

Partnership minute



Strathclyde Partnership for Transport

Minute of meeting

23 February 2018

held in the Lewis Room, 131 St Vincent Street, Glasgow

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Minute of the meeting of the Strathclyde Partnership for Transport held in the Lewis Room, 131 St Vincent Street, Glasgow, on 23 February 2018

Present Councillors Dr Martin Bartos (Chair), Allan Casey, Ian Cochrane, Allan Falconer, Graham Hardie, Alan Lafferty, Marie McGurk, Jacqueline McLaren, Alan Moir, Richard Nelson, Donald Reid, Anna Richardson, Jim Roberts and David Shearer, and appointed members Gregory Beecroft, Brian Davidson, Ann Faulds, Anne Follin, Graham Johnston, Alex Macaulay, Jo MacLennan and Jim McNally.

Attending Valerie Davidson, Secretary/Assistant Chief Executive (Business Support); Valerie A Bowen, Senior Committee Officer; Gordon MacLennan, Chief Executive; Eric Stewart, Assistant Chief Executive (Operations), Charlie Hoskins, Senior Director, Neil Wylie, Director of Finance & HR; Eileen Russell, Head of Engineering and Maintenance, Subway and Dan Shoenhofen, Project Manager.

1. Apologies

Apologies were submitted from Councillors Malcolm Balfour, Colin Cameron, Jim Finn, Michael McPake, Allan Stubbs and David Wilson.

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

The Partnership noted the following declaration of interest:-

Gregory Beecroft in relation to land at Robroyston during a role held previously by him; and

Anne Faulds in her role as a Director of Nevis Technologies.

3. Minute of previous meeting

The minute of the meeting of 15 December 2017 was submitted and approved as a correct record.

Arising from the minute and following a question from Mr McNally, the Chief Executive updated members on recent press reports on the Mural at Hillhead Subway Station.

4. Committee Minutes

The minutes (issued) of the undernoted committees were noted, with the exception of the 'P' paragraphs contained in the minute of the Strategy & Programmes Committee which were approved:-

- (1) Operations Committee of 26 January 2018;
- (2) Strategy & Programmes Committee of 2 February 2018;
- (3) Audit & Standards Committee of 9 February 2018; and
- (4) Personnel Committee of 9 February 2018.

Arising from the minute of the Strategy & Programmes Committee (page 5, paragraph 8), the Partnership agreed to the Grant Funding of Local Authorities or other bodies and authorised the Assistant Chief Executive (Business Support) to complete the grant award letters.

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5. Treasury Management Strategy Statement and Annual Investment Strategy 2018/2019

There was submitted a report (issued) of 15 February 2018 by the Assistant Chief Executive (Business Support)

- (1) outlining the background to SPT's treasury management processes;
- (2) appending SPT's
 - (a) proposed counterparty list;
 - (b) permitted investment types; and
 - (c) Treasury Management Policy Statement;
- (3) detailing the proposed treasury management strategy for SPT for the financial year 2018/2019 under the following headings:-
 - the capital plans and the prudential indicators;
 - current treasury position;
 - treasury indicators which would limit the treasury risk and activities of SPT;
 - prospects for interest rates;
 - borrowing strategy;
 - policy on borrowing in advance of need;
 - investment strategy;
 - creditworthiness policy; and
 - policy on use of external service providers; and
- (4) explaining that, although CIPFA had issued a revised "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes" together with a revised "Prudential Code for Capital Finance in Local Authorities", the issue of these Codes at such a late stage in the preparation of plans for 2018/2019 had meant that SPT would not be able to implement fully both Codes until 2019/2020;
- (5) recommending that the committee approve
 - (a) the Treasury Management Strategy Statement and Annual Investment Strategy for 2018/2019;
 - (b) SPT's prudential indicators as detailed in the report;
 - (c) the counterparty list detailed in Appendix 1 to the report; and
 - (d) the Permitted Investment Types detailed in Appendix 2 to the report.

After discussion and having heard Mr Wylie in further explanation of the report and in answer to members' questions, the committee approved the recommendations at (5) above.

6. SPT ticketing update including Nevis Technologies

With reference to the minute of 15 December 2017 (page 1, paragraph 5) when the Partnership had noted, inter alia, that a presentation would be delivered to this Partnership meeting in order to ensure that all members had a full understanding of the role that SPT played in Nevis

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Technologies Ltd and the purpose behind the public/private Partnership, there was submitted a report (issued) of 12 February 2018 by the Senior Director

- (1) providing background information on SPT's role in ticketing, including the development and delivery of smart ticketing solutions by SPT's joint venture company, Nevis Technologies Ltd;
- (2) intimating that SPT had significant experience in the setting up and management of ticketing arrangements for the Strathclyde area for over 30 years, including the operation of Scotland's largest multi modal multi operator scheme, Zonocard;
- (3) explaining that, although SPT continued to lead on progressing the Scottish Government's national objectives as well as the regional needs of Strathclyde, through its joint venture company Nevis Technologies, by providing smart ticketing solutions for all modes of transport; further work was required to develop smart ticketing throughout Scotland and SPT remained fully engaged with Scottish Government on its current consultation to improve these arrangements; and
- (4) advising members that the Partnership required to appoint another Director to the Nevis Technologies Board, following the recent appointments approved at the Partnership meeting on 15 December 2017.

Thereon, Mr Schoenhofen was introduced to the meeting who gave a presentation on smart ticketing which had included information on

- the development of smart ticketing at a national level, including recent Scottish Government consultation;
- the formation and set up of Nevis Technologies including shareholding and governance;
- the operation of Nevis Technologies;
- the range of services provided by Nevis Technologies;
- the current customers and summary of existing contracts/scope of services provided; and
- a roadmap for new products and future developments.

After consideration and having heard various officers in answer to members' questions, the Partnership

- (a) noted
 - (i) the progress in the delivery of ticketing in the SPT area, particularly through the work of SPT joint venture company Nevis Technologies; and
 - (ii) that a separate presentation/paper would be provided to a future Partnership meeting to provide members with further information on Zonocard and SPT's role in administering the forum of operators; and
- (b) agreed to the appointment of Councillor Colin Cameron as a Director of Nevis Technologies Board.

7. Proposed award of contracts

After consideration of reports (issued) of 11 and 31 January 2018 by the Senior Director, the Partnership approved the award of the following contracts:-

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Contract	Contractor(s)	Amount	Remarks
Subway rolling stock: Bogie and wheelset overhaul and wheel re-profiling	Wabtec Faiveley UK-Rail Scotland	Up to £705,790 over 5 year contract period	Negotiated tender. Only viable supplier to provide specialised work
Supply of disposable smart tickets for Subway	Confidex Oy	Estimated cost of £1.9m over 4 year contract period, based on current patronage levels	Most economically advantageous tender. Option to extend for further 2 years at an estimated cost of £470,000 per annum

8. Rail Live and World Metro & Light Rail Congress & Expo 2018

There was submitted and approved a report (issued) of 29 January 2018 by the Assistant Chief Executive (Business Support)

- (1) providing detail on the Rail Live and World Metro & Light Rail Congress & Expo 2018 which would take place in Bilbao, Spain between 17 – 19 April 2018;
- (2) informing members that SPT had been invited to present/facilitate a breakout session and workshop given the significance of the subway modernisation programme, which would provide a valuable opportunity to showcase subway modernisation with exposure to a worldwide audience and ensure that SPT and the project would be given a significant profile with other metro operators and the supply chain;
- (3) intimating that the estimated cost for travel was approximately £300 - £400 with accommodation and conference entry costs being met by the organiser;
- (4) recommending that the conference be attended by the Senior Director responsible for the Subway; and
- (5) advising members that a report on the outcomes and benefits would be report to a future meeting.

9. Exclusion of press and public

The Partnership resolved that the press and public be excluded for the next item of business on the agenda, it being considered that otherwise there would be disclosure to them of exempt information in terms of paragraph 9 of Part 1 of Schedule 7a to the Local Government (Scotland) Act 1973.

10. Sale of former Travel Centre

There was submitted and approved a report (issued) of 12 February 2018 by the Assistant Chief Executive (Business Support)

- (1) informing members that an offer had been received to purchase the former SPT Travel Centre located at 26 Brandon Street, Hamilton; and

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- (2) requesting
 - (a) approval of the sale; and
 - (b) that the final missives be concluded by the Assistant Chief Executive (Business Support) in consultation with the Senior Legal Adviser.

11. Valedictory

The Chair referred to the impending retiral of Mr Eric Stewart, Assistant Chief Executive (Operations) and Mrs Valerie A Bowen, Senior Committee Officer. On behalf of the Partnership, he thanked both officers for their services to the Partnership and wished them well for the future.