MINUTE

"A&B"

Zetland Transport Partnership

Council Chamber, Town Hall, Lerwick Monday 26 May 2008 at 10am

Present:

A S Wishart A T Doull R S Henderson F A Robertson

Dr S Taylor

Observer/Adviser:

S Laurenson, Chief Executive, Lerwick Port Authority J G Simpson, Chairman, Development Committee J L B Smith, Chairman, Sumburgh Airport Consultative Committee J Dickson, General Manager, Ports and Harbours Operations

Apologies:

Mrs I J Hawkins Mrs C H J Miller

In attendance (Officers):

M Craigie, Lead Officer
K Duerden, Transport Development Manager
B Hill, Acting Divisional Manager, Legal
B Robb, Management Accountant, Finance
L Gair, Committee Officer

Chairperson

Mr A S Wishart, Chairperson of ZetTrans, presided.

The Chairperson welcomed Mr J L B Smith to his first meeting of ZetTrans.

Circular

The circular calling the meeting was held as read.

Declarations of Interest

None

Minutes

The note of the meeting held on 22 April 2008 was confirmed.

Members' Attendance at External Meetings

There was nothing to report.

21/08 Lead Officer's Report

The Partnership considered a report by the Lead Officer (Appendix 1).

The Lead Officer and Transport Development Manager gave a brief update on the items in the report.

Resubmission of RTS

The Partnership noted that the Regional Transport Strategy was resubmitted on 26 May and were advised that the deliverables had been removed from the document and would be presented separately at the next ZetTrans meeting.

<u>Fuel Prices in Scottish Islands – A Case to be made to the Chancellor of the Exchequer</u>

The Lead Officer advised that HITRANS had written to the Chancellor of the Exchequer regarding the effects on the economy and sustainability of communities and said that Shetland was paying the highest fuel charges in the world. He advised that Loganair were to increase their airfares by £4 per sector, which was the second increase totalling £9 in 2 months and stated that this was a significant amount and may not be the last. The Lead Officer said that as suggested the Partnership should take the opportunity to strongly express its concerns, and it was unanimously agreed that the Lead Officer prepare a letter to the Chancellor of the Exchequer, as soon as possible.

The Chairperson advised that fuel costs were an issue for the Council's Ferry Service and Orkney Ferries are estimating a projected a budget overspend of £300,000. It was stated that the Shetland Islands Council's Ferry Service is currently calculating the impact of fuel price increases. The Lead Officer added that last year there had been an overspend of £100,000 as the budget was prepared at 32p/litre but that went up to 44p/litre. He added that a quarter of the Ferries costs went on fuel.

Mr J Dickson, General Manager, Ports and Harbours Operations advised that the cost of crude could not be altered, but the duty could be changed.

The Chairperson read from a letter received by Mr D McIntyre of HITRANS, from the Scottish Government's Transport Directorate which indicated that although Mr Swinney had written to the Chancellor regarding this issue, MH Treasury had replied that there was no interest in introducing a fuel duty regulator.

Landing Slots at Heathrow

The Lead Officer advised that the letter from Nestrans suggested that Heathrow were facing greater competition for slots and that one airline had paid £30m for one daily slot at Heathrow. He said that Inverness, Aberdeen and Belfast could not compete. The Lead Officer said that Heathrow was still the main gateway to the UK for many travellers and as Aberdeen was aspiring to be a world leading Energy Centre of Excellence, it was important to argue the link and build the strongest case for slots at Heathrow.

The Partnership unanimously agreed that a letter be written in support of Nestrans.

Mr J G Simpson, Chairman of Development Committee, advised that he encountered a problem at Heathrow stating that the boarding pass issued at Sumburgh was not valid in Heathrow. He said the time spent going back to check in and through security again meant that he almost missed his flight. He asked if anything could be done to rectify this problem to ensure that valid boarding passes were issued. Mr J L B Smith, Chairman, Sumburgh Airport Consultative Committee said that he was writing to Loganair on other matters, and would include this

problem in the letter. The Chairperson said that the ticketing system should be international and that ZetTrans would also write a letter.

Mr F A Robertson moved that the Partnership approve the recommendations contained in the report, Mr R S Henderson seconded.

22/08 <u>Implementation of Shetland Transport Strategy</u>

The Partnership noted a report by the Transport Development Manager (Appendix 2).

The Transport Development Manager drew attention to paragraph 2.11 and advised that Northlink had attended the Shetland External Transport Forum (SETF) on 21 May 2008 and Mr Bill Davidson had given a presentation. He said that the presentation included the availability of cabins and a lot of work had been done to provide a good breakdown of data regarding times when cabins would not be available and these included flight disruptions, school holidays and the height of the season. He said that, excluding dates when cabins could be expected to be sold out, there had been only 30 other occasions out of 656 sailings when all cabins had been sold.

The Transport Development Manager advised that the SETF meeting had identified items for discussion at the Tier 2 Meeting, to be held in Shetland on 18 June, that included dry dock arrangements for 2009, RET Pilot, shipping livestock, freight shipments on passenger ships, age of freight ships and investigate whether the 2012 contract could include a link to Bergen.

Mr R S Henderson said that the Partnership needed to press on the turnaround of ships (2 sailing each way in 24 hours) 1-2 nights of the week when this was required. He said that the data provided during the presentation had not identified how many passengers had been turned away once the ship was full. The Chairperson said that the presentation had advised that the extra cost in fuel was significant to carry out a turn around service.

23/08 Whalsay STAG 2 Appraisal – Summary, Findings and Recommendations

The Partnership noted a report by the Transport Development Manager (Appendix 3).

The Transport Development Manager drew attention to paragraph 7.2 and advised that this information had been presented differently to the information in the executive summary and tables in the full report. He advised that the outcome ranking was the same but that it was a different interpretation.

Mr F A Robertson advised that a lot of work had gone into the following the STAG Guidelines and said that a lot had been considered to find a good solution. He said that every single option had been looked at both on Whalsay and the mainland, and what came out of that was the most sensible option from the STAG 1 process and that STAG 2 would quantify the designs.

Mr J G Simpson referred to the North Voe and asked whether tank testing would be carried out. Following some discussion, the Lead officer advised the Partnership that this would be considered after the computer modelling had been carried out.

Mr A T Doull asked whether a fixed link was being considered. The Lead Officer advised that a tunnel study was being carried out alongside all STAG processes.

He advised the Partnership that a fixed link to Whalsay, which would be the longest tunnel, was estimated at approx £111m, as opposed to £47m for Bluemull Sound and £75m for Yell Sound. He added therefore that a ferry solution for Whalsay had been confirmed for the foreseeable future, and in the absence of detailed costs, was the right priority.

In response to a further query, the Lead Officer advised that the Vidlin Road upgrade was considered under the Council's Roads Capital Programme and therefore the two were independent of each other.

Mr A S Wishart moved that the Partnership approve the recommendations contained in the report, seconded by Mr F A Robertson.

24/08 <u>Bressay Link STAG Appraisals – Summary, Findings and Recommendations</u> The Partnership considered a report by the Lead Officer (Appendix 4)

The Lead Officer briefly introduced the report.

Ms S Laurenson drew attention to Section 8 and was concerned that this added confusion to the report stating that the economic model mention at paragraph 8.5 for a 40mx134m high level bridge had not been through the Bressay Link Group. The Lead Officer advised that Section 8 provided the full context of the project since 1998 and showed the development of the project under the STAG Process. The Chairperson said that he could see her concern and that paragraph 8.5 in isolation was a bold statement, but felt however that 8.6 brought it into context. Ms Laurenson suggested that another meeting of the Bressay Link Group be organised before the next Infrastructure meeting.

In response to a query regarding funding, the Chairperson advised that funding would depend on the Council Capital Programme and that work had to be done on external funding and added that an approach to the Transport Ministers had already been done.

Mr F A Robertson moved that the Partnership approve the recommendations contained in the report, seconded by Mr A S Wishart.

The Chairperson said that the STAG was very detailed and had been carried out with the consultation of interested parties and said the consultants and staff should be commended for their work, and the STAG process could be adopted for other non-transport projects.

25/08 <u>Progress of Recommendations of Whalsay and Bressay STAG Appraisals</u> The Partnership considered a report by the Lead Officer (Appendix 5).

The Lead Officer briefly introduced the report and the Partnership discussed the importance of moving all STAG appraisals forward together, and the Lead Officer advised how this would be done.

Mr F A Robertson said that it was important that all Council Members understood the long-term procedures that led to the point of construction. Mr A S Wishart moved that the Partnership approve the recommendations contained in the report. Mr F A Robertson seconded.

The meeting ended at 10.50 am.

A S Wishart CHAIRPERSON