

Strathclyde Partnership for Transport

Minute of Strategy & Programmes Committee

14 September 2012

held in Consort House, Glasgow

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**Minute of the meeting of Strathclyde Partnership for Transport's
Strategy & Programmes Committee held in Consort House, Glasgow, on 14 September 2012**

Present Councillor David Fagan (Chair), Jim Coleman, John Cairney (substitute) Bill Grant, Michael Holmes, Bobby Lawson, Denis McKenna, George Redmond and Paul Welsh and appointed members Tom Hart, Alan Malcolm and Gavin Scott.

Attending Valerie A Bowen, Senior Clerk; Gordon MacLennan, Chief Executive; Neil Wylie, Director of Finance & HR and Charlie Hoskins, Director of Projects.

Also attending Councillor Robert G MacIntyre, Scott Prentice, First ScotRail and Allan Anderson and Alan Marshall, Transport Scotland.

1. Apologies

Apologies were submitted from Councillors John Bruce, Pauline McKeever and Chris Thompson.

2. Declaration of interest in terms of the Ethical Standards in Public Life etc (Scotland) Act 2000

The committee noted that there were no declarations of interest.

3. Minute of previous meeting

The minute of the meeting of 29 June 2012 was submitted and approved as a correct record.

4. Revenue monitoring report as at 18 August 2012, period 5

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There was submitted and noted a report (issued) of 30 August 2012 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the Partnership had approved a revenue budget for 2012/2013 of £38.418m,
- (2) appending the revenue monitoring report for the period to 18 August 2012 (period 5);
- (3) informing members that based on the information to date, an underspend of £644,000 was forecast; and
- (4) outlining the main reasons for the projected underspend.

Thereafter, the committee was advised that to date no funds had been attributed to the subway modernisation fund in the current financial year as outlined in the business case, but that the level of contribution would be proposed to a future committee.

5. Capital programme monitoring report as at 18 August 2012 period 5

[Click here to view report](#)

P* There was submitted a report (issued) of 29 August 2012 by the Assistant Chief Executive (Business Support)

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- (1) reminding members that the 2012/2013 capital programme of £37.920m had been approved by the Partnership on 30 March 2012 against known capital funding of £21.692m from the Scottish Government, which included a ring fenced sum of £6m in support of Subway modernisation, £5m in support of Fastlink and a planned revenue contribution to the capital programme of £2m;
- (2) advising members that actual expenditure as at 18 August 2012 (period 5) totalled £6.794m compared to a planned spend position of £8.173m;
- (3) providing a detailed financial analysis of individual projects contained within the programme, split by department;
- (4) appending proposed amendments to the capital programme, together with reasons for the adjustments listed against each project, which gave a revised outturn figure of £38,467m; and
- (5) recommending that the committee
 - (a) note
 - (i) the financial performance of the 2012/2013 capital programme as at 18 August 2012 (period 5);
 - (ii) the results of the risk assessment exercise as detailed in the report; and
 - (iii) that further work to manage risks, advance savings and re-phase existing projects was being undertaken to balance spend against budget;
 - (b) approve
 - (i) the proposed amendments to the 2011/2013 capital programme as detailed in appendix 2 to the report; and
 - (ii) the award of grant funding up to the value of £160,000 to the local authorities and other identified bodies as detailed in the report;
 - *(c) agree to recommend to the Partnership the award of grant funding over the value, or cumulative award value of £160,000 to the local authorities and other identified bodies as detailed in the report; and
 - (d) authorise the Assistant Chief Executive (Business Support) to sign the grant funding letters to expedite all of the projects.

After consideration and having heard Mr Wylie in answer to members' questions, the committee approved the recommendations at (5) above.

6. Annual Treasury Management report 2011/2012

[Click here to view report](#)

There was submitted and noted a report (issued) of 29 August 2012 by the Assistant Chief Executive (Business Support)

- (1) informing members that, in accordance with the Chartered Institute of Public Finance and Accountancy "Treasury Management in Public Services Code" and SPT's Financial

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Regulations, an annual report required to be produced to present an overview of treasury activities undertaken in the previous financial year;

- (2) summarising the Treasury Management performance for the financial year 2011/2012 which covered
 - capital expenditure and financing;
 - SPT's current treasury position;
 - the economy in 2011/2012;
 - borrowing;
 - compliance with treasury limits and prudential indicators;
 - investment strategy for 2011/2012; and
 - investment outturn for 2011/2012; and
- (3) appending SPT's Prudential Indicators.

7. SPT staff travel planning and sustainable travel update

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There was submitted and noted a report (issued) of 5 September 2012 by the Assistant Chief Executive (Business Support)

- (1) providing detail on the development of SPT's Staff Travel Plan during 2012/2013 which aimed to encourage sustainable and active travel modes;
- (2) explaining
 - (a) that the plan was used also as an example of best practice to encourage public and private sector organisations to develop and implement staff travel plans and measures; and
 - (b) that the plan had been developed to help reduce staff commuting costs and complemented other organisational targets involving staff health, the environment and carbon reduction.

8. Dalmarnock Rail Station redevelopment - progress update

[Click here to view report](#)

There was submitted and noted a report (issued) of 17 August 2012 by the Assistant Chief Executive (Operations)

- (1) providing members with a update on the development of the Dalmarnock Rail Station project;
- (2) appending various photographs, which highlighted the progress of the works as at August 2012;
- (3) informing members that the detailed design and advance works had been completed in line with the programme and within budget; and
- (4) advising members that the main contract for the building works was well underway to be completed before the end of 2013 and within the overall budget.

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9. 2014 Rail Franchise – update

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With reference to the minute of the Partnership of 10 February 2012 (page 4, paragraph 9) when the Partnership had approved SPT's proposed response to the Rail 2014 consultation on the future of passenger rail services in Scotland for submission to Transport Scotland, there was submitted and noted a report (issued) of 24 August 2012 by the Assistant Chief Executive (Operations)

- (1) summarising Transport Scotland's findings and recommendations from the Rail 2014 consultation;
- (2) explaining
 - (a) that many of SPT's comments had been reflected in the recommendations; and
 - (b) that following recommendations by SPT and a range of other groups and individuals, Transport Scotland had confirmed that station closures would not form part of the future franchise;
- (3) advising members
 - (a) that a tenet of SPT's response related to the need for a strong role for SPT and other RTPs in decisions relating to regional rail;
 - (b) that following discussions with Transport Scotland, it was proposed that a West of Scotland Rail Forum be formed, consisting of officers from SPT, Transport Scotland, Network Rail and First ScotRail to discuss a range of rail issues, including rail franchise, timetabling, investment and policy matters; and
 - (c) that the forum would meet on a quarterly basis and be chaired by SPT; and
- (4) concluding
 - (a) that SPT would continue to liaise with Transport Scotland as it moved forward with its recommendations; and
 - (b) that further updates would be provided to the committee in due course.

10. Edinburgh Glasgow Improvements Programme update

[Click here to view report](#)

With reference to the minute of 23 March 2012 (page 3, paragraph 7) when the committee had approved SPT's draft response to Network Rail's consultation on the Edinburgh Glasgow Improvement Programme (EGIP), which was a £1.2bn scheme to electrify rail routes and improve services between Glasgow and Edinburgh via Falkirk, Carstairs and Cumbernauld, there was submitted and noted a report (issued) of 24 August 2012 by the Assistant Chief Executive (Operations)

- (1) informing members that, following the conclusion of the consultation process, the Scottish Government had announced a revised package of EGIP proposals;
- (2) appending the key elements of the original EGIP proposals together with a commentary on the benefits and issues arising from the new proposals;

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- (3) advising members
 - (a) that the revised EGIP programme aimed to create the potential to generate significant economic, social and environmental improvements; and
 - (b) that as timetabling, routing and the EGIP business case became available SPT expected to be in a more informed position as to the likely impacts of EGIP on suburban services; and
- (4) explaining
 - (a) that SPT was awaiting further details on a number of aspects of the revised proposals from Transport Scotland and Network Rail; and
 - (b) that dialogue would continue with all rail industry partners, in order to deliver the widest benefits the project could bring, whilst seeking to protect the current lines and services within the SPT area.

After considerable discussion and having heard Mr Hoskins in further explanation and Messrs Anderson and Marshall in answer to members' questions, the committee noted the terms of the report.

11. East Coast main line franchise consultation

[Click here to view report](#)

There was submitted and approved a report (issued) of 24 August 2012 by the Assistant Chief Executive (Operations)

- (1) informing members
 - (a) of the franchise consultation being undertaken by the Department for Transport (DFT) regarding the Inter City East Coast (ICEC) rail franchise; and
 - (b) that the aim of the consultation was to ensure that the emerging franchise would meet the needs of the users and offer the rail industry the opportunity to demonstrate that lessons had been learnt from previous contract failures;
- (2) appending SPT's proposed response which required to be submitted to the DFT by 18 September 2012;
- (3) explaining
 - (a) that failure by previous franchise holders on the ECML to deliver the ECML franchise, caused in part by the economic downturn and unsustainable growth and revenue forecast by winning tenderers, had resulted in the UK government temporarily assuming control of the franchise as the "operator of last resort"; and
 - (b) that the developing re-letting of the franchise was an opportunity to ensure that safeguards could be built in to avoid such a situation recurring; and
- (4) recommending that the committee approve the proposed response.

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12. Rail services between Glasgow, Paisley and Ayr – SPT response to proposed December 2012 timetable

[Click here to view report](#)

There was submitted a report (issued) of 24 August 2012 by the Assistant Chief Executive (Operations)

- (1) providing detail on proposed alterations to rail services on the Ayrshire and Inverclyde lines from December 2012 which had included, inter alia, a proposed reduction in off peak services between Paisley Gilmour Street and Ayr from the current two per hour to one;
- (2) explaining
 - (a) that whilst recognising the overall benefits of the current proposals, SPT and affected councils were concerned at the reduction in those off-peak services between Paisley and Ayr, given the business, leisure, educational and airport links between the two centres; and
 - (b) that although discussions between SPT, Transport Scotland and First ScotRail had identified a feasible solution of extending Irvine terminating service to Ayr calling at Paisley Gilmour Street, SPT had been advised that the alteration could not be included in the December 2012 timetable;
- (3) intimating that although SPT had been advised that restoration of the current level of off-peak service between Paisley and Ayr might be considered as part of the new franchise from November 2014, this would result in a two year gap in off peak service provision; and
- (4) concluding that SPT would continue to work with Transport Scotland and First ScotRail to seek improvements to the new timetable.

After discussion and having heard Mr Prentice in answer to members' questions and the Chair commend officers on their efforts in attempting to find an alternative solution, the committee noted the terms of the report.

13. Award of contracts

After consideration of various reports (issued) by the Assistant Chief Executive (Operations) the committee approved the award of the following contracts for the Subway Modernisation project:-

	Contract	Contractor	Amount	Remarks
(a)	Provision of disposable smartcards for the new Subway ticketing system	Confidex Ltd Click here to view report	£390,900 (on call off basis)	Most economically advantageous tender based on tender assessment criteria
(b)	Broomloan yard improvements phase 2 works	Volker Rail Specialist Business Ltd Click here to view report	£778,210.67	Contractor had completed phase 1 works on time, to a high quality and within the project budget and had been asked to confirm their costs for phase 2 works as contained within the original tender.

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Contract	Contractor	Amount	Remarks
(c) Station refresh:-			
Manufacture and installation of station signage	Service Graphics Click here to view report	£138,473 (excluding VAT)	Most economically advantageous tender based on tender assessment criteria
Minor works at stations	CPMS	£333,415 (excluding VAT)	Most economically advantageous tender based on tender assessment criteria
(d) Design, supply and installation of a new modular welfare building at Broomloan Depot, Govan	Paton Plant Ltd Click here to view report	£686,021 (excluding VAT)	Most economically advantageous tender based on tender assessment criteria Award subject to clarification over the proposed savings identified by Paton Plant Ltd

14. Attendance at the Bus Euro Bus Expo 2012

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There was submitted a report (issued) of 3 September 2012 by the Assistant Chief Executive (Business Support)

- (1) informing members of the Euro Bus Expo Event in Birmingham which presented the latest developments in the bus industry, including new designs, technology and how this was being used to capture efficiencies and the development of low carbon vehicles and services;
- (2) explaining that attendance at the above event had previously proved to be invaluable in the development of SPT's bus fleet proposals; and
- (3) recommending that the committee approve attendance of the Chief Executive and Assistant Chief Executive (Operations) at the Bus Expo Event from 6 – 8 November 2012 at an anticipated cost of £1,000 for all travel, accommodation and conference attendance.

After discussion, the committee

- (a) approved the recommendation at (3) above; and
- (b) agreed that a full report on findings be submitted to a future committee.