8 acres (5.6 hectares) of land from the Cooperative Wholesale Society (CWS), subject to a satisfactory title report,

there was submitted a report (issued) of 2 February 2011 by the Assistant Chief Executive (Operations)

- (a) informing members of the progress to date with the Monkton Park and Ride project, including the conclusion of the outline design, obtaining outline planning permission and the allocation of future funding for delivery;
- (b) appending a summary sketch showing the key components of "Project Ayr";
- (c) advising members
 - (i) that detailed discussions had been ongoing with the CWS in order to reach a detailed agreement on the sale of land;
 - (ii) that this had been a protracted process whereby the CWS had consistently sought more commercial changes to those previously agreed during negotiations;
 - (iii) that SPT had accommodated a number of the commercial changes sought and consistently encouraged the CWS to reach a conclusion to the sale, in order to allow development of the detailed design, planning and procurement process; and
 - (iv) that a number of alternative solutions to outright sale had also been put forward, including a long term lease, in an endeavour to move the project forward;
- (d) intimating
 - (i) that future funding remained at risk until conclusion of the land purchase and any funding beyond 2011/12 could not be guaranteed; and
 - (ii) that the project could only proceed if SPT had access to the land and the current position of the CWS would suggest that despite heads of agreement previously having been agreed by the parties the project appeared to be at an impasse.

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After discussion and having heard various members express their disappointment with the CWS and Mr Stewart advise members that SPT would continue to attempt to find an appropriate solution to deliver this key strategic project bringing benefits to residents of Ayrshire and the further development of a strategic bus network, the Partnership

- (A) noted the terms of the report; and
- (B) agreed that the Chair should write to Head of the CWS if required.

10. Proposed award of grant to support bus service operated by hybrid vehicles

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After consideration of a report (issued) of 28 January 2011 by the Assistant Chief Executive (Operations) on a request from Colchri Ltd for financial support to assist with the purchase of two hybrid drive low floor vehicles to operate on their service 374 for a minimum period of four years, the Partnership

- (1) agreed a modification to the capital programme to facilitate a grant of £207,200 to Colchri Ltd;
- (2) authorised the Assistant Chief Executive (Business Support) to sign the necessary grant funding letter; and
- (3) noted
 - (a) that SPT, with the approval of the Scottish Government, would assume ownership of the vehicles and lease them to the operator at no cost until the expiry of the four year agreement when ownership would transfer to the operator thus providing SPT with a level of guarantee over the buses should the route be unsuccessful or the operator fail;
 - (b) that the operator had estimated that the significant running cost savings inherent in the hybrid vehicles would alter the financial performance of service 374 to the extent that SPT's operating subsidy, in the sum of £491,989 over a four year period, would not be required; and
 - (c) that, as a result of changes to service 374, Colchri's commercial service 22 would be extended from Silverburn to Nitshill thus securing the provision of direct public transport services between Nitshill, Silverburn, Crookston, Penilee, Hillington Estate and Braehead.

11. Development of bus policy

[Click here to view report](#)

There was submitted a report (issued) of 2 February 2011 by the Assistant Chief Executive (Operations)

- (1) intimating
 - (a) that, since the approval of the Regional Transport Strategy and SPT's Step Change for Bus action plan, officers had continued to monitor the bus market in the west of Scotland to identify opportunities for possible interventions which would improve

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services, standards and infrastructure for the travelling public whilst minimising the impact on the public purse; and

- (b) that the Competition Commission was currently undertaking a "Local Bus Services Market" Inquiry, which was due to report its provisional findings in March and final report in January 2012, and it was likely that this would have a significant impact on future bus service delivery in the UK;
- (2) appending early options for the development of an SPT bus policy (Appendix 2) which was intended to provide a clear statement of SPT's position which could inform debate at national level;
 - (3) explaining that the options would be in addition to and complement the Regional Transport Strategy and Step Change for Bus action plan; and
 - (4) summarising the options as undernoted:-
 - that where the bus market was failing communities, Public Transport Authorities (the body responsible for public transport in the area which in some cases might be the Regional Transport Partnership or the Local Authority) should be given the ability to operate services directly;
 - current legislation relating to Statutory Quality Partnerships and the registration process should be strengthened;
 - consideration should be given to the budget for hospital patient transport to be transferred to Public Transport Authorities (such as SPT); and
 - a shared approach should be taken to fleet management, including the use of local authority fleets and community transport.

After consideration and having heard Mr Stewart in answer to members' questions following a presentation on the topic, the Partnership agreed that officers prepare more detail on the early options detailed in Appendix to the report for submission to the next meeting of the Operations Committee and that this be the basis of a document to be forwarded to members to lobby their own councils, members of their own political parties and MSPs.

12. Support to the Riverside Museum

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There was submitted a report (issued) of 27 January 2011 by the Assistant Chief Executive (Business Support)

- (1) reminding members
 - (a) that Glasgow's Transport Museum was due to be replaced by a new Riverside Museum on the banks of the Clyde at a cost of £74m; and
 - (b) that the Riverside Museum would showcase all of Scotland's transport industry and engineering revolutions;

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(2) informing members

- (a) that the Riverside Museum Appeal, chaired by Lord Smith, aimed to raise £5m towards the cost of the museum, the remainder of which would be met by the Heritage Lottery fund (£18.1m) and Glasgow City Council; and
 - (b) that SPT had been approached with a proposal (detailed in appendix 1) to become one of the museum's main benefactors;
- (3) explaining that donating £50,000 towards the project would not only serve to help sustain and protect the future of Scotland's transport collections, but raise the profile of SPT and reach over 800,000 potential new/existing passengers in the first year alone; and
- (4) highlighting the benefits that that brand association with the new museum would bring, particularly in the year that SPT was progressing Subway modernisation.

After consideration, the Partnership

- (i) endorsed the sum of £50,000 in grant funding to the Riverside Museum; and
- (ii) authorised the Assistant Chief Executive (Business Support) to sign the grant funding letter.