

MINUTE

“B - PUBLIC”

**Special Shetland Islands Council
Council Chamber, Town Hall, Lerwick
Wednesday 3 July 2013 at 2 p.m.**

Present:

M Bell	M Burgess
G Cleaver	A Cooper
S Coutts	A Duncan
B Fox	R Henderson
A Manson	D Ratter
G Robinson	D Sandison
C Smith	G Smith
M Stout	J Wills
A Wishart	V Wishart

Apologies

T Smith	A Westlake
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In Attendance (Officers):

C Ferguson, Director – Corporate Services
N Grant, Director - Development Services
M Craigie, Executive Manager - Transport Planning
E Park, Transport Strategy Officer
C Nicol, Transport Assistant
K Marshall, Solicitor
C Anderson, Senior Communications Officer
L Gair, Committee Officer

Chair:

Mr M Bell, Convener of the Council, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interest

The following Members declared a non financial interest in agenda item 1 “Transport Network Redesign Project – Update Following Tender Exercise”:

Mr Wishart as Chair of ZetTrans
Mr Stout, Mr Fox and Mr Sandison, as Members of ZetTrans; and
Mr Coutts, as Substitute Member of ZetTrans.

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

62/13 Transport Network Redesign Project – Update Following Tender Exercise

The Council considered a report by the Transport Strategy Officer, Executive Manager – Transport Planning/ZetTrans Lead Officer and the Director - Development Services that presented the outcome of the recent tender exercise

carried out for the full redesign network of school and public bus services in Shetland.

The Director - Development Services introduced the report and provided background to the development of the tender documents and explained the level of stakeholder involvement during that process. He commented on the need for equality of services across Shetland and highlighted the priorities that had been identified through the Medium Term Financial Plan (MTFP). The Director - Development Services provided a summary of the current financial position and the budget reductions required through the implementation of the MTFP. Members were advised that that Transport Planning had incurred a 23% reduction in budget, the net result of which is that the Transport Planning service has to design a network for school and public transport provision within a budget that has been reduced by £1m.

The Executive Manager - Transport Planning advised that the objective of the process is to create uniformity of services across Shetland, to fill gaps and to produce a network that allows transparency and rationale. He explained that over the last decade, the bus service has been developed based on the needs of customers which resulted in a network with a large number of contracts, and the return of tenders based on uniformity has proved to be more expensive.

The Transport Strategy Officer provided an explanation on what service elements had been included within each of the options. She explained that the opportunity had been available under the first tender process for operators to group contracts if that was found to be more cost effective and gave examples of how the routes could be repackaged to eliminate uncertainty for operators who had included a risk element into their first submission, which will reduce the cost of delivery. The Transport Strategy Officer explained that it was clear from the budget reductions that the Council could afford less of a service than it currently enjoys. She added that the commissioning of a Socio Economic Impact Assessment will inform the next tendering process however it was not possible at this time to demonstrate best value.

Mr Wishart said that as Chair of ZetTrans, it was important to have clarification on the relationship between ZetTrans and the Council. He said that the Partnership's Members include NHS and HIE representatives as well as observers from different organisations. He said that ZetTrans has specific duties and authority in respect of the provision of bus services in Shetland and it was important that this is recognised. Mr Wishart added that if Shetland had been part of HiTrans Shetland would have to compete with a number of authorities for its portion of that budget.

The Executive Manager - Transport Planning provided a brief summary on the formation of Transport Partnerships in Scotland and the establishment of ZetTrans in 2005 and on how ZetTrans is funded. He explained that prior to the next decision making meeting, at which time he will provide a briefing note to fully explain the responsibilities and authority of the Council and ZetTrans.

The Executive Manager - Transport Planning advised that the main aim of the Council is to provide a bus service within the financial constraints and ZetTrans take a broader view of the community needs.

Following discussions, whereby Officers responded to Members questions, Mr Cooper moved that the Committee approve recommendations 2.2 and 2.3 in the report. Mr Robinson seconded.

Decision:

The Council RESOLVED to approve the extension of the school bus contracts to 30 March 2014; and approve further work to investigate potential benefits that may be possible through a retendering exercise, including analysis of the network of services to maximise the number of possible routes, alternative tendering process and any further measures identified. A further report will be presented to ZetTrans and the Council immediately following the 2013 summer recess.

The meeting closed at 2.55 p.m.

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Chair