



Strathclyde Partnership for Transport

Minute of Strategy & Programmes Committee

24 June 2016

held in 131 St Vincent Street, Glasgow

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Minute of the meeting of Strathclyde Partnership for Transport's Strategy & Programmes Committee held in 131 St Vincent Street, Glasgow, on 24 June 2016

Present Councillors Kaye Harmon (Chair), Jonathan Findlay, Gerald Leonard and Denis McKenna and appointed members Anne Follin, Alan Malcolm and Jim McNally.

Attending Valerie Davidson, Assistant Chief Executive (Business Support)/Secretary; Valerie A Bowen, Senior Committee Officer; Eric Stewart, Assistant Chief Executive (Operations); Charlie Hoskins, Senior Director; Neil Wylie, Director of Finance and HR, Ronnie Park, Director of Bus Operations and Bruce Kiloh, Head of Policy & Planning.

1. Apologies

Apologies were submitted from Councillors Eddie Devine, Margaret Devine (substitute), Allan Falconer and Bill Grant and appointed members Ann Faulds and Gavin Scott.

2. Declarations 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. Welcome

The Chair welcomed Councillor Gerald Leonard to his first meeting of the Strategy & Programmes Committee.

4. Minute of previous meeting

The minute of the meeting of 20 May 2015 was submitted and approved as a correct record.

Arising from the minute with reference to page 6, paragraph 5 and following considerable discussion, the committee agreed that research should be undertaken by officers for a potential future paper on transport funding, taking into account the points discussed at the meeting, which included Air Passenger Duty, Bus Service Operators Grant, European funding and other sources.

5. 2015/2016 capital outturn and capital programme monitoring report and proposed amendments as at 28 May 2016 (period 2)

There was submitted and approved a report (issued) of 14 June 2016 by the Assistant Chief Executive (Business Support)

(1) informing members of the draft 2015/2016 capital outturn position as undernoted:-

Ref	Category	Subway Modernisation £000	Subway Infrastructure £000	Fastlink £000	General Capital £000	Total £000
1	Projected programme spend as at 18 March 2016	11,840	12,400	10,000	22,382	56,622
2	Capital Programme 2015/16	11,861	11,113	9,145	22,476	54,595

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Ref	Category	Subway Modernisation £000	Subway Infrastructure £000	Fastlink £000	General Capital £000	Total £000
3	Scottish Government general capital grant	6,000	-	5,000	10,900	21,900
4	Scottish Government specific capital grants	-	-	1,821	-	1,821
5	Other grants and contributions	5	-	2,324	283	2,612
6	Revenue contribution to the capital programme	-	-	-	5,596	5,596
7	Subway fund utilisation	5,856	11,113	-	-	16,969
8	Transfers from reserves	-	-	-	5,697	5,697
9	Total funding 2015/16	11,861	11,113	9,145	22,476	54,595
10	Variance	0	0	0	0	0

- (2) reminding members that the 2016/2017 capital programme had been approved by the Partnership on 4 March 2016 against known capital grant and other sources of funding;
- (3) advising members that actual expenditure as at 28 May 2016 (period 2) totalled £4.242m compared to a planned spend position of £4.330m;
- (4) providing a detailed financial analysis of individual projects contained within the programme, split by department;
- (5) appending proposed amendments to the capital programme, together with reasons for the adjustments listed against each project, which represented an increase of £60,000 in the capital programme;
- (6) explaining that, as there was also a corresponding increase in the available capital funding for 2016/2017 of £60,000, there was no impact on the net capital programme; and
- (7) requesting that the committee
 - (a) note
 - (i) the draft 2015/2016 capital outturn position;
 - (ii) the financial performance of the 2016/2017 capital programme as at period 2; and
 - (iii) that further work to quantify and manage risks, advance savings and re-phase existing projects was being undertaken to balance spend against budget; and
 - (b) approve the proposed amendments to the 2016/2017 capital programme as detailed in appendix 2 to the report.

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6. 2015/2016 Draft final outturn and revenue monitoring report as at 28 May 2016 (period 2)

There was submitted and noted a report (issued) of 6 June 2016 by the Assistant Chief Executive (Operations)

- (1) informing members
 - (a) that the 2015/2016 draft outturn position was break even, subject to final audit;
 - (b) that, as outlined in previous years, positive outturns had been utilised as part of SPT's overall funding and reserves strategy to safeguard front line services, support capital works (non-subway related) and funding of subway modernisation which minimised the risk to the funding partners in future years of increased requisition;
 - (c) that strong operational and non-operational income levels, most notably in subway, had contributed to a positive outturn. In addition, the on-going savings programme had generated significant savings in the year, in particular on employee costs, other third party payments and bus operator payments due to close management of costs across all supported and contracted bus services; and
 - (d) that the net impact of these positive income returns and efficiency savings had allowed a contribution of £3.596m in support of the general capital programme and £1.356m in support of the subway modernisation fund;
- (2) reminding members that the Partnership had approved a revenue budget for 2016/2017 of £38.418m;
- (3) appending the revenue monitoring report for the period to 28 May 2016 (period 2);
- (4) intimating that, although it was early in the financial year, at this point all budgeted plans were being delivered as anticipated and all expenditure heads would be managed closely to ensure that this position was maintained or improved upon. In line with previous committee approvals, any positive variances would be utilised to support SPT plans; and
- (5) recommending that the committee note
 - (a) the draft outturn for financial year 2015/2016, subject to external audit; and
 - (b) the projected outturn position on the information available at the end of Period 2 of 2016/2017.

7. Rail update in the SPT area

There was submitted a report (issued) of 31 May 2016 by the Assistant Chief Executive (Operations) updating members on strategic rail issues in the SPT area since March 2016, particularly in relation to the ongoing works at Queen Street High Level as part of the Edinburgh - Glasgow Improvements Project (EGIP) the Consultation by the Department for Transport on the Intercity West Coast Rail Franchise, the Office of Rail and Road on the PR18 Periodic Review, New Station development progress at Robroyston and future fleet allocation and service proposals.

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

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8. Community Empowerment (Scotland) Act 2015: Consultations on Guidance and Draft Regulations – Proposed SPT responses

With reference to the minute of 29 January 2016 (page 3, paragraph 7) when the committee, inter alia, had noted

- (1) that the Community Empowerment (Scotland) Act 2015 (CESA) had come into force in July 2015; and
- (2) that as part of the process of developing the orders, regulations and guidance related to the Act, the Scottish Government had met with representatives from Regional Transport Partnerships (RTPs) to discuss the implications of the Act for RTPs and to seek their views so as to inform the development of best practice Guidance for implementing the Act,

there was submitted and approved a report (issued) of 31 May 2016 by the Assistant Chief Executive (Operations)

- (a) intimating that The Scottish Government was currently consulting on three elements of CESA, viz.
 - Draft Guidance and Regulation – response due 13 June 2016;
 - Participation Requests – response due 15 June 2016; and
 - Asset transfer – response due 20 June 2016;
- (b) detailing the main proposals from each of the three CESA consultations, together with the key principles of SPT's response for each;
- (c) explaining that, whilst SPT's responses were supportive in general of the overall provisions of the Act, there were significant concerns regarding the potential ramifications of the Act and its associated guidance and SPT would seek to ensure that the Scottish Government took these views on board as guidance on the Act progressed; and
- (d) requesting approval of the key principles of SPT's draft responses as outlined in the report.

9. Independent Review of the Scottish Planning System – Final report

With reference to the minute of the Partnership of 11 December 2015 (page 4, paragraph 9), when the Partnership, inter alia, had approved SPT's proposed response to the Scottish Government's Independent Review of the Scottish Planning System subject to the inclusion of various points made by members at the meeting, there was submitted and noted a report (issued) of 31 May 2016 by the Assistant Chief Executive (Operations)

- (1) intimating
 - (a) that officers had elaborated on SPT's response in April 2016 during an oral evidence session with the independent panel appointed by the Scottish Government to review the Scottish planning system; and

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- (b) that through the call for written evidence, over 400 responses had been received and oral evidence sessions had been held with over 100 individuals representing around 70 organisations;
- (2) advising members that the panel's report "Empowering Planning to Deliver Great Places" had been published on 31 May 2016 and had set out 48 recommendations which were attached at appendix 1 to the report;
- (3) explaining that The Planning Delivery Advice on Housing and Infrastructure, as reported to the committee on 20 May 2016, would sit alongside any response by the Scottish Government to the panel's report; and
- (4) informing members
 - (a) that the outcomes of the panel's review and recommendations could have far-reaching implications for the planning system in Scotland if adopted by the Scottish Government; and
 - (b) that meantime, officers would, in preparing for the Scottish Government's response to the panel's recommendations, seek to further integrated transport and land-use planning and continue to highlight the need to recognise formally the intrinsic benefits of early engagement on the provision of public transport for new developments.

10. Subway secure communication network- Proposed award of contract

There was submitted a report (issued) of 8 June 2016 by the Assistant Chief Executive (Operations)

- (1) informing members
 - (a) that, although the Emergency Services Network (ESN) was the secure communication network used by the UK Government for inter-communication between the three emergency services: Fire & Rescue, Police and Ambulance, the network could be used under licence by public transport authorities;
 - (b) that the ESN hardware and services were currently provided, operated and maintained by Airwave (a Motorola company); and
 - (c) that, in December 2015, the Government had awarded the ESN user services and mobile services contracts to Motorola Solutions and EE Ltd, respectively, and these new contracts would phase-in a new communication service, effective from 1 January 2020, which would incorporate 4G connectivity;
- (2) explaining that the current SPT contract with Airwave was due to expire shortly and, as this was a safety critical service provided by a sole supplier, a negotiated approach had been necessary to maintain the current Subway Airwave system/service until the rollout of the new national ESN on 1 January 2020;
- (3) providing information on the scope of supply (based on an existing system audit which had been carried out in December 2015) and the procurement process; and
- (4) recommending approval of the award of a contract to Airwave solutions Ltd with a contract price of up to £1,180,135.41.

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After consideration and having heard that the new contract

- (i) had resulted in significant savings against the previous years' cost; and
- (ii) allowed flexibility for SPT to review/change the scope of supply as operational needs developed in line with Subway modernisation,

the committee approved the recommendation at (4) above.