

# MINUTE

‘A&B’

**Special Infrastructure Committee  
Council Chamber, Town Hall, Lerwick  
Wednesday 21 January 2009 at 10.00am**

**Present:**

A S Wishart	L Angus
J Budge	A T J Cooper
A T Doull	F B Grains
R S Henderson	J H Henry
W H Manson	R C Nickerson
F A Robertson	C L Smith

**Apologies**

L F Baisley	A J Cluness
A G L Duncan	I J Hawkins
A J Hughson	C H J Miller
G Robinson	J G Simpson

**In Attendance (Officers):**

G Greenhill, Executive Director Infrastructure Services  
M Craigie, Head of Transport  
K Adam, Solicitor  
C Black, Contract Compliance Manager  
R MacLeod, Committee Assistant  
L Gair, Committee Officer

**Chairperson:**

Mr A S Wishart, Chairperson of the Committee, presided.

Mr A S Wishart said that he would vacate the Chair for item 1 because a family member was closely involved in the air service. In the absence of the Vice-Chairperson, Mr Wishart called for nominations to appoint a Chairperson pro-tem.

Mrs F B Grains nominated Mr F A Robertson, seconded by Mr L Angus.

Accordingly Mr F A Robertson took the Chair.

**Circular:**

The circular calling the meeting was held as read.

**Declarations of Interests**

Mr A S Wishart referred to his earlier declaration, that a family member was closely involved in the air service.

Mr Wishart said that he would remain in the Chamber, unless there were any objections. Members agreed that Mr Wishart should stay.

01/09 **Inter Island Air Service – Specification, Timetable and Fare Structure for the Contract 1 August 2009 to 31 March 2013**

The Committee considered a report by the Head of Transport, attached as Appendix 1.

The Chairperson advised Members that the Air Service Working Group visited all the Islands and met with Islanders. He said that they heard their views and took note of requests and requirements.

The Head of Transport drew Members attention to the 4 main issues to be addressed, highlighted in paragraph 4.1.4. In response to clarification sought by Mr L Angus the Head of Transport advised that in the current contract the Council were the Client and the Direct Flight Ltd was the contractor. Mr Angus said that part of the business case when purchasing the aircraft was that they could be used for other purposes both SIC and Tourist activities, but he was not aware of the second aircraft being used. The Chairperson advised that the logistics of tying in with some cruise liners and setting up round island flights was difficult to arrange in advance and therefore, using the aircraft for tourist activity had not yet been successful. The Head of Transport added that the new contract would make it easier to plan ahead and would be less constraining.

Mr R C Nickerson expressed his concern that in December Direct Flight Ltd were down to one pilot from the usual three, and said that if that Pilot had become ill, the service would stop. He said that this was unacceptable and he urged officers to ensure that the contract state that there be four or more pilots trained and familiar with landing on the Islands airstrips. He said that even if that increased the price of the tender there needed to be a reassurance that the service would continue. Mr Nickerson said he acknowledged that if the service failed then the operator would be in breach of contract and would not receive payment however if the service failed that would be too late in terms of service to the islands. His preference would be that the operator is contractually obliged to have sufficient trained staff available to ensure no risk to services and if that requirement were not fulfilled the operator would be in breach of contract. Mr Nickerson's second concern related to capacity and he called for a standby list suggesting that if there were 2 or more on the list, the second plane be brought into service. The Head of Transport, using Fair Isle as an example, said that the 9am and 11am flights both sometimes travelled half empty. He suggested that one flight at 9am be scheduled, but if that were over capacity then the other aircraft be used, adding that it would be better to use one aircraft all of the time and the second some of the time. In relation to the number of pilots, the Head of Transport said the specification could ask for the operator to provide a contingency plan in their tender submission that asked them to state how they would ensure that there was never a situation where the number of pilots was reduced to a level that threatened the services.

In response to comments regarding operators, Mr F A Robertson said that the Tender would be published in the EU Journal and was open to any operators to express their interest.

The Head of Transport advised the Committee that they had worked closely with Orkney Islands Council who were also tendering for the same period. He said that they had hoped to put forward a joint tender however the legal complexities were too difficult to resolve in the timescale available. He said that they would start the process earlier next time with the aim of establishing whether one single contract could be drawn up for both Islands.

Mr A T J Cooper referred to the on-line booking service and said that there should be a link, both ways, between the Operator and the Council's booking services, which would allow an individual to book in with the ferry out with the plane, for example. The Head of Transport advised that an integrated bus and ferries booking system was being

looked into and the next step would be to see if an air services operator could link in further. Mr Cooper asked that the Tender documents reflect that as a requirement. Mr Nickerson asked that Officers bear in mind that the Shetland Box Office had developed a whole range of services and may be an option, in this case.

In response to a further comment regarding the number of pilots, the Head of Transport advised that the operators would be asked to submit concrete proposals on how the second plane would be used and to include how they would optimise the aircraft in order to reduce the subsidy that the Council had to pay.

Mr W H Manson said that the Council had to specify the schedule in order to accommodate the wishes of the Islands serviced by the planes, but the operators should be asked to offer minor shifts in the schedule. He referred to the Fair Isle timetable and suggested that rather than calling on the second aircraft, there should be a window in the schedule to allow the same aircraft and pilot to make a second run, if required, and that they should be able to utilise Thursdays and Fridays. He said the second aircraft was there for when the other was out of service, and it would be the most efficient way of providing the service. He went on to say that flights for tourist should be marketed by the tourist board but said that the most amount of notice a cruise liner may be able to give would be 3-4 days and even as little as 24 hours before hand.

The Head of Transport said that to enable tenderers to submit a price in which the Council could have confidence there needed to be reasonably tight specification, but that there was nothing to stop the Council from having a dialogue around optimised timetables with the new operators, as there would be a need for post contract amendments to meet changing service needs over time.

Mr R C Nickerson said that subject to the comments made, he moved that the Committee approve the recommendations contained in the report.

Mr C L Smith said that it was important that the contract state clearly that we expect a second aircraft. He said that if an aircraft was away for servicing we must have another. The Head of Transport said that was in the contract, however Mr Smith's comments indicated that that was not clear and agreed that it would be addressed.

In response to a further query, the Head of Transport confirmed that the aircraft were currently serviced in Cumbernauld.

The Chairperson said in order to reassure the community, the hub would continue to be Tingwall and landing at Sumburgh, as required.

Mr A S Wishart said once the tendering process was complete, should further consultation be required with the Committee regarding the actual contract award, he would declare an interest at that time and leave the Chamber on that occasion.

The meeting concluded at 10.35am.

F A Robertson  
Chairperson (pro-tem)

