



## **Strathclyde Partnership for Transport**

### **Minute of Strategy & Programmes Committee**

**2 February 2018**

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 2 February 2018**

**Present** Councillors Alan Moir (Chair), Dr Martin Bartos, Ian Cochrane, Alan Lafferty, Anna Richardson, Collette Stevenson (substitute) and David Wilson and appointed members Ann Faulds, Alex Macaulay and Jim McNally.

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

**1. Apologies**

Apologies were submitted from Councillors Gordon Jenkins (substitute), Jim Roberts, David Shearer and Allan Stubbs and appointed members Brian Davidson, Anne Follin and Jo MacLennan.

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

Councillor Wilson declared an interest in agenda item no 10 in his position as Vice-Convenor of Clyde Plan.

**3. Additional Item**

In terms of Standing Order No 3.2, the Partnership agreed to consider an additional item at the end of the meeting.

**4. Minute of previous meeting**

The minute of the meeting of 24 November 2017 was submitted and approved as a correct record.

**5. Revenue monitoring report as at 6 January 2018 (period 10)**

There was submitted a report (issued) of 16 January 2018 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the Partnership had approved a core revenue budget for 2017/2018 of £37.670m;
- (2) appending the revenue monitoring report for the period to 6 January 2018 (period 10) which detailed the main variances, together with a detailed budgetary control report;
- (3) explaining that there were other minor variances to the budget resulting in a proposed addition to the Subway Fund of £1.749m to facilitate future capital and revenue spend on Subway Modernisation and the Subway, including operational readiness as a whole; and,
- (4) informing members that, having taken account of all SPT service priorities across the revenue and capital programmes and the proposed contribution to the Subway Fund, a break-even position was forecast.

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After discussion and having heard Mr Wylie advise that all expenditure heads would continue to be monitored to ensure that the break-even position would be achieved at year end, the committee

- (a) noted the terms of the report; and
- (b) agreed to the proposed contribution to the Subway Fund of £1.749m.

## 6. Proposed Revenue Budget for 2018/2019

**P** There was submitted a report (issued) of 26 January 2018 by the Assistant Chief Executive (Business Support)

- (1) reminding members that, although it was normal practice within SPT to present a two year revenue budget for approval, due to the one year nature of the Scottish Government budget there remained insufficient information on the level of funding available beyond the next financial year to consider fully and agree a two year budget at this stage;
- (2) appending
  - (a) a draft revenue budget for 2018/2019 of £36,937,714, together with an outline of the 2019/2020 budget (for noting at this stage), the preparation of which had been undertaken having consideration to the current position in terms of staff numbers and contracted costs, previously approved budget priorities and the affordability of the service plans to all stakeholders (Appendix 1); and
  - (b) proposed constituent council requisition levels (Appendix 2), which represented a 2% reduction in support from constituent councils;
- (3) informing members
  - (a) that it was proposed to fund the net revenue budget by local authority requisitions of £35,900,714, plus a contribution from Scottish Government of £1,037,000, in line with previous years;
  - (b) that, as an essential element of any budget setting was the review of fees and charges across SPT services, SPT proposed
    - (i) to amend subway fares as outlined below:-

<b>Smart Ticketing (STR)</b>	<b>Current Fare</b>	<b>Proposed Fare</b>	<b>Change</b>
Adult Single	£1.45	£1.50	£0.05
Adult Daily Cap	£2.80	£2.90	£0.10
Child Single	£0.70	£0.75	£0.05
Child Daily Cap	£1.35	£1.45	£0.10
<b>Disposable</b>			
Adult Single	£1.65	£1.70	£0.05
Adult Return	£3.10	£3.20	£0.10
Adult Daily	£4.00	£4.10	£0.10
Child Single	£0.70	£0.75	£0.05
Child Return	£1.35	£1.45	£0.10
Child Daily – new product	N/A	£2.00	New product

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Concession Single	£1.00	£1.00	No change
Concession Return	£1.40	£1.40	No change
<b>Season Tickets – Online STR</b>			
Adult 7 day	£13.00	£13.00	No change
Adult 28 day	£50.00	£50.00	No change
Adult 10 week – new product	N/A	£120.00	New product
Adult 6 month	£250.00	£250.00	No change
<b>Season Tickets – Online STR</b>			
Adult Annual	£450.00	£450.00	No change
Child 7 day	£6.50	£6.50	No change
Child 28 day	£25.00	£25.00	No change
Child 10 week – new product	N/A	£60.00	New product
Child 6 month	£125.00	£125.00	No change
Child Annual	£225.00	£225.00	No change
<b>Season Tickets (in stations)</b>			
Adult 7 day	£13.00	£14.00	£1.00
Adult 28 day	£50.00	£54.00	£4.00
Adult 6 month	£250.00	£270.00	£20.00
Adult Annual	£450.00	£485.00	£35.00
Child 7 day	£6.50	£7.00	£0.50
Child 28 day	£25.00	£27.00	£2.00
Child 6 month	£125.00	£135.00	£10.00
Child Annual	£225.00	£245.00	£20.00
<b>Park and Ride</b>			
Park and Ride (all day disposable)	£5.20	£5.40	£0.20
Park and Ride (all day STR)	£5.20	£5.40	£0.20
STR parking only - 30 minutes	£0.50	£0.50	No change
STR parking only - 1 hour	£1.00	£1.00	No change
STR parking only - 2 hours	£2.50	£2.50	No change
STR parking only - all day	£5.20	£5.40	£0.20
Parking only - 28 days	£50.00	£52.00	£2.00
Park and Ride - 7 day season ticket	£25.00	£26.00	£1.00
Park and Ride - 28 day season ticket	£95.00	£100.00	£5.00
Park and Ride - 6 month season ticket	£500.00	£525.00	£25.00
Park and Ride - annual season ticket	£900.00	£940.00	£40.00
Lost ticket fee	£3.00	£3.20	£0.20
Overstay day rate	£5.20	£5.40	£0.20
Season add on	£2.40	£2.50	£0.10

- (ii) to increase the maximum fare table on subsidised bus services and MyBus services by 3%, the current rate of inflation for the next financial year, whilst a review of the fares model was undertaken in more detail;
- (iii) to increase the applicable fare on the Gourock – Kilcreggan ferry service from £2.60 to £3.60 to reflect the significant increased tender costs and required subsidy; and
- (iv) not to increase other fees (bus station departure charges, left luggage, toilets etc.) in the current year, but to seek agreement to increase these by 5% in the following financial year to reflect the market conditions and service costs;

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- (4) intimating that, as there remained an expectation that service levels would be maintained, that SPT would make increased contributions to the subway modernisation project as agreed as part of the business case and continue to support local authorities through the Capital Plan, it was necessary for SPT to continue with the ongoing review of service activities and organisational structures to ensure that resources were re-directed wherever possible to the priorities outlined in the report;
- (5) advising members that, given the ongoing financial pressures and expectations as to how the Government's austerity measures would continue to affect funding partners, together with the ongoing review of the Regional Transport Strategy, it was proposed that a more detailed review of the long term financial strategy and supported priorities be undertaken and presented to a future meeting of the Partnership for consideration; and
- (6) recommending that the committee request the Partnership to approve
  - (a) a net revenue budget for 2018/19 of £36,937,714;
  - (b) requisitions totalling £35,900,714, a 2% reduction on the 2017/18 levels;
  - (c) an increase to Fares, Fees and Charges as outlined above; and
  - (d) that a more detailed review of priorities and the long term financial plan be considered by the Partnership at a future meeting taking account of the Regional Transport Strategy review.

Following discussion and having heard various officers in answer to members' questions, the Committee approved the recommendation at (6) above.

## **7. Capital programme monitoring and proposed amendments report as at 6 January 2018 (period 10)**

**P** There was submitted and approved a report (issued) of 24 January 2018 by the Assistant Chief Executive (Business Support)

- (1) reminding members that the 2017/2018 capital programme had been approved by the Partnership on 10 February 2017 against known capital grant and other sources of funding;
- (2) intimating that actual expenditure as at 6 January 2018 (period 10) totalled £27.352m compared to a planned spend position of £29.730m;
- (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 expenditure reduction of £0.858m;
- (5) informing members
  - (a) that, although analysis of the capital programme as at period 10 had indicated a

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potential risk to General Capital spend, this could be accommodated within the available capital funding;

- (b) that, in addition, a number of Subway Modernisation Rolling Stock milestones which were programmed for February and March 2018 and any slippage in these milestones might result in movement into the next financial year; and
- (c) that the spend risk, currently estimated to be £14m - £18m, was scheduled for payment towards the end of March 2018 although any movement could push this into Quarter 1 of 2018/2019; and

(6) requesting that the committee

- (a) note
  - (i) the forecast 2017/2018 capital outturn position;
  - (ii) the financial performance of the 2017/2018 capital programme as at period 10; 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;
- (b) approve the proposed amendments to the 2017/2018 capital programme as detailed in appendix 2 to the report; and
- (c) agree
  - (i) 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; and
  - (ii) to recommend to the Partnership meeting of 23 February 2018, approval to grant fund or vary existing grant fund letters to the local authorities or other bodies for those awards over a cumulative value of £200,000.

## **8. Progress on the development of the Capital Plan 2018/2019 to 2020/2021 including the Capital Budget 2018/2019**

There was submitted a report (issued) of 18 January 2018 by the Assistant Chief Executive (Business Support)

- (1) informing members
  - (a) that The Scottish Government's draft budget for 2018/2019 had included a capital grant to SPT of £19m, a reduction of £1.032m on the current year;
  - (b) that it was worth noting that this level remained £6m less than in the period prior to 2015;
  - (c) that other funding streams identified in the preparation of the capital plan and budget plans included the utilisation of the Subway fund and release of grant previously received to support the modernisation project;

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- (d) that the Subway modernisation project continued with the agreed funding profile as undernoted:-

2018/2019	£53,845,000;
2019/2020	£55,610,701;
2020/2021	£55,147,705; and

- (e) that as local authorities sought and secured funding from SPT other funding streams from other agencies would often be unlocked and SPT was actively promoting this benefit to local authority partners as a means of increasing the value of the total SPT investment;

(2) intimating

- (a) that the preparation of the Capital Plan for 2018/2019 to 2020/2021 and the Capital Budget for 2018/2019 had sought to balance transport project delivery aspirations and available funding;
- (b) that project proposals had been assessed against the strategic priorities, deliverability considerations and affordability, together with the utilisation of shared resources with partners; and
- (c) that the package of interventions in the Capital Plan would support the delivery of the Regional Transport Strategy's (RTS) strategic outcomes of attractive, seamless, reliable travel; improved connectivity; access for all and reduced emissions, examples of which were outlined in the report;

(3) appending

- (a) summaries of the planned capital programme for 2018/2019 to 2020/2021 and proposed funding plan for 2018/2019 only (Appendix 1);
- (b) details of the proposed capital programme, including the budget, for 2018/2019 (Appendix 2); and
- (c) details of the indicative capital programme for 2019/2020 and 2020/2021 (Appendix 3); and

(4) advising members

- (a) that, as there was now more certainty as to the level of funding available to SPT, it was proposed to fund the 2018/2019 plan as shown below:-

Ref	Category	Subway Modernisation £000	General Capital £000	Total £000
1	<b>Capital expenditure</b>	<b>52,935</b>	<b>21,590</b>	<b>74,525</b>
2	Scottish Government general capital grant	-	19,000	19,000
3	Scottish Government specific capital grant	53,845	-	53,845
4	Revenue contribution to the capital programme	-	1,000	1,000

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Ref	Category	Subway Modernisation £000	General Capital £000	Total £000
5	Subway fund utilisation	-	-	-
6	Transfers to Capital Grants Unapplied Account	-910	-	-910
<b>7</b>	<b>Capital funding</b>	<b>52,935</b>	<b>20,000</b>	<b>72,935</b>
<b>8</b>	<b>Projected variance</b>	-	<b>1,590</b>	<b>1,590</b>
9	Projected variance of general capital as a percentage of funding		8%	

- (5) recommending that the committee note the progress made to ensure that the Capital Plan 2018/2019 to 2020/2021 was robust and deliverable within the timescales available and that it would be submitted to a future meeting of the Partnership for approval.

After consideration and having heard Mrs Davidson in answer to members' questions, the committee approved the recommendation at (5) above.

## 9. Freight Strategy for Strathclyde

There was submitted a report (issued) of 21 November 2017 by the Senior Director

- (1) intimating
- (a) that Strathclyde was at the centre of Scotland's freight, logistics and distribution industry, was the country's largest consumer market and manufacturing cluster and played a crucial role in the distribution of goods to both domestic (Scotland, UK) and international markets;
  - (b) that the significant volume of intra-Strathclyde freight movements required efficient and reliable regional and local transport networks to support the economy and, in addition, a significant increase in recent years of deliveries via bicycle was predicted to increase significantly in coming years; and
  - (c) that the performance of the strategic road network, rail freight network, and maritime network had significant impacts on the economy, with congestion, connectivity, access and network capacity all being key issues for the efficient distribution of goods;
- (2) informing members
- (a) that SPT's strategic direction with regard to supporting freight and logistics had been guided by the Regional Transport Strategy (RTS) and the associated Freight Action Plan, both published in 2008;
  - (b) that the Strathclyde Freight Quality Partnership had been established in 2007 during the development of the first RTS in support of the freight element of the transport remit transferred to the newly established Regional Transport Partnerships through the Transport (Scotland) Act 2005, the main objectives of which included the development of the regional Freight Action Plan, raising awareness of specific



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freight issues across both the public and private sectors, sharing best practice in freight transport, and monitoring the impact of new policy or legislation; and

- (c) that as the freight sector operated within a changing environment, which in turn drove a need to ensure priorities for freight were effective and up to date, in anticipation of preparing a new RTS, the need to develop a new freight strategy had been identified, which would complement the wider RTS as that was developed;
- (3) providing information on
- (a) a range of activities that had been undertaken, together with the key issues which had emerged from the consultations and study work; and
  - (b) the development of six objectives and areas for intervention for the Strategy which had resulted from analysis of the findings from research and consultations; and
- (4) advising members
- (a) that the objectives and intervention areas would form the basis of a strategy action plan which would be incorporated into the next RTS Delivery Plan against the appropriate strategic priorities and monitored through that process;
  - (b) that this new Freight Strategy for Strathclyde provided clarity for SPT and partners on the key issues to be addressed, and the objectives and action areas to target in delivering improvements in the transport network to support this key industry;
  - (c) that through SPT's continuous engagement with partners, these priorities for freight would be considered fully in the development of wider initiatives or schemes and would also identify and progress those actions that can be led by SPT; and
  - (d) that SPT would examine how other Freight Quality Partnerships were managed and resourced and review how this might assist in effective delivery of the strategy.

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

- (i) agreed that the Freight Strategy be distributed to all members; and
- (ii) otherwise noted the terms of the report.

## 10. Strategic Issues Update for the SPT area

There was submitted and noted a report (issued) of 12 January 2018 by the Senior Director

- (1) reminding members
- (a) that there was a significant amount of activity within transport and related sectors at present across national, regional and local levels, which covered a wide range of initiatives from policy to delivery;
  - (b) that, to varying degrees, each of these had the potential to impact on SPT and its work and, as the Regional Transport Partnership for the west of Scotland, it was essential that SPT closely monitored this wide range of activity and sought to influence outcomes in a co-ordinated and integrated manner;

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- (2) providing information on the current status of each activity and SPT actions;
- (3) appending a National Transport Strategy update provided by Transport Scotland; and
- (4) informing members
  - (a) that there was significant potential for change in transport and related fields at present within Scotland at a strategic level, as a result of many of the initiatives outlined in the report; and
  - (b) that SPT was involved in each of these and officers would continue to seek to ensure that SPT's views were taken into account as matters progressed.

**11. Scottish Parliament Local Government and Communities Call for evidence on Planning (Scotland) Bill – Proposed SPT response**

There was submitted a report (issued) of 8 January 2018 by the Senior Director

- (1) informing members
  - (a) that The Scottish Government had introduced the Planning (Scotland) Bill into the Scottish Parliament on 4 December 2017; and
  - (b) that The Scottish Parliament's Local Government and Communities Committee was leading on scrutiny of the Bill and, to that end, was undertaking a Call for Evidence to garner views on the Bill;
- (2) reminding members
  - (a) that SPT had sought to be involved fully in the Scottish Government's Independent Review of Planning and the development of the Planning Bill, including providing responses at various stages in both processes, including:
    - The Independent Review of the Scottish Planning System – Call for Evidence;
    - "Places, People and Planning – A Consultation on the Future of the Scottish Planning System"; and
    - "Places, People and Planning" - Position Statement; and
  - (b) that officers had given evidence also in person to the Independent Review of Planning Panel and had participated in Scottish Government workshops on planning and infrastructure.
- (3) outlining the draft key principles contained within SPT's proposed response;
- (4) concluding
  - (a) that The Planning (Scotland) Bill would alter fundamentally the planning system in Scotland and it was therefore essential that SPT continued to make representations that endeavoured to best serve the people and communities of the west of Scotland and their transport network; and

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- (b) that officers would seek the opportunity to appear before the Scottish Parliament's Committee, and continue to liaise with the Scottish Government and other stakeholders regarding the Bill; and
- (5) recommending that the Committee approve the draft key principles of SPT's proposed draft response as outlined in the report.

Following discussion and having heard Mr Kiloh in answer to members' questions, the Committee approved the recommendation at (5) above.

## **12. Storage Area Network (SAN) Upgrade – Proposed award of contract**

After consideration of a report (issued) of 12 January 2018 by the Assistant Chief Executive (Business Support) on tenders received for the provision, installation and system support of a Storage Area Network (digital storage solution), the Committee agreed

- (1) that a contract be awarded to the most economically advantageous tenderer, Capito Ltd, at an initial contract value of £210,710, which comprised of installation of the equipment and maintenance of same for an initial 5 year period; and
- (2) that, upon review of performance, an option for maintenance covering the remaining 15 year period of the asset life to be awarded at £15,624 per annum.

## **13. UK Bus Summit, London: Chair attendance – Additional item**

There was submitted and approved a report (tabled) of 31 January 2018 by the Assistant Chief Executive (Business Support)

- (1) informing members that The UK Bus Summit, to be held in London on 8 February 2018, would address many of the issues relating to the bus industry in delivering sustainable transport solutions and contributing to local economies;
- (2) recommending that the SPT Chair represent SPT at the Summit (together with the Bus Development Manager) at a cost of approximately £600 including travel and attendance; and
- (3) advising members that a full report of the key findings would be presented to a future committee meeting for information and discussion.