



Strathclyde Partnership for Transport

Minute of Strategy & Programmes Committee

18 March 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 18 March 2016**

Present Councillors Kaye Harmon (Chair), John Bruce, Eddie Devine, Jonathan Findlay, Bill Grant and Denis McKenna and appointed members Ann Faulds, Anne Follin and Gavin Scott.

Attending Valerie Davidson, Assistant Chief Executive (Business Support)/Secretary; 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 and HR and Bruce Kiloh, Head of Policy & Planning.

Also attending John Yellowlees, ScotRail.

1. Apologies

Apologies were submitted from Councillors Allan Falconer and Pauline McKeever and appointed members Tom Hart, Jim McNally and Alan Malcolm.

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

Anne Follin declared an interest in respect of her advisory role in relation to planning matters concerned with Fastlink.

3. Minute of previous meeting

The minute of the meeting of 29 January 2015 was submitted and approved as a correct record.

4. Revenue monitoring report as at 27 February 2016 (period 12)

There was submitted and approved a report (issued) of 2 March 2016 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the Partnership had approved a core revenue budget for 2015/2016 of £38.418m;
- (2) appending the revenue monitoring report for the period to 27 February 2016 (period 12) which detailed the main variances, together with a detailed budgetary control report;
- (3) intimating that the on-going savings programme continued to deliver significant savings, with all opportunities being taken to maximise efficiencies. In particular, strong subway income growth and careful management of employee costs, partially offset by increased subway fleet enhancement and tunnel enabling works, had contributed to forecast net income growth/savings of £4.043m;
- (4) informing members that, as the general capital programme delivery was particularly strong

18 March 2016

in 2015/16 across both internal and local authority led projects, further funding was required to support existing outturn estimates; and

- (5) recommending a revenue contribution of £3.596m to support the non-Subway capital plan which would result in a forecast net income growth/savings position of £0.457m.

5. Capital programme monitoring report and proposed amendments as at 27 February 2016 (period 12)

There was submitted and approved a report (issued) of 9 March 2016 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the 2015/2016 capital programme had been approved by the Partnership on 13 February 2015 against known capital grant and other sources of funding;
- (2) intimating that actual expenditure as at 27 February 2016 (period 12) totalled £46.078m compared to a planned spend position of £47.133m;
- (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 represented a net reduction of £23.11m;
- (5) advising members that there was a corresponding net reduction of £22m in the revised funding required in 2015/2016 across the various funding streams;
- (6) informing members that further work to quantify and manage risk, advance savings and re-phase existing projects was being undertaken to balance spend against budget; and
- (7) requesting that the committee
 - (a) approve the proposed amendments to the 2015/2016 capital programme as detailed in appendix 2 to the report;
 - (b) agree to the award of Grant Funding or to vary existing Grant Funding letters to Local Authorities or other bodies for those awards up to the value of £200,000;
 - (c) note that a Chair's Committee would require to be held to approve 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 in view of the timescale involved;
 - (d) authorise the Assistant Chief Executive (Business Support) to sign the grant funding letters to expedite all of the projects; and
 - (e) otherwise note the terms of the report.

18 March 2016

6. Treasury Management Strategy 2016/2017

There was submitted a report (issued) of 8 March 2016 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 2016/2017 under the following headings:-
 - 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) recommending that the committee approve
 - (a) the Treasury Strategy for 2016/2017;
 - (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 consideration and having heard Mr Wylie in further amplification of the report, the committee approved the recommendations at (4) above.

7. Rail update for SPT area

There was submitted a report (issued) of 24 February 2016 by the Assistant Chief Executive (Operations)

- (1) updating members on strategic rail issues in the SPT area since November 2015, particularly in relation to timetable changes with effect from 20 March 2016 as a consequence of the closure of the Queen Street High Level Tunnel as part of the Edinburgh Glasgow Improvements Project (EGIP), together with progress on the Glasgow Queen Street Station Transport and Works Act Order and the Office of the Rail Regulator's Estimated Station usage figures as detailed in Appendix 2 to the report;

18 March 2016

- (2) appending
 - (a) a joint response on behalf of the Chairs of the Regional Transport Partnerships of Scotland to Transport Scotland's "Delivering the Goods: Consultation towards Scotland's Rail Freight Strategy" which addressed the decline in rail freight, the need for an integrated modal approach to freight transport, opportunities for growth, current and future challenges and future roles and responsibilities; and
 - (b) SPT's proposed response to Network Rail's draft Scotland Route Study, a long term vision document designed to provide an evidence base to inform funders when considering future investment choices on Scotland's railway between 2019 and 2029 and how future demand could be met through to 2043;
- (3) explaining that SPT's draft response to Network Rail's draft Scotland Route Study had been submitted within the deadline of 10 March 2016, subject to committee approval; and
- (4) intimating that, at a strategic level, SPT continued to engage actively with rail industry partners, the current focus of which was in relation to the issues highlighted in this report.

After consideration and having heard Mr Yellowlees and Mr Kiloh in answer to members' questions, the committee

- (i) approved SPT's proposed response to Network Rail's draft Scotland Route Study; and
- (ii) otherwise noted the terms of the report.

8. Clydeplan – Strategic development Plan 2 – Proposed plan: SPT response

With reference to the minute of 27 March 2015 (page 5, paragraph 10) when the committee had approved SPT's proposed response to the Main Issues report of Clydeplan's Strategic Development Plan (SDP) 2 for the Glasgow and Clyde Valley area, there was submitted and approved a report (issued) of 24 February 2016 by the Assistant Chief Executive (Operations)

- (1) intimating that Clydeplan had issued a consultation document entitled "Strategic Development Plan 2: Proposed Plan for the Glasgow and Clyde Valley area" which aimed to promote
 - (a) successful and sustainable places – supporting sustainable economic growth and regeneration and the creation of well-designed places;
 - (b) low carbon places – reducing carbon emissions and adapting to climate change;
 - (c) natural and resilient places – helping to protect and enhance natural and cultural assets and facilitating their sustainable use; and
 - (d) connected places – supporting better transport and digital connectivity;
- (2) detailing the key points of SPT's draft response which had been submitted within the deadline of 29 February 2016, subject to committee approval; and
- (3) requesting approval of the key points of SPT's draft response.

18 March 2016

9. Proposed award of contracts

After consideration of reports (issued) of 29 and 9 February 2016 (respectively) by the Assistant Chief Executive (Operations), the committee approved the award of the following contracts:-

Contract	Contractor(s)	Amount	Remarks
New rolling stock, signalling and control project: Client technical advisor services	Atkins Ltd	Up to £1.90m to cover initial 5 year award (£1.35m) with an option to extend for a further 2 years (£550k)	Most economically advantageous tender
Bus shelter supply and installation and bus shelter solar illumination system supply and installation: Lot 1: supply and installation of aluminium frame bus shelters Lot 2: supply and installation of steel frame bus shelters Lot 3: supply and installation of solar illumination bus shelter systems	Commutaports Trueform Commutaports	Estimated £106,920 per annum for 40 shelters Estimated £54,169 per annum for 10 shelters Estimated £48,750 per annum for 50 systems	Call off contracts. Most economically advantageous tenders. Contracts for 3 years with an option to extend for a further 2 years on a year by year basis

10. Additional Item

In terms of Standing Order no 3.2, the committee agreed to consider the following additional item of business at this stage of the meeting.

11. Clyde Tunnel – Trunk Roads Network and Future Funding

There was submitted correspondence (tabled) of 19 February 2016 from the Executive Director, Land & Environmental Services, Glasgow City Council, seeking SPT's support for the Council's request to Transport Scotland that Transport Scotland consider taking over the operation and maintenance of the Clyde Tunnel and the A739/A814 Clydeside Expressway between Cardonald and Anderston junctions with the M8 for the reasons indicated in the correspondence.

After consideration, the Committee agreed that a letter be sent to Glasgow City Council supporting their approach to Transport Scotland in seeking assurances that the future place in the road network of these roads was maintained.