

Strathclyde Partnership for Transport minute of Strategy & Programmes Committee meeting

1 December 2006

held in Consort House, Glasgow

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Minute of the meeting of the Strathclyde Partnership for Transport Strategy & Programmes Committee held in Glasgow on 1 December 2006

- Present** Councillors Tom Selfridge (Chair), David Fagan, Irene Graham, Alan Lafferty, Duncan McIntyre, Davie McLachlan, Jim McNally, Julia Southcott, and Alistair Watson and appointed members Alan Malcolm and Gavin Scott.
- Apologies** Councillor Chris Thompson and appointed member Liz Connelly.
- Attending** Valerie Davidson, Secretary/Assistant Chief Executive (Business Support); Valerie A Bowen, Assistant Clerk; John Halliday, Assistant Chief Executive (Transport & Strategy) and Hazel Martin, Director of Rail.

1. Minute of previous meeting

The minute of the meeting of 29 September 2006 was submitted and approved.

2. Draft revenue budget for financial year 2007/08

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There was submitted a report (issued) of 16 November 2006 by the Assistant Chief Executive (Business Support),

- (1) reminding members that it was normal practice to submit a draft revenue budget and plan, with associated details of savings, additional burdens, proposed fees, and charges;
- (2) appending
 - (a) a draft revenue budget of £45.217m which had been prepared taking into account the ongoing operation of the Partnership and giving due consideration to any growth bids together with the ability to fund the budget; and
 - (b) a summary of the proposed requisition sought from constituent authorities which amounted to an increase of no more than 1.5%;
- (3) intimating that, for some considerable time, discussions on a long term financial plan had been taking place with the Scottish Executive and that these had now concluded satisfactorily with a proposed agreement on long term revenue funding where, in effect, the Scottish Executive would continue direct funding with a back to back agreement in place on debt management;
- (4) informing members
 - (a) that, whilst the budget had been prepared on the basis of no significant growth bids, limited growth for the following was proposed:-
 - consultancy support : professional valuation services to value the Partnership building and infrastructure assets as recommended by External Audit;

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- recruitment of an Information Officer;
 - training: an increase in the training budget to move the Partnership towards industry average training investment; and
 - organisational development: investment in quality processes and accreditation;
- (b) that fares, fees and charges had been reviewed taking into account the Partnership's objective of promoting accessible and affordable public transport and, following consideration of a number of options, the following increases were proposed:
- introduction of Sunday subway car park charges of £1.50;
 - increase bus station departure charges by 2.5%;
 - increase subsidised bus service fares by 2.5%; and
 - increase miscellaneous fares and charges by 2.5%; and
- (c) that the net impact of the growth bids and increases in fares, fees and charges was a net expenditure reduction of £8,000;
- (5) explaining
- (a) that the Partnership (and, in the past, the PTA/PTE) had endeavoured to requisition constituent authorities as close as possible to GAE, but historically the level of debt charges had not made this possible;
- (b) that the main issue continued to be the Subway debt being classed as non-reckonable and therefore receiving no financial support; and
- (c) that the proposed long term financial plan and agreement with the Scottish Executive did provide for an element of debt re-payment which, in turn, provided an opportunity over the long term for SPT to seek requisition at GAE level; and
- (6) summarising the proposed funding as follows:-
- | | |
|--|----------|
| Constituent authority requisition | £34.812m |
| Scottish Executive long term agreement | £8.447m |
| RTP core costs met by Scottish Executive | £0.400m |
| Travel Plan Grant (section 70 grant) | £0.170m |
| Rural Transport Grant | £1.047m |
| Bus Route Development Grant | £0.341m |

After considerable discussion and having heard Mrs Davidson in further explanation, the committee

- (i) noted the terms of the report;

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- (ii) agreed in principle that the Partnership budget should seek to minimise the increase to the requisition to no more than 1.5%; and
- (iii) agreed to consider the budget position within the timescale needed to inform the funding partners' budgetary provision, ie prior to the end of January 2007.

3. Draft capital budget 2007/08 to 2009/10

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There was submitted a report (issued) of 16 November 2006 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the capital budget setting process had begun in August this year when SPT departments and constituent authorities were asked to submit their capital bids for 2007/08 and beyond;
- (2) advising members
 - (a) that as general capital funding for 2007/08 remained at £25.2m, it had been recognised that the capital bids might be in excess of the funding available and extensive analysis had had to be carried out to rationalise the capital bids in line with SPT's policies and objectives;
 - (b) that, although the Regional Transport Strategy would not be submitted until March 2007, the draft capital plan and budget required to be mindful of the draft RTS proposals as the strategy would influence future capital investment plans, many of which would have a life span greater than one financial year; and
 - (c) that, as a result, it had been necessary to categorise capital plans into various stages to take account of progress in the project cycle;
- (3) explaining that 3 levels of priority had been identified:-
 - Priority 1 those projects for which approval was being sought to incur expenditure in year 1 of a 3 year plan, that had been committed already in previous years and were ready to be delivered
 - Priority 2 those projects which required further development work to ensure smooth delivery and which had been prioritised to do so; and
 - Priority 3 those projects which required further development or were planned to be delivered in future years;
- (4) appending
 - (a) a detailed list of all projects contained in the draft programme;
 - (b) a detailed list of those projects which were submitted but had been discounted for various reasons; and

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- (c) a summary of the draft programme along with known and anticipated funding for 2007/08;
- (5) summarising the capital bids over each category and year as undernoted:-

	2007/08	2008/09	2009/10
	£000	£000	£000
Priority 1	38,905	11,313	30,566
Priority 2	15,671	28,115	28,455
Priority3	3,624	44,285	2,330
Total	58,200	83,713	61,351

- (6) recommending that the committee
- (a) approve the projects outlined in the report; and
- (b) agree
- (i) to the early approval of the Bus Stop Infrastructure project which was part of a rolling programme but required additional procurement work to progress further; and
- (ii) that a final budget be presented to a future Partnership meeting, taking cognisance of the available funding and any movements between the current financial year and 2007/08.

After consideration and having heard Mrs Davidson in answer to members questions, the committee approved the recommendations at (6) above.

4. Revenue monitoring report as at 14 October 2006

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There was submitted a report (issued) of 16 November 2006 by the Assistant Chief Executive (Business Support),

- (1) reminding members that, at its meeting on 24 February 2006, the Partnership had approved a revenue budget for 2006/07 of £38.957m;
- (2) appending the revenue monitoring report for the period to 16 November 2006 (period 7);
- (3) informing members that, based on the information available to date, an underspend of £461,000 was forecast at this stage and, whilst there were many changes to individual expenditure heads, most were not considered to be significant.

After consideration the committee noted the terms of the report.

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5. Capital monitoring report - Amendments and proposed additions

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With reference to the minute of the Partnership of 21 April 2006 (page 4, paragraph 5) when the Partnership had noted the funding available for capital investment in 2006/2007 of £34.545m comprising £27.227m of general grant and approved s70 Scottish Executive grant funding of £9.318m, there was submitted a report (issued) of 14 November 2006 by the Assistant Chief Executive (Business Support),

(1) reminding members

- (a) that the capital investment plan had three categories, priorities 1, 2 and 3;
- (b) that the main focus would be on delivery of priority 1 projects with priority 2 projects being delivered where funding was available to do so and priority 3 projects being developed for future years;
- (c) that the capital budget consisted of priority 1 (£33.755m) and priority 2 projects (£4.565m) giving a total budget of £38.320m; and
- (d) that, as was the custom, the capital investment plan had been set with a shortfall in funding - £3.775m in this financial year;

(2) appending

- (a) a financial analysis of the capital programme budget and actual spend as at 14 October 2006 (period 7) in summary by service and in detail by project, which highlighted an actual spend to date of £6.083m compared to a revised profiled expenditure budgeted to be incurred by the end of period 7 of £12.333m; and
- (b) a list of various proposed amendments to the capital programme which, if approved, would result in a revised priority 1 budget of £35.110m and anticipated outturn of £30.911m; and

(3) detailing the financial implications of these amendments for the overall 2006/07 capital programme.

After discussion and having heard Mrs Davidson in further explanation and in answer to members' questions, the committee

(i) approved the following amendments to the 2006/07 capital programme:-

Project	Variation to cost (£)	Detail	Status
Kilmarnock rail line upgrade	37,000	Revised costs from Network Rail	Revised outturn
Croy rail station Park & Ride	2,500,000	Revised estimate as per completed feasibility study	Revised outturn

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Project	Variation to cost (£)	Detail	Status
Bus shelter CCTV	15,000	Increased costs for installation of cameras	Revised outturn
DRT enhancement and integration	(60,000)	Revised profile from consultants	Revised outturn
Extension of telecommunications for DRT	(40,000)	Revised profile from consultants	Revised outturn
Rolling stock exterior vinyl re-coating	(10,000)	Revised profile from consultants	Revised outturn
Life extension of autocouplers	(50,000)	Procurement / specification issues	Revised outturn
Life extension of 6PC14 and 6PC15 contractors	(100,000)	Procurement / specification issues	Revised outturn
Subway train wash	(38,000)	Revised profile from consultants	Revised outturn
Power car refurbishment	(50,000)	Revised profile from consultants	Revised outturn
Workshop wheel lathe	(280,000)	Revised profile from consultants	Revised outturn
Vessels	(50,000)	Purchase of new engine for Ferry not deemed value for money	Revised outturn
Upgrade & refurbish escalators	(23,000)	Cost savings	Revised outturn
Major escalator refurbishment works	650,000	Approved by Capital Steering Group. Priority 2 to Priority 1	Promoted
Govan de-watering	10,000	Cost overrun from 2005/06	New
Subway station improvements	2,000	Cost overrun	Revised outturn
Shields Road Park & Ride	4,500	Cost overrun	Revised outturn
Plant replacements and additions	4,000	Cost overrun	Revised outturn

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Project	Variation to cost (£)	Detail	Status
Refurbishment of battery locos	(140,000)	Procurement / specification issues	Revised outturn
Consort House refurbishment	40,000	Approved by Capital Steering Group. New project	New
Hyndland/Gartnavel study	(114,000)	Re-examination of project programme procurement	Revised outturn
Public Transport Conurbation Study	(15,000)	Cost saving	Revised outturn
New Stations (Rail)	(30,000)	Ongoing discussions between SPT and Transport Scotland	Revised outturn
Glasgow Airport Rail Link Phase 2	200,000	Revised profile received	Revised outturn
Carluke Park & Ride	(600,000)	Land issues	Revised outturn
Access to Rail Stations – North Lanarkshire	200,000	Approved by Capital Steering Group. Priority 2 to Priority 1	Promoted
East Kilbride Station Park & Ride	600,000	Approved by Capital Steering Group. Priority 3 to Priority 1.	Promoted

6. Capital expenditure monitoring report as at 14 October 2006

[Click here to view report](#)

There was submitted a report (issued) of 23 November 2006 by the Chief Executive,

- (1) appending a financial analysis of the capital programme budget and actual spend as at 14 October 2006 (period 7) in summary by service and in detail by project, which highlighted an actual spend to date of £6.083m compared to a revised profiled expenditure budgeted to be incurred by the end of period 7 of £12.333m; and
- (2) highlighting the following projects which had been selected for detailed reporting:-
 - Contribution to low floor bus conversion on Ayr-Girvan-Portpatrick services;
 - Refurbishment of trailer cars;

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- Vessels ("Renfrew Rose" and "Yoker Swan");
- Hyndland/Gartnavel Study;
- New rail station proposals; and
- Long term strategy for the Subway.

After consideration and having heard Mr Halliday in answer to members' questions, the Committee noted the terms of the report.

7. **Access for All: Scottish rail station improvements**

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There was submitted a report (issued) of 24 November 2006 by the Chief Executive

- (1) intimating
 - (a) that the Railways for All Accessibility Strategy for Great Britain had been launched by the Department for Transport in March 2006 and described what the railway industry was doing to improve access for disabled people;
 - (b) that a key part of this Strategy was the Access for All finance targeted at improving the accessibility of stations in terms of which it had been agreed under the Scheme that Network Rail would be able to spend up to £3.91 million per annum on stations in Scotland, a sum over and above commitments made in the franchise;
- (2) explaining
 - (a) that prior to the launch of the Strategy, the Strategic Rail Authority (SRA) had undertaken a consultation process in early 2005 to identify suitable projects;
 - (b) that SPT had played an active role in this process, commenting on the SRA's initial suggested list of stations and alerting the SRA to stations where SPT had aspirations and had either commissioned or were commissioning feasibility studies; and
 - (c) that it had been made clear to the SRA that if certain stations were approved then it would be sensible if those projects could proceed in tandem with SPT enhancement aspirations;
- (3) advising members
 - (a) that Transport Scotland had approved feasibility studies at the following stations in the SPT area:-

Motherwell;
Dalmuir;
Mount Florida; and
Rutherglen;
 - (b) that although all of the above stations had been highlighted to SRA as priorities in the SPT area, the projects at Motherwell and Dalmuir could proceed in tandem with SPT enhancement aspirations

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- (4) informing members
 - (a) that SPT had sought to be included in Transport Scotland's local project group which would be convened for each station and involve local stakeholders; and
 - (b) that SPT had stated its desire to be consulted fully on future priorities under this funding package as the strategic transport body for the area.

After consideration and having heard Mrs Martin in further explanation, the committee noted

- (i) the stations at which the works were planned; and
- (ii) that the Director of Rail would continue to liaise with Transport Scotland and Network Rail on the proposals.