

*joining up
journeys*

SPT

partnership minute

Strathclyde Partnership for Transport

Minute of meeting

16 April 2010

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 16 April 2010.

Present:	Argyll and Bute	Duncan MacIntyre
	East Ayrshire	Bobby McDill
	East Dunbartonshire	Alan Moir
	East Renfrewshire	Charlie Gilbert (deputy)
	Glasgow	Jonathan Findlay (Chair)
	Glasgow	Archie Graham
	Glasgow	Tommy Morrison
	Glasgow	Jim McNally
	Glasgow	George Roberts
	North Lanarkshire	Robert Burrows
	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	John Boyle
	Appointed Member	Tom Hart
	Appointed Member	Alan Malcolm
	Appointed Member	Gavin Scott
	Appointed Member	Bill Ure

Apologies	Inverclyde	David Wilson
	North Ayrshire	John Reid
	South Ayrshire	Bill Grant
	Appointed Member	Ronnie Mellis
	Appointed Member	Niall McGrogan

Attending: Valerie A. Bowen, Senior Clerk; Gordon MacIannan, Assistant Chief Executive (Operations); Bruce Kiloh, Director of Policy and Strategy; Charlie Hoskins, Director of Projects; David Wallace, Director of Subway Operations; Eric Stewart, Director of Bus Operations and Neil Wylie, Director of Finance.

1. Declaration of interest

The Partnership noted that there were no declarations of interest.

2. Minute of previous meeting

The minute of the meeting of 26 February 2010 was submitted and approved as a correct record, subject to the inclusion of a request for a roll call vote at paragraph 4 to be recorded.

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3. Committee minutes

The minutes (issued) of the undernoted committees were noted, subject to the P paragraphs contained in the Personnel Committee which required Partnership approval:-

- (1) Audit and Standards Committee of 26 February 2010;
- (2) Operations Committee of 19 March 2010;
- (3) Strategy and Programmes Committee of 26 March 2010; and
- (4) Personnel Committee of 9 April 2010.

Arising from the minute with regard to

- (a) page 1, paragraph 2 of the Audit and Standards Committee, Mr MacLennan updated members on the timing of the audit process being carried out by KPMG. The committee noted that the findings of the KPMG investigations would be submitted to a special meeting of the Audit and Standards Committee at the earliest opportunity;
- (b) page 5, paragraph 7(3) of the Strategy and Programmes Committee, Mrs Bowen advised members that the wording should read Dalmarnock not Kilmarnock; and
- (c) page 2, paragraph 6 of the Personnel Committee, it was agreed at Councillor Roberts request that his dissent be recorded in relation to paragraphs (b) – (e) of that minute.

At this point in the proceedings, Messrs MacLennan and Stewart were requested to leave the meeting during the Partnership's discussion of this item.

Thereon, following considerable discussion, Councillor Findlay, seconded by Councillor Fagan, moved approval of the P paragraphs contained within the Personnel minute.

Councillor Roberts, seconded by Councillor Hendrie, moved, as an amendment, that the P paragraphs be not approved and that the process to appoint a new Chief Executive be instigated immediately on the basis of their view that proceeding to advertise the Chief Executive's post now would be the best way to avoid possible further disruption to the organisation.

Thereon, a sufficient number of the members present having so required in terms of Standing Order No. 3.17.1, the vote was taken by calling the roll.

On the roll being called, the following five members voted for the amendment:- Councillors Ian Gray, William Hendrie, Bobby McDill, Marie McGurk and George Roberts,
and the following twelve members voted in favour of the motion:- Councillors Robert Burrows, David Fagan, Jonathan Findlay, Archie Graham, Charlie Gilbert, Mark Griffin, Alan Moir, Tommy Morrison, Denis McKenna, Jim McNally, Duncan MacIntyre and Chris Thompson.

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Five members having voted for the amendment and twelve members having voted for the motion, the motion was accordingly declared to be carried.

4. Membership update

Mrs Bowen advised members that appointed members Elizabeth Cameron and Elizabeth Connolly had intimated their resignation from the Partnership. The Partnership agreed

- (1) to convey its thanks to them for their valuable contribution to the work of the Partnership and transport in general;
- (2) that a recruitment exercise be conducted to fill the two positions; and
- (3) that responsibility for the recruitment process be delegated to a Recruitment Committee in respect of which the Senior Clerk would contact members with regard to proposed representation on that committee.

5. Subway Modernisation – Outline Business Case

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With reference to the minute of 17 April 2009 (page 8, paragraph 10) when the Partnership had

- (1) considered a report which set out a number of the emerging issues on the work undertaken to examine the options for modernisation of the Subway system;
- (2) endorsed the approach being undertaken, including the continued work to finalise the Outline Business Case; and
- (3) agreed that a Design Advisory Group be established under the Chairmanship of Councillor Fagan to look at new branding and station naming,

there was submitted a report (issued) of 7 April 2010 by the Assistant Chief Executive (Operations)

- (a) detailing the findings of the Outline Business Case which had been completed and clearly demonstrated that the best option for the Subway was a modernisation approach centred on modernising working practices, targeting investment in new trains and signalling, a new ticketing system and improved stations and accessibility;
- (b) intimating that modernisation would transform the system, attract more patronage, deal with the projected growth in subsidy requirement and deliver over £280m of transport economic benefits, as well as £47m of wider economic benefits to the region;
- (c) outlining the necessary changes to working practices, staffing and operations which were fundamental in delivering customer improvements and long term financial stability and required to be taken forward, in partnership with trade unions, as a priority;
- (d) informing members that although a wider strategic examination of funding options had been considered as part of the Outline Business Case as detailed in the report, the proposed strategy had been narrowed down to a mixture of funding involving:-

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- ongoing revenue support from Local Authority (LA) partners, recognising that the key benefit to the LA partners was that the forecast ever-increasing subsidy trend would thereby be reversed;
 - ongoing capital grant from the Scottish Government for the general capital items;
 - SPT undertaking borrowing to deal with capital peak; and
 - borrowing being paid back through the life of the project by a combination of increased revenue, efficiency savings arising from the capital investment, SPT's Subway Modernisation Fund and the Scottish Government financial support which was being sought;
- (e) enclosing as a an appendix to the report, a best practice design guide prepared by the Design Advisory Group which would be used to ensure a holistic approach for the quality of the modernisation, most notably in the short term for guiding the implementation of the refreshed Subway brand and station improvements; and
- (f) advising members that the key elements of modernisation would be delivered over a 5-10 year implementation period which represented a realistic time period in which to deliver the related staffing changes.

After considerable discussion and having heard a presentation by Mr Hoskins which provided further detail on the Outline Business Case and the other options which had been examined, the Partnership

- (i) endorsed the "Modernisation Case" as the preferred option and the strategic way forward;
- (ii) agreed to prioritise the modernisation of working practices and employee relations as the key to delivering improved customer service and achieving a sustainable financial future for operation of the subway; and
- (iii) approved
 - (A) the adoption of the Best Practice Design Guide as the key guidance document for the design and quality aspects of the modernisation; and
 - (B) the strategy for taking forward the funding of the modernisation as detailed in the report.

6. Treasury Management Policy & Strategy 2010/11

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There was submitted a report (issued) of 30 March 2010 by the Assistant Chief Executive (Business Support)

- (1) reminding members that SPT managed the cash balances at its disposal with outstanding debt being managed by Glasgow City Council;
- (2) appending

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- (a) the CIPFA Treasury Management Code of Practice which had been revised in 2009 in the light of the default by Icelandic Banks in 2008 and required that Councils, Boards and other appropriate bodies formally pass four amended clauses in order to approve adoption of the new version of the Code of Practice and cross sectional guidance notes;
 - (b) a list of treasury management practices adopted by SPT;
 - (c) SPT's current counterparty list;
 - (d) SPT's prudential indicators which were relevant for the purpose of setting an integrated treasury management strategy; and
 - (e) SPT's current Treasury Management Policy Statement; and
- (3) detailing the proposed treasury management strategy for SPT for the financial year 2010/11 under the following headings:-
- treasury limits in force which would limit the treasury risk and activities of the Partnership;
 - Prudential Indicators;
 - the current treasury position;
 - the borrowing requirement;
 - prospects for interest rates;
 - major economic factors;
 - borrowing strategy;
 - investment strategy; and
 - loan debt rescheduling.

After consideration and having heard Mr Wylie in answer to members' questions, the committee

- (i) approved
 - (A) the Treasury Management Strategy and Policy for 2010/11;
 - (B) the counterparty list ;
 - (C) the adoption of the revised CIPFA Treasury Management Code of Practice; and
 - (D) SPT's Treasury Management Policy Statement; and
- (ii) otherwise noted the terms of the report.

7. SPT response to the Transport Plan for 2012 Olympic and Paralympic games

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There was submitted a report (issued) of 29 March 2010 by the Assistant Chief Executive (Business Support)

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- (1) intimating that SPT had been consulted by the Olympic Delivery Authority (ODA) on the Transport Plan for the 2012 Olympic and Paralympic Games;
- (2) enclosing SPT's response to the ODA which sought information about the 2012 Olympic football matches at Hampden Park and early notice of any specific temporary arrangements required, particularly relating to any additional security requirements or issues for bus and rail transport which required consideration;
- (3) explaining that SPT was currently working with and funding Glasgow City Council to improve bus and coach parking provision in the vicinity of the stadium and to provide quality bus corridors connecting Hampden Park with the city centre; and
- (4) informing members that further discussions regarding public transport interventions for Hampden Park would be discussed with the ODA.

After consideration, the committee noted the response.

8. SPT response to Competition Commission inquiry into the local bus market

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There was submitted a report (issued) of 30 March 2010 by the Assistant Chief Executive (Business Support)

- (1) detailing the background to the current Inquiry by the Competition Commission into the local bus market;
- (2) enclosing SPT's response to the "Statement of Issues" stage of the inquiry which covered the following:-
 - the local bus market in the west of Scotland;
 - comments on the hypotheses for investigation of commercial services identified in the Statement of Issues;
 - comments on commercial services;
 - comments on the hypotheses for investigation of tendered services identified in the Statement of Issues;
 - comments on tendered services; and
 - initial suggestions for possible remedies to addressing any issues of competition in terms of meeting SPT's Regional Transport Strategy's outcomes of "improved connectivity, access for all, reduced emissions and attractive, seamless reliable travel" for the west of Scotland; and
- (3) explaining that it was considered essential that SPT was fully engaged in the Inquiry to ensure the best possible outcomes for the travelling public in the west of Scotland.

After consideration and having heard that SPT officers would be required to be engaged with the process of the Inquiry over the next two years, the committee

- (a) noted the response; and
- (b) agreed that progress reports would be submitted to future meetings of the Partnership as the Inquiry progressed.

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9. Notice of motion by Councillor Roberts and Councillor Gray

There was submitted the following motion in the names of Councillors George Roberts and Ian Gray, notice of which appeared on the agenda, viz:-

"Standing Orders of SPT - Method of Voting

Delete

3.17 Method of Voting

3.17.1 Except as otherwise provided in the Standing Order 3.5.3 a vote may be taken either by calling the roll or by a show of hands. When it is proposed to take the vote by a show of hands any member may object to the vote being so taken and if one-third of the members present and eligible to vote rise in their places to signify objection the vote shall be taken by calling the roll. All votes on procedure shall however be taken by a show of hands.

And add

3.17 Method of Voting

3.17.1 Except as otherwise provided in the Standing Order 3.5.3 a vote must be taken by calling the roll. "

In accordance with Standing Order No. 9, it was agreed that the proposed motion stand adjourned to the next meeting of the Partnership.