

**Special Zetland Transport Partnership
Council Chamber, Town Hall, Lerwick
Thursday 8 November 2018 at 10am****Present:**

R McGregor
R Thomson
A Priest
D Sandison

Advisers:

S Mathieson

Apologies:

R Hunter
R Roberts
S Laurenson
J Smith

In attendance (Officers):

M Craigie, Lead Officer
K Adam, Solicitor
I Johnson, Management Accountant
J Belford, Solicitor
M Hodgson, Solicitor
L Malcolmson, Committee Officer

Chair

Mr Thomson, Chairperson for ZetTrans, presided.

Circular

The circular calling the meeting was held as read.

The Chair informed the Partnership that Sandra Laurenson, Chief Executive of the Lerwick Port Authority has advised that she will retire from her employment on 16 November 2018 and has resigned from the position of Adviser on ZetTrans. The Chair paid tribute to Mrs Laurenson who had been an Adviser since June 2011 and commented that her efforts and knowledge had been appreciated and will be missed. On behalf of ZetTrans the Chair wished Ms Laurenson well in her retirement, the Partnership concurred.

Declarations of Interest

None.

Minutes

The Partnership confirmed the minutes of the meeting held on 26 June 2018 on the motion of Mr Priest, seconded by Mr Thomson.

The Partnership confirmed the minutes of the meeting held on 20 July 2018 on the motion of Mr Sandison, seconded by Mr Thomson

The Partnership confirmed the minutes of the meeting held on 22 August 2018 on the motion of Mr Priest, seconded by Mr Sandison.

The Partnership confirmed the minutes of the meeting held on 21 September 2018 on the motion of Mr Sandison.

24/18 **Transport Strategy Refresh - Draft Delivery Plan**

The Partnership considered a report by the Transport Policy and Projects Officer (ZTP-27-18-F) which presented the Draft Delivery Plan for the Transport Strategy 2018-2018.

The Lead Officer introduced the report, and advised that the first draft contains a number of potential sets of activities and development areas. He stressed the need to work with the Shetland Partnership on prioritisation, development and funding to see how that affects the programming of the delivery plan. The Lead Officers referred to a key issue that came from the Auditors and that was for ZetTrans to have a good set of performance indicators. He said that this first draft had been prepared to get awareness of what needs to be done and to work on applying judgement and reality to prioritise and establish what the indicators would be to monitor delivery and benefits.

During discussion it was noted that this delivery plan would require significant committed resources if it were to achieve even half of it. It was agreed that there was more work required on the draft that would include identifying specific goals. Reference was made to the deadlines set in the report for 22 February 2019 but the Lead Officer advised that he has specifically included a note that it may be the following cycle of meetings before it was finalised depending on how complicated the work may be. The Chair said that it was better to get the delivery plan right rather than to rush matters.

The Vice-Chair advised of a number of questions he raised at a recent CoSLA meeting of the Environment and Economy Board, including fair funding for internal ferry services, parking charges and the potential impact on traffic control leaving Sumburgh, seafood industry concerns and chartered vessels and airport charges as well as the need for improved connectivity to the airport by bus transport.

The Chair advised that in terms of the parking charges a letter will be prepared to be sent to Michael Mathieson, MSP for Energy, Connectivity and the Islands outlining the issues as a result of this initiative. He said that the bus link could be welcome news if the Government or HIAL are willing to pay for a dedicated airport bus. The Chair said that the Council funds ZetTrans to provide public bus services, which is currently closely aligned to flights arriving at the airport, but the public bus service cannot be disrupted by delayed flights. He suggested that any dedicated airport bus service was likely to outweigh any income gained from charges.

The Partnership unanimously approved the recommendations contained in the report.

Decision:

The Partnership:

- NOTED the FIRST DRAFT ZetTrans Delivery Plan 2018-2020; and

- INSTRUCTED the Lead Officer to plan and carry out a workshop with ZetTrans Members and Advisers to inform the prioritisation of the activity and projects in the First Draft Delivery Plan. The work will consider and take account of resource requirements; establish a Risk Strategy and Risk Register; and refine a set of Performance Indicators to finalise the ZetTrans Delivery Plan 2018-2020 for approval at the ZetTrans meeting scheduled for 22 February 2019 or at the latest the following meeting of the Partnership.

25/18

Lead Officer's Report

The Partnership considered a report by the Lead Officer (ZTP-30-18-F) that provided an overview of issues that are emerging and/or would benefit from some initial discussion by the Partnership ahead of a formal report on each of the issues at a later date.

The Lead Officer introduced each of the items reported and responded to comments and questions as follows:

Fair Funding of Inter Island Ferry Services – Outline Business Cases – The Lead Officer provided an update on this matter, referring to section 4 of the report.

Northern Isles Ferry Services (NIFS) – The Lead Officer provided an update on this matter, referring to section 4 of the report. In referring to the contract bidding process and the quality and pricing scoring, the Lead Officer was asked what was in place that would influence quality criteria and what quality means in order to provide the service required. The Lead Officer advised that key officers had been invited to the scoring and quality process for the last contract but that was not successful as they did not have access to certain information and what was provided was selective and lacking in context. He said that being involved after the tender was awarded was not helpful. The Lead Officer informed the Partnership that in this year's process key officers were now involved in the preparation of tenders and will be able to describe what is expected from stakeholders in Shetland and be able to measure against criteria on quality. He said that there will be non-disclosure agreements that will limit how widely information can be discussed during that phase.

The point was made that in considering all aspects of the process, it would be difficult for Officers in Edinburgh to consider it from a local perspective. The Chair agreed and said that this had been highlighted in initial comments during a meeting that he and the Lead Officer had been engaged in last week.

In response to a question regarding the number of bidders expressing interest, the Lead Officer said that he did not have that information, other than the public indication of interest from CalMac.

In terms of timeline the Partnership were advised that the contract will be issued in January 2019 but before that the next meeting of the Working Group would be on 22 November 2018 which will provide the first opportunity to raise any issues. In terms of flexibility within the contract he said that had not been defined which was necessary in order to understand how it will be measured when applied. The Lead Officer was unsure if flexibility would mean new vessels, frequency of services, rules around priorities for passengers freight. He said there were a lot of things to consider. He added that the current challenge was capacity for passengers and freight. The Lead Officer said that "flexibility" has to be defined by the Scottish Government and then it has to be tested.

Smart and Integrated Ticketing – The Lead Officer provided an update on this matter, referring to section 4 of the report. This update was welcomed by the Chair who said that tourists often query why card payment is not possible for public transport. He said it was also important that Islanders do not miss out on discounted rates where an upfront lump sum payment could be a barrier for those who need the discount most. He said that it should be possible to apply discounted rates to residents allowing them to pay for one ticket at a time. The Lead Officer advised that the technology would be able to distinguish between different travellers. He explained that there was technical work to be done on the functionality for ferries and Officers were in discussion with Transport Scotland as matters move ahead. The Lead Officer said that there was interest across Scotland to have integrated ticketing services and although there are examples across buses and the Glasgow underground, the ferry market is behind across the piece. He said however that the technology development had to be refined to achieve the solution required.

Island Passport – The Lead Officer provided an update on this matter, referring to section 4 of the report. The Partnership welcomed this initiative noting that this was a good innovation to have that would promote access to remote areas across Scotland and outer islands. Mr Mathieson of VisitScotland explained the involvement of VisitScotland in this process and advised that as well as being driven from the top down there had been community involvement as well. He said that good progress had been made on this although nothing was in place yet but he added that this would be good for Shetland.

Islands Transport Forum – The Lead Officer provided an update on this matter, referring to section 4 of the report.

Shetland External Transport Forum – The Lead Officer advised that the Loganair presentation had highlighted a number of changes to the winter timetable and said it would be important to monitor this. He noted the potential impact on customers in terms of being able to travel to Edinburgh, Orkney or Inverness in a day. For travel to Orkney and Inverness in particular a day return is not now possible which mean face to face meetings are difficult and cannot take place without two overnight stays. He also said that the Inverness changes would see students travelling to Aberdeen to catch the last flight home at the end of each week where they are on block release. There would also be a reduced working day in Edinburgh for business travel potentially requiring overnight stays. The Lead Officer advised that the change in aircraft to the SAAB 340 on the Aberdeen service could also have an impact particularly if there is an increase in students using the Aberdeen service.

The Chair advised that these observations would be monitored and Loganair would be contacted in terms of monitoring and providing feedback from a public perspective that would feed into their summer timetable. In addition the Lead Officer commented on the commercial sector's downturn in workforce resulting in a lower volume of passengers. He said that it was important to work with Loganair on how these changes affect the business and lifeline services. The Chair noted that Mr Hinkles would not be available at the next Shetland External Transport Forum meeting and had indicated that a representative would attend in his place.

Comment was made on the importance of providing evidence and quantifying the impact in terms of lost business. It was highlighted that this reduction of services could result in a long term reduction in service. The Partnership were advised that

these changes were already impacting on the way business is carried out, but a real concern would be on the provision of the lifeline service. The Partnership also acknowledged that unlike the ferry service the only subsidy is through the Air Discount Scheme for users and that subsidy is given directly to the customer as users and not the company as operator. It was understood that it is not cost effective to put on services where there is no demand but that Loganair should be provided with information on customer travel choices and depending how evidence is produced over the next year intervention from the Local Government or Scottish Government should be considered.

During further comments it was noted that VisitScotland's main ambition is to extend the visiting season in to the winter months and if flights are full that would impact on that. It was suggested that this be put to the public for their views. The Chair agreed that these issues would be brought up with the Loganair representative at the next Shetland External Transport Forum.

The Vice-Chair noted his appreciation to Loganair after passengers were offered the opportunity to rebook their flights at no charge, where they missed their flight as a result of a road traffic accident the previous evening. The Partnership concurred.

During debate reference was made to the Outline Business Case for Whalsay and concern was expressed in regard to the North Isles as it was reported that a major employer in Shetland was offering relocation packages out of the Isles. It was stressed that any option other than a tunnel would be seen as a failure as workers are now being paid to leave the islands. The Chair said that it was beyond belief that an employer would offer such an option and he expressed his wholehearted concern.

Concern was also expressed through a letter to the Vice-Chair that the Outline Business Case for Fair Isle would consider withdrawing the ferry base from Fair Isle. The Vice-Chair advised that there would be significant opposition for such a proposal.

Decision:

The Partnership NOTED the report; and

- INSTRUCTED the Lead Officer to prepare a letter from the Chair on behalf of the Partnership to Loganair setting out the concerns that have been raised in relation to the changes to the Edinburgh and Inverness schedules.

26/18

Business Programme 2018/19

The Partnership considered a report by the Secretary for ZetTrans (ZTP-28-18-F) that presented an updated Business Programme for ZetTrans for the period ending March 2019.

The Partnership noted the report and approved the attached business programme.

Decision:

The Partnership **RESOLVED** to approve the attached Business Programme for 2018/19, as amended.

The meeting concluded at 11.15am.

CHAIRPERSON