



Strathclyde Partnership for Transport

Minute of Strategy & Programmes Committee

20 May 2016

held in 131 St Vincent Street, Glasgow

contact officers:

Valerie A Bowen

phone: 0141 333 3130

Kirsten Clubb

phone: 0141 333 3576

Minute of the meeting of Strathclyde Partnership for Transport's Strategy & Programmes Committee held in 131 St Vincent Street, Glasgow, on 20 May 2016

Present Councillors Kaye Harmon (Chair), John Bruce, John Cairney (substitute); Eddie Devine, Jonathan Findlay, Bill Grant, Pauline McKeever and Denis McKenna and appointed members Anne Follin, Alan Malcolm, Jim McNally and Gavin Scott.

Attending Valerie Davidson, Assistant Chief Executive (Business Support)/Secretary; Gordon MacLennan, Chief Executive; Eric Stewart, Assistant Chief Executive (Operations); Charlie Hoskins, Senior Director; Neil Wylie, Director of Finance and HR and Bruce Kiloh, Head of Policy & Planning.

1. Apologies

Apologies were submitted from Councillors Allan Falconer, Gerald Leonard, William Shields and Paul Welsh and appointed member Ann Faulds.

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. Minute of previous meeting

The minute of the meeting of 18 March 2015 was submitted and approved as a correct record.

Arising from the minute (page 5, paragraph 11), Mr. McNally enquired whether or not there had been any further update or response concerning Glasgow City Council's request concerning the Clyde Tunnel. Mr MacLennan confirmed that no further correspondence had been received and Cllr Findlay undertook to seek an update from the Council.

4. Proposed Capital amendments 2016/2017

P There was submitted and approved a report (issued) of 5 May 2016 by the Assistant Chief Executive (Business Support)

- (1) 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;
- (2) informing members that seven proposed amendments which balanced out neutrally in financial terms and all of which related to a redetermination of local authority priorities, had been received for the 2016/2017 capital programme as detailed in Appendix 1 to the report;
- (3) detailing the revised capital programme position as undernoted :-

Ref	Category	Subway Mod £000	Fastlink £000	General Capital £000	Total £000
1	Capital Programme 2016/17 as at 4 March 2016	39,350	5,000	28,085	72,435
2	Proposed amendments (as at Appendix 1)	-	-	0	0

20 May 2016

3	Revised 2016/17 capital programme	39,350	5,000	28,085	72,435
4	Available capital funding 2016/17	26,000	5,000	11,870	42,870
5	Changes in funding required	-	-	0	0
6	Projected subway fund utilisation	-	-	14,750	14,750
7	Projected transfers from Unapplied Capital Grants	13,350	-	-	13,350
8	Revised 2016/17 funding	39,350	5,000	26,620	70,970
9	Projected variance	-	-	1,465	1,465
10	Projected variance of general capital as a percentage of funding			6%	

(4) advising members

- (a) that SPT and Transport Scotland (TS) were developing a new strategic transport model for the region, to be known as the Strathclyde Regional Transport Model (SRTM), which would be owned jointly by SPT and TS and used by both partners, together with councils and other organisations, to inform the development of Glasgow City Region City Deal and other regional transport projects and initiatives; and
- (b) that SPT's 50% contribution towards the development of the SRTM had already been approved as part of the capital budget and approval was sought now to enter into a Memorandum of Understanding with TS to facilitate payment of the SPT contribution; and

(5) recommending that the committee

- (a) approve the proposed amendments to the 2016/17 capital programme;
- (b) agree to Grant Fund or to vary existing Grant Fund letters to the Local Authorities or other bodies for those awards up to the value of £200,000 and authorise the Assistant Chief Executive (Business Support) to complete the award letters;
- (c) recommend to the Partnership, approval to Grant Fund or to vary existing Grant Fund letters to the Local Authorities or other bodies for those awards over a cumulative value of £200,000;
- (d) authorise the Assistant Chief Executive (Business Support) to conclude the Memorandum of Understanding referred to at 4(b) above; and
- (e) otherwise note the terms of the report.

5. Scottish Government Consultation on Air Passenger Duty – Proposed SPT response

There was submitted a report (issued) of 25 April 2016 by the Assistant Chief Executive (Operations)

20 May 2016

- (1) informing members
 - (a) that the Scottish Government had sought views from stakeholders on how a Scottish replacement for Air Passenger Duty (APD) should be structured and operated, with a view to help achieve the strategic objective of sustainable growth through improving air connectivity in Scotland; and
 - (b) that the Government intended to reduce the tax by 50% by the end of the Parliament and abolish it completely when resources allowed;
- (2) outlining the key issues contained within the consultation, together with the key principles of SPT's proposed response; and
- (3) concluding
 - (a) that, although SPT broadly welcomed the proposals given the economic benefits which were forecast to accrue, the potentially damaging environmental impacts and pressure on current transport infrastructure and services which a reduction or abolition was likely to bring had to be acknowledged;
 - (b) that for this reason, SPT's response would make clear that any decision to reduce or abolish APD must be conditional on a clear and funded investment strategy to mitigate the likely environmental impacts and that a robust analysis of the impacts on long distance UK coach and rail services should be undertaken; and
 - (c) that such a strategy should also consider how best to strengthen transport infrastructure around airports to ensure that local networks could accommodate anticipated additional demands.

Following considerable discussion, particularly in relation to the purpose of APD, where the purpose of APD lies, its contribution to the Scottish economy and how this taxation could be better utilised if ring fenced to support public transport, the Committee agreed

- (i) that SPT's proposed response be re-drafted to take account of the comments and issues raised by members at the meeting; and
- (ii) that the amended response be brought to a future meeting for further consideration, prior to submission to the Scottish Government.

6. **Scottish Government Consultation on Draft Planning Delivery Advice on Housing and Infrastructure**

There was submitted and approved a report (issued) of 25 April 2016 by the Assistant Chief Executive (Operations)

- (1) informing members
 - (a) that The Scottish Government (SG) had published a Draft Planning Delivery Advice on Housing and Infrastructure on 17 February 2016; and
 - (b) that the main purpose of the advice, once finalised, would be to assist in the preparation of development plans by highlighting the key messages of the Advice including the achievement of delivery through joint working and engagement and

20 May 2016

greater clarity on housing and infrastructure requirements within development plans and Action Programmes;

- (2) explaining SPT's role in the Development Plan process;
- (3) appending SPT's response which had been submitted within the deadline of 30 March 2016, subject to Committee approval; and
- (4) concluding
 - (a) that it was essential that the future planning of housing and infrastructure considered transport implications at an early stage and that they continued to be taken account of as development progressed;
 - (b) that SPT had taken a proactive stance in this regard with councils, Clydeplan and others, and would continue to do so in future through initiatives such as the Strathclyde Bus Alliance (which was the subject of a separate paper to this Committee); and
 - (c) that Officers would continue to work with other organisations to seek assurances that SPT's views would be taken account of as the Advice was finalised.

Following discussion and having heard Mr Kiloh in further explanation, the committee agreed that SPT's response should stress the importance of sustainability in the planning process, the need to consider public transport provision and connectivity at the outset of future developments and the importance of encouraging the development of brown field sites which were more likely to have access to existing public transport links.

7. Strathclyde Bus Alliance – Proposal

There was submitted and approved a report (issued) of 25 April 2016 by the Assistant Chief Executive (Operations)

- (1) reminding members that, whilst bus remained the dominant public transport mode in Scotland with a market share of around 77%, the west of Scotland had seen a decline in bus patronage of 49 million passengers (22%) over the last 10 years (2004/5 – 2014/15);
- (2) highlighting that, although there was no single reason for this significant and worrying fall, the impact of the financial crisis of 2007-08, cheap car deals, out of town/internet shopping, easy access to free or low-cost parking and the growth in rail patronage in Scotland over the same period (29m, 45%) would have contributed to it;
- (3) explaining
 - (a) that as operating costs per passenger over the last 10 years had gone up by 35%, the number of operators in the west of Scotland had reduced from around 120 five years ago to about 60 and, whilst 45% of operators' revenue came from central or local government subsidy, all government support for bus services had decreased by 15% over the 5 years to 2014/15;
 - (b) that the impact of this for SPT had been that around 30% of services were now subsidised in whole or in part in the west of Scotland, and demand for new or extended services had never been higher; and

20 May 2016

- (c) that should the decline continue at a similar rate, the economic, social and environmental impacts for the region would be significant;
- (4) informing members
 - (a) that it was for these reasons that SPT, as the Regional Transport Partnership for the west of Scotland, sought to lead the way in helping to address the current situation by approaching, informally, major bus operators in the area to seek their views on the establishment of a Strathclyde Bus Alliance (SBA), based on current Statutory Quality Partnership legislation, the objectives of which would be to arrest decline in bus patronage in the west of Scotland by 2020 and achieve 3% year on year growth post-2020; and
 - (b) that SPT would continue to seek to improve the bus market in the west of Scotland through the capital and revenue programme and initiatives such as the Glasgow and Clyde Valley City Deal Strathclyde Bus Investment Programme;
- (5) appending further information on the proposed membership and initial key themes of the SBA; and
- (6) concluding that, although achieving the priorities would be very challenging, it would highlight the fact that the current perilous state of the bus market in the west of Scotland required a co-ordinated effort by all partners to address fully the reasons for such decline.

After consideration and having heard that the response from the majority of operators to SPT's approach had been very positive, the committee approved the establishment of a Strathclyde Bus Alliance and request that a presentation outlining the key bus market issues and objectives of the bus alliance, should be prepared and delivered to a future Partnership meeting

8. Subway modernisation station re-furbishment: Cessnock Station - Proposed award of contract

After consideration of a report (issued) of 25 April 2016 by the Assistant Chief Executive (Operations) on tenders received for works required to re-furbish Cessnock Subway Station, the committee agreed to the award of a contract to the most economically advantageous tenderer, Graham Construction, for a sum up to £2,052,791.