

MINUTE

“PUBLIC”

**Special Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Monday 4 February 2013 at 2.00 p.m.**

Present:

M Bell	M Burgess
P Campbell	G Cleaver
A Cooper	S Coutts
B Fox	R Henderson
A Manson	F Robertson
G Robinson	D Sandison
C Smith	G Smith
T Smith	M Stout
J Wills	A Wishart
V Wishart	

Apologies

A Duncan	D Ratter
A Westlake	

In Attendance (Officers):

M Boden, Chief Executive
P Crossland, Director of Infrastructure Services
N Grant, Director of Development Services
K Duerden, Executive Manager – Ferry Services
J Orr, Human Resources Officer
A Christie Henry – Project Manager – Infrastructure and Development Reviews
B Hall, Project Officer
C Manson, Resources Manager
J Riise, Executive Manager - Governance and Law
A Cogle, Team Leader – Administrative Services
L Gair, Committee Officer

Chair:

M Bell, Convener of the Council, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

Mr Henderson declared an interest as a ferry user and advised that his son's business was a regular user of the service.

In order to avoid the disclosure of exempt information, Mr Bell moved, Mr Robinson seconded, and the Council agreed to exclude the public in terms of the relevant legislation during consideration of the Appendix 2 to the following items of business.

01/13 **Inter Island Ferries Service Review**

The Council considered a report that presented the detailed appraisal of the options available and recommends a package of savings measures that will generate

recurring savings of £3.1m during the lifetime of the Council's approved medium term financial plan.

Mr Wishart, as Chair of Infrastructure Services, introduced the report and explained that the meeting today combined 18 months work that began with the previous Council. He said that current membership of the Council changed the remit to increase the savings sought. He said that there had been good engagement and feedback from the community and stakeholders and as a result of this more time was sought from Members to give this matter more consideration. He added that the recommendations presented in this report were as a direct result of the extensive consultation undertaken.

The Director of Infrastructure summarised the main terms of the report and presented the package descriptions to Members.

(Dr Wills attended the meeting)

The Director of Infrastructure also highlighted the risks associated in delivering the service to Skerries in that there was no safe overnight berth in Skerries during bad weather. Other highlighted issues related to staff living in Skerries during shifts and on the Bressay Service moving to a 4 man crew, subject to a risk assessment, there may be a need to redeploy an additional crew member.

The Director of Infrastructure advised Members on the concerns of the Employees JCC in relation to the ceasing of temporary contracts and that those employees should not be excluded from apply for ring fenced posts. However this is a policy matter that would be considered for review through Executive Committee.

Referring to Section 9 the Director of Infrastructure commented on the future work in regard to the ticketing machines which would provide more functionality and flexibility which would support a full review of the fares structure which would be carried out shortly. He also acknowledged the need to look at the potential for the Scottish Government's options for an externalised inter island ferry service, and where synergies could be had in relation to the existing Foula contract which is due for re-tendering in 2015.

During consideration of the report and its recommendation, Members commented on and asked questions relating to future provision of the inter island ferry services as follows:

(Dr Wills declared an interest as a Bressay resident and ferry service user)

In response to a query regarding the timing of this meeting, 16 days in advance of the Council's budget setting meeting on 20 February, the Director - Infrastructure Services explained that the Council had previously requested this meeting for 5 December 2012, however it had become clear during the consultation process that this was not possible. It was therefore a decision of the Council on 5 December that this review be reported directly to a special meeting of the Council under a single item agenda.

Yell Sound

- The Director of Infrastructure Services responded to a query on the volume of traffic and whether one boat was adequate for this. He advised that the traffic modelling report concentrated on the peak hour and one boat could not work on

Friday. He said that there was a limit to what modelling could be done and therefore the worst-case scenario was chosen. The Director - Infrastructure Services referred to the graphs in appendix 8 which showed a single vessel on Fridays.

- In terms of Community runs currently undertaken at no additional cost to accommodate weddings, music festivals and agricultural shows, the Director of Development advised that there is a budget that would cover these occasions, but he explained that this was expected to be reduced to £25,000 at the budget meeting on 20 February 2013. The Director - Infrastructure Services added that the proposals includes flexibility for charters and the services would be happy to discuss the transport needs for community events as long as enough notice is given before an event.
- A Member suggested that there should be one super ferry and one smaller ferry as back up on this service. The Director - Infrastructure Services explained that this was not one of the options agreed for consideration by the Council. He said that the traffic modelling report illustrated that a single vessel would be over capacity and on the busiest Friday there would be the additional issue should the larger of the two vessels be off service for dry docking.

Bluemull Sound

- Members were advised that the re-introduction of fares on Bluemull Sound would be at the standard fares as on other routes, from 1 April 2013. Following the introduction of the ticket machines a ferry fares review would be carried out, which would be subject to further consultation and led by the Director of Development Services.
- Members also sought and received clarification on what portion of the savings figure was clear income and were advised that approximately 30% of it related to recharges.

Bressay

- The Executive Manager – Ferry Services confirmed that he had raised the reduced capacity of 50 passengers, informally with the MCA, and more recently requested that this be increase to 60 in view of the fact that there is a 65 man lifeboat and that the 4 man crew is sufficient to man the vessel.

Foula

- A Member agreed that under package A the Foula and Papa Stour service be combined and suggested that this should have been done already adding that a ro-ro ferry was an extravagance. It was suggested that a ro-ro ferry could be brought in only when necessary. The Director - Infrastructure Services advised that Package B had considered a passenger only vessel option but Package A had been recommended as it had the least impact on all individual communities. He added that it is clear that a reduction in ro-ro service would have an economic impact in relation to their crofting activities.

Skerries

- Concern was expressed in relation to the changes whereby the crew would have to live in Skerries during their shift and that the 100-day weather statistic would make this option difficult to implement. It was suggested that the Snolda would be a better vessel for this route. The Director - Infrastructure Services explained that the staffing issues would be subject to the statutory 90-day consultation process. He said that this option provided a better service to the community but similar

savings could be achieved with a Symbister based vessel but it would see a reduction by removing one day Lerwick service with no replacement. He said that remaining in Symbister would provide less risk options but would have more impact on the Community. The Director - Infrastructure Services added that this route was profiled for implementation in January 2014 to allow time to resolve issues and ensure the right procedures are followed.

- A Member asked if staff were not located to Skerries where else these savings could be found. The Director - Infrastructure Services explained that Package B provided similar savings or alternatively if the vessel was based in Symbister, with a reduced level of service. Alternatively, this would require to be found on another service routes that would have an impact on the community or there would have to be a significant increase in fares.

(Mr D Sandison left the meeting)

Fair Isle

- The Director - Infrastructure Services confirmed that the increase in fares for non-Fair Isle-islander rates would be monitored to establish if there was any impact to visitor numbers. This would be reviewed after 12 months.
- The definition of "family" was being considered and it was suggested that a number of Concessionary family fares be allocated to each household and they would be allowed to decide whom they class as family. The Director - Infrastructure Services added that this would become clear during the review of fares in June 2013.

General

- In response to a query as to whether these changes to services would be trialled, the Director - Infrastructure Services explained that the final timetables and systems would be developed based on the level or resources available. He said that there may be changes to the start and finish times, but the would be no additional runs or days added to a service.
- With regard to a query regarding the monitoring framework the Director - Infrastructure Services explained that the ticketing machines would not be able to provide information on the journey types, for example purpose of trip, but it would in relation to vehicle types and numbers , etc. He confirmed that the Transport Planning Service would carry out this monitoring in-house.

Mr Wishart said that this reports was the culmination of 18 months work with no real surprises. Mr Wishart moved that the Council approve the recommendations contained in the report, seconded by Mr G Robinson

Dr Wills moved, as an amendment, that the Council approve Package A, but cease the ro-ro service to Papa Stour as soon as possible and amalgamate the service with Foula; not base the ferry crew in Skerries; and reduce to one vessel on Bluemull Sound as soon as possible. No seconder was received.

Mr T Smith referred to paragraph 9.9.3 and in expressing his concerns that Papa Stour was being treated unfairly and the proposal would give rise to uncertainty within the Community he moved, as an amendment that the Papa Stour service should not be considered mid way through the lifetime of Mid Term Financial Plan. Mr Robertson seconded.

Members commented that there was no intention to further review the Papa Stour and Foula Service until 2015 and it was likely to remain until 2017, however the review may in fact identify improvements to the Service. It was also noted that such a review would not take place without first being discussed at Committee and Council in the future.

Mr T Smith added that there were positive indications that the population may grow in Papa Stour and he would not wish potential residents to be put off if the ferry service is not to be maintained. Mr Robertson agreed and commented that both the linkspan and the vessel were second hand and the project had attracted ERDF Funding. Given the low running cost of the Snolda, the heavy lifting service it provides to Papa Stour, Foula and Fair Isle and the potential of a growing community, Mr Robertson took the view that Papa Stour and Foula services should continue to 2017 as with the other services.

(Mr P Campbell left the meeting)

Mr Henderson provided statistics on the volumes of white fish, salmon and shellfish that are required to be transported from the North Isles and value to the Isles, Shetland and Scotland's economy as a whole. He said that it was important to maintain the transport links to support the industries that are already there and Package A did this.

In response to further specific queries regarding the amalgamation of Papa Stour and Foula the Director - Infrastructure Services explained that there was no proposals for this at present but the report was advising Members that there was an opportunity for it to be considered in 2015 and it may be that this can be provided better in a more efficient manner.

At the request of Mr Coutts, Mr Wishart agreed, with the support of his seconder, to request that Development Services provide a 6-monthly update report on monitoring and evaluation of the impacts of the changes.

Members spoke in support of the motion, however it was highlighted that any decision made today could be revisited in 6 months or sooner if there is a material change.

Following summing up, voting took place with a show of hands and the results were as follows:

Amendment (Mr T Smith)	2
Motion (Mr Wishart)	15

Decision:

The Council **RESOLVED** to approve the implementation of the savings proposals detailed in paragraphs 6 & 7 of the report and that the Director of Development provide a 6-monthly update report on monitoring and evaluation of the impacts of the changes.

The meeting closed at 3.45pm

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Chair

