

Strathclyde Partnership for Transport

Minute of Strategy & Programmes Committee meeting

17 September 2010

held in Consort House, Glasgow

contact officers:

Valerie A Bowen	phone: 0141 333 3130
Kirsten Clubb	phone: 0141 333 3576

Minute of the meeting of the Strathclyde Partnership for Transport's Strategy & Programmes Committee held in Glasgow on 17 September 2010

Present Councillors David Fagan (Chair), Robert Burrows, Charlie Gilbert, Ian Gray, Archie Graham, Bill Grant, Duncan MacIntyre, Denis McKenna, Jim McNally and George Roberts and appointed member Alan Malcolm.

Apologies Councillors Jonathan Findlay and Eddie Phillips and appointed members John Boyle and Gavin Scott.

Attending Valerie Davidson, Assistant Chief Executive (Business Support)/Secretary; Valerie A Bowen, Senior Clerk; Gordon MacLennan, Chief Executive; Eric Stewart, Assistant Chief Executive (Operations); Neil Wylie, Director of Finance & HR and Charlie Hoskins, Director of Projects.

1. Papal Visit

The Chair, on behalf of the committee, extended his thanks and congratulations to all SPT staff involved with the assistance, provision and delivery of a smooth transport infrastructure on the day of the Pope's recent visit.

2. Declaration of interest

The committee noted that there were no declarations of interest.

3. Minute of previous meeting

The minute of the meeting of 25 June 2010 (issued) was submitted and approved as a correct record.

Thereon, Mr Hoskins updated members on the current position in relation to Dalmarnock Rail station and the feasibility study carried out on the possibility of Park & Ride facilities at Robroyston.

Following discussion, the committee agreed that progress reports on Dalmarnock Rail station be submitted to the committee on a regular basis.

4. Revenue monitoring report as at 14 August 2010

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There was submitted a report (issued) of 9 September 2010 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the Partnership had approved a revenue budget for 2010/2011 of £39.556m;
- (2) appending the revenue monitoring report for the period to 14 August 2010 (period 5);

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- (3) informing members that, based on the information to date, an underspend of £37,000 was forecast; and
- (4) outlining the main reasons for the projected underspend.

After consideration and having heard Mr Wylie in further explanation of the report, the committee noted the projected outturn position on the information available at the end of period 5.

5. Capital programme monitoring and proposed amendments

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There was submitted a report (issued) of 2 September 2010 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the 2010/2011 capital programme had been approved by the Partnership on 12 February 2010 against known capital funding of £20m from the Scottish Government;
- (2) listing a number of projects which were judged to have a high inherent risk of not delivering full budgeted spend within 2010/2011 for a variety of reasons; and
- (3) indicating that the current spend risk within the 2010/2011 capital programme was estimated now to be in the region of £7m;
- (4) providing a detailed financial analysis of individual projects contained within the programme, split by department;
- (5) informing members
 - (a) that SPT's revised available funding, including a revised surplus carry forward of £3m from 2009/2010, was £26.621m; and
 - (b) that actual expenditure to date totalled £3.76m compared to a planned spend position of £5.757m;
- (6) appending proposed amendments to the capital programme, together with reasons for the adjustments listed against each project, which gave a revised outturn figure of £33.662 ; and
- (7) recommending that the committee
 - (a) note the results of the risk assessment exercise;
 - (b) note the financial performance of the 2010/2011 capital programme as at period 5; and
 - (c) approve the formal amendments to the 2010/2011 capital programme as detailed in the report.

After discussion, the committee approved the recommendations at (7) above.

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6. Annual Treasury Management Report 2009/2010

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

- (1) reminding members that, in accordance with the Chartered Institute of Public Finance and Accountancy "Treasury Management in Public Services Code" and SPT's Financial 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 2009/2010 which covered
 - SPT's current treasury position;
 - the economy in 2009/2010;
 - borrowing and investment rates in 2009/2010;
 - the borrowing outturn for 2009/2010;
 - compliance with treasury limits and prudential indicators;
 - investment strategy for 2009/2010;
 - investment outturn for 2009/2010; and
 - debt re-scheduling;
- (3) appending SPT's Prudential Indicators; and
- (4) concluding
 - (a) that during 2009/2010, SPT's debt had been significantly reduced in accordance with the long term financial agreement with the Scottish Government; and
 - (b) that, whilst SPT had managed to beat the benchmarking returns on both investment income and average rates of return, these had dropped significantly due to the drop in interest rates to an unprecedented low and that this had had a material impact on SPT's overall revenue position.

7. Fastlink – Progress update

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With reference to the minute of 30 January 2010 (page 7, paragraph 6) when the committee had considered and approved the overarching vision for Fastlink, there was submitted a report (issued) of 1 September 2010 by the Assistant Chief Executive (Business Support)

- (1) intimating that since January Glasgow City Council, on behalf of SPT (as funders of the initial development work) and steering group members from Renfrewshire Council, West Dunbartonshire Council and NHS Greater Glasgow and Clyde, had further advanced the development work on the project to a stage that a draft outline business

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- case (OBC) had been produced and submitted to the Scottish Government in order to seek support and a funding commitment for the delivery of the project;
- (2) detailing the benefit to cost ratios for Core, Inner Regional and Regional schemes;
 - (3) explaining
 - (a) that the OBC analysis had identified that the best performing option against the project objectives was the "Inner Regional" route at a cost of £60m;
 - (b) that, whilst the OBC had shown a projected positive benefit over the longer term, this remained uncertain in the current climate and combined with the wider effects on the network, some initial kick start funding might be required for the operation of Fastlink; and
 - (c) that, although the Glasgow city centre proposals had been deemed to be an essential requirement in achieving the most commercially attractive service and would have wider benefits across the bus network, these were at an early stage of development and might require to be phased in line with the overall scheme;
 - (4) advising members
 - (a) that, in addition to capital funding, and in the context of the Core scheme, a degree of operational funding might also be required, one potential source for funding of which might be SPT's Network Enhancement Grant and which would require to be considered amongst other pressures in SPT's overall revenue funding;
 - (b) that in a scenario where less capital funding was available than set out in the draft OBC, this would lead to a considerable scaling back of both the length of initial route and quality features (eg less segregation). This would inevitably dilute also the benefits and it was likely that such an approach would bring the Fastlink proposals more in line with the existing Streamline concept; and
 - (c) that, in addition, this would have a risk of not being able to deliver the necessary service to the new Southern General Hospital which attracted the section 75 contribution from the health board contained within the planning approval for the new hospital;
 - (d) that an assessment of commercial viability in the early years, particularly taking account of the difficult current economic situation, which had serious consequences on local bus patronage was required; and
 - (e) that the potential abstraction from existing services which ran parallel/part way along the new corridors required further detailed analysis as part of the ongoing development to minimise risk to existing services;
 - (5) outlining a range of potential procurement options which had been considered as a means of delivering the construction and operational elements of the scheme together with a number of funding sources, identified by project partners, which might be used to fund the capital construction of the scheme;

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- (6) informing members that, until the amount of available funding was known and a decision made on which option to progress, the delivery programme could not be finalised a factor which should be taken into consideration should Fastlink be considered desirable prior to the commencement of the Commonwealth Games.

After consideration and having heard the Chair and Mr Hoskins in further explanation and in answer to members' questions, the committee noted the terms of the report.

8. Central Scotland Green Network – Response to consultation on the Prospectus, draft vision and Workplan (2010 – 2015)

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There was submitted a report (issued) of 26 August 2010 by the Assistant Chief Executive (Business Support),

- (1) advising members of a consultation carried out by the Central Scotland Green Network (CSGN), a bringing together of neighbouring initiatives to effect a step change in environmental quality, woodland cover and recreational opportunities;
- (2) intimating that the CSGN's proposals were consistent with the outcomes of the Regional Transport Strategy, particularly with regard to reduced emissions, improved connectivity and SPT's strategic priorities of
 - encouraging modal shift to more sustainable modes;
 - promoting 'smarter choices' travel planning and active travel; and
 - improving access to services, including healthcare and education;
- (3) enclosing SPT's response which had been submitted to CSGN on 11 July 2010; and
- (4) explaining that SPT's response to the consultation highlighted SPT's role as a key agency in the development plan process and the role that the greenspace network could play in delivering a sustainable transport network for central Scotland.

After discussion and having heard Mrs Davidson in further explanation, the committee noted the response.

9. Freight consolidation centre study – findings

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There was submitted and noted a report (issued) of 31 August 2010 by the Assistant Chief Executive (Business Support),

- (1) advising members that, following a mini tendering process within SPT's framework, Steer Davies Gleave consultancy had been commissioned in October 2009 to undertake a study to evaluate the need for a freight consolidation centre in the Glasgow Area following identification by the Strathclyde Freight Quality Partnership of the potential benefits;
- (2) explaining that the requirement was to review best practice across existing freight consolidation centres and, using this information, conduct a detailed stakeholder

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consultation exercise across the logistics, retail and construction sectors to gauge demand and potential benefits to industry; and

- (3) informing members that the study had concluded
 - (a) that, although there was insufficient demand currently from the construction industry for a freight consolidation centre, this type of operation would be more likely to benefit the retail sector;
 - (b) that, at present, retailers were content with their arrangements in the supply of goods to their premises and there were no economic or legislative incentives driving them toward considering changes to their current logistics. If, however, there should be a future requirement to restrict goods access to any of these locations, particularly the city centre, on congestion or environmental grounds, then a consolidation centre would be a valuable option to support these other initiatives; and
 - (c) that there was no requirement for public sector organisations to provide infrastructure for consolidation centres in the Glasgow area as consolidation centres could be pursued via the logistic providers who had premises available in suitable locations and could develop consolidation operations from their established professional relationships with retailers.

10. SPT's response to Transport Scotland's Franchising Policy Statement

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There was submitted and approved a report (issued) of 31 August 2010 by the Assistant Chief Executive (Business Support),

- (1) intimating
 - (a) that under section 26(4A) of the Railways Acts 1993 (as amended), Scottish Ministers were required to publish a franchising policy statement about how they proposed to exercise their power under section 26(1) to select the franchisee to operate the ScotRail franchise in advance of the tender being let; and
 - (b) that full public consultation on the form, type, duration, service statement or any element of the content of the next ScotRail franchise, which would commence in 2014, would be held as part of the new franchise tendering process in advance of the letting of the franchise;
- (2) advising members that SPT's proposed response had highlighted the need for early engagement between Transport Scotland and wider stakeholders, including SPT, throughout the franchise process; and
- (3) enclosing SPT's proposed response which would be submitted to Transport Scotland by the closing date of 22 October 2010.

11. Rail station car parks – Supply and usage

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There was submitted a report (issued) of 31 August 2010 by the Assistant Chief Executive (Business Support),

- (1) enclosing details, supplied by Transport Scotland, of rail station parking facilities owned by Network Rail and leased to First ScotRail which included availability and usage of "Blue Badge" parking;
- (2) informing members that, as SPT had requested regular updates from Transport Scotland and they had agreed to provide this, periodic updates would be submitted to members; and
- (3) concluding from the April survey that, on average, 95% of station car park spaces were occupied each day, which supported the RTS strategic priority of encouraging modal shift to more sustainable modes.

After consideration and having heard Mrs Davidson and Mr Hoskins in answer to members' questions, the committee noted the terms of the report.

12. SPT JourneyShare – progress update

[Click here to view report](#)

There was submitted a report (issued) of 31 August 2010 by the Assistant Chief Executive (Business Support),

- (1) reminding members that JourneyShare was promoted through SPT's travel planning services and aimed to encourage public and private sector employers in the Strathclyde area to promote sustainable transport amongst their staff in an attempt to help cut congestion and pollution;
- (2) explaining
 - (a) that other travel plan measures included
 - the provision of public transport information;
 - the promotion of walking, cycling and public transport travel options;
 - the promotion of Zonecards and other ticketing schemes;
 - cycle to work schemes; and
 - car sharing; and
 - (b) that it was generally accepted that sustainable travel initiatives were considered to be low cost, quick win initiatives which could not only deliver financial and health benefits for employers and employees, but contribute to an organisation's overall reduction in carbon footprint;
- (3) highlighting the significant benefits delivered by SPT's JourneyShare scheme which outweighed the relatively modest costs incurred; and
- (4) concluding that, with continued support, JourneyShare had the potential to be one of the largest and most influential journey sharing sites in Scotland, further promoting SPT's sustainable travel objectives.

After consideration, the committee

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- (i) noted the progress and level of benefits being delivered through SPT's JourneyShare scheme; and
- (ii) agreed that increased promotion and marketing of the scheme should be encouraged within the financial resources available.