

MINUTE

A&B - Public

Environment and Transport Committee
Council Chamber, Town Hall, Lerwick
Tuesday 25 November 2014 at 2.00pm

Present:

M Bell	S Coutts
D Ratter	G Robinson
D Sandison	G Smith
T Smith	M Stout

Apologies:

R Henderson	J Wills
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In Attendance (Officers):

M Sandison, Director of Infrastructure Services
M Craigie, Executive Manager – Transport Planning
J Gray, Executive Manager – Finance
P Wishart, Solicitor
C Anderson, Senior Communications Officer
L Gair, Committee Officer

Chair:

Mr M Stout, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interests

None.

41/14 **Management Accounts for Environment and Transport Committee: 2014/15 – Projected Outturn at Quarter 2**

The Committee noted a report by the Executive Manager – Finance (F-050-F), which enabled the monitoring of the financial performance of services within its remit to ensure that Members were aware of the forecast income and expenditure and the impact that this will have with regard to delivering the approved budget.

The Executive Manager – Finance introduced the report and in response to a question, he advised that there was no contingency in the current year's budget to cover the unbudgeted repairs to two ferries. He advised however that £200k had been allocated to the 2015/16 budget to cover unexpected repairs.

In response to a question regarding the slippage on the Anderson High School roundabout and whether there would be a delay, the Executive Manager – Finance said that he understood that a separate road was to be built to allow access to the site, but he would check and update Members by email.

The Director of Infrastructure Services advised a Member that the budget and income for waste to energy and landfill had been broken down in order to look closely at the cost of ongoing handling of waste. She said that the better understanding of the costs involved meant that the charges are applied to those

creating the waste. The Director of Infrastructure Services stated that the aim was to get to a point where commercial waste was not costing the Council anything including the life cycle of the waste to energy plant. She explained that there would be a phased increase resulting in a better charging regime.

In responding to a query, the Director of Infrastructure Services said that there was more commercial waste than in the past and some of that could be at as a result of the removal of skips.

A Member questioned whether the lower spend on ferry fuel was due to the decrease in fuel costs and commented that he was aware of a perception by the public that ferries are being run faster at the end of the day in order to finish early. The Director of Infrastructure Services said that there is an optimum efficiency speed but there is also a need to “blast” the engines to keep everything running. She said that the biggest cost in the ferry service is staffing and that when faster runs take place staff finish work early therefore there is a saving on staff costs. The Member said that he was not content with the response given and that cost analysis was required on this matter.

(Mr Robinson attended the meeting)

A Member commented on the cost of rebranding two buses to which the Executive Manager – Transport Planning explained that the cost was necessary as these buses had been part of another company’s fleet and required to be unbranded.

During debate Members commented on the cost of ferries and concern was expressed that the savings achieved by reducing services was being undermined by increasing the speed of the vessels. It was stated that the Council needs to be seen to keep costs down. It was suggested that often the public’s perception of costs is not where the real costs lie. Members noted that during the process of cuts a lot of work was done on every line of controllable cost with a high level of accuracy being achieved. Members discussed the need for the public to be given straight answers in order to change perceptions.

Members agreed that credit should be given where it is due and that cost control and income generation had been well planned. It was noted that a false position had been created by unforeseen situations and these costs should be attributed to a contingency fund rather than the departmental budgets. It was noted that Officers had achieved better savings than the target set. Members also noted the level of savings made and although effects have been felt there had been a degree of effort put into minimising that effect whilst maximising savings.

Decision:

The Environment and Transport Committee **RESOLVED** to review the Management Accounts showing the projected outturn position at Quarter 2.

42/14

Infrastructure Services Directorate Plan 2015-16

The Committee considered a report by the Director of Infrastructure Services (ISD-21-14-F), which presented the Infrastructure Service draft Directorate Plan for 2015/16, describing how the Directorate is going to deliver key actions, manage key risks and report and manage progress and performance across the coming year.

Members commended the Directorate Plan. A Member asked whether Infrastructure Services have the right resources to attract external funding. The Director of Infrastructure Services explained that as a directorate there is not much experience of bidding for external funding but where the service has pursued a funding stream it had been successful. She said that EU Funding was a challenge but is an area of skill that needs to be developed however the service would draw on expertise from other departments such as Development Services, to support officer.

In referring to page 24 a Member queried the community based solutions for burial grounds and grass cutting. The Director of Infrastructure Services explained that there are a number of areas where it was deemed that a more efficient way of working would be with communities potentially delivering some services themselves. She explained that verges some burial grounds and amenity areas are currently cut by external contractors and it may be possible for community groups to take on staff and have control over what they do and what they spend in their area. The Director of Infrastructure Services explained that the service is currently paying for contractors travelling into communities and that money could be better spent within the area. She said that some areas may choose not to cut verges and be more flexible on what they chose with the ability to direct what takes place locally. In terms of grass cutting in burial grounds there is a mix of contractors and staff cutting the grass however there may be an opportunity to develop a person from the community to weed and cut the grass. The Director of Infrastructure Services said that this was a concept that came from community consultation and was seen as an opportunity to do things differently.

A Member asked if the aim was for communities to do the work for nothing, but a Member explained that an Officer had made it clear that a certain amount of money is already spent on these activities and that would be passed to the community to manage more effectively within the area. In response to a query on community groups not being able to employ people, a Member said that the concept was introduced in a way that the community councils could come up with their questions and concerns and the Executive Manager – Governance and Law had a discussion with community councils on this matter and advised that legislation may need to change before it can happen. The Director of Infrastructure Services said that this concept was about finding solutions and not imposing ideas and the Officers were open to this approach. She said that this was the same level of funding but the concept was open to each community developing their own local delivery solution that worked in their local context. In response to a comment on the requirement for equipment the Director of Infrastructure Services said that some Community Council's already own equipment but there may be a redistribution of any equipment is already in place for instance from Burial Grounds.

A Member referred to the Risk Register for 2015/16 and asked if it would be updated by the end of the year. The Director of Infrastructure Services confirmed that this was a living document that is reviewed quarterly to ensure the risks remain live and consider whether the risk mitigation measures are still effective.

In response to further questions, the Executive Manager – Transport Planning confirmed that the Inter Island Air Contract was due to be retendered on 31 March 2016 and the project was underway to review the service and provide a lead in to the tendering process from the first of the year in 2015. The Director of Infrastructure Services also confirmed that the doorstep collection of recycling would commence in summer of 2015.

Members congratulated the Director of Infrastructure Services, and her team, on the work that had gone into the production of the Directorate Plan.

Mr Robinson moved that the Committee approve the recommendations contained in the report, seconded by Mr Sandison.

Decision:

The Environment and Transport Committee **RESOLVED** to:

- Review and discuss the contents of the Directorate Plan and make suggestions for amendment or further update; and
- Delegate authority to the Director of Infrastructure Services to make any necessary adjustments to the Plan to ensure it is fully aligned with the final version of the Corporate Plan approved by Council.

43/14 **Development Directorate Plan 2015-16**

The Committee considered a report by the Director of Development Services (DV047-F) which presented the Development Directorate Plan for 2015/16, describing how the Directorate is going to deliver key actions, manage key risks and report and manage progress and performance across the coming year.

The Executive Manager – Transport Planning introduced the report, commenting on the Transport Planning related matters.

(Mr T Smith left the meeting)

The Chair commented on the huge change that had occurred in the last year and commented on the level of resources available within this service and said that this had to change. He also highlighted the dual role that the Executive Manager – Transport Planning had as Lead Officer of ZetTrans and commented that there was still a lack of understanding of this and the effect the role has.

A Member commented on the internal and external ferry issues and said that Members were yet to see a clear timetable setting out the process to external ferries and the work ongoing with internal ferries. He said that Members need to be made aware of the key dates to be met. The Executive Manager – Transport Planning advised that Officers had been working with Transport Scotland on approving two papers that set out the steps that are to be followed. He advised that these papers, once approved by Ministers, would be presented to a Policy Form arranged for 9 December 2014.

In response to a comment on Orkney Islands bus tendering and their use of a hybrid bus on the airport route, the Executive Manager – Transport Planning advised that his service was working with the Director of Infrastructure Service's staff on a green fleet using alternative fuel and in Members that this is part of the business that Transport Planning are involved in.

The Executive Manager – Transport Planning responded to a query on bus fare income and advised that in the first quarter indications were that all fares were being recovered but more proactive work was required to establish if any gaps exist. He advised that the Transport Planning Service was being reconfigured to allow this work to be carried out.

Members commented on the use of language in the report and the Executive Manager – Transport Planning noted this for future reporting.

In referring to the promotion of bus services a Member asked whether buses coming in from the country can pick up passengers when they come into Lerwick. He said that this would increase fare income and also generate more options for passengers. The Executive Manager – Transport Planning said that this was a culture that needed to be overcome and that it was essential that country buses do provide services Lerwick to substitute for reduction in routes. The Member suggested the use of social media and the web to get the message out to people but it was suggested that this would not capture large sections of the public that use the services and it was suggested that Council services that have contact with the public, such as housing support workers, also be used to inform public.

Mr Ratter moved that the Committee approve the recommendations contained in the report, seconded by Mr Stout.

Decision:

The Environment and Transport Committee **RESOLVED** to:

- Review and discuss the contents of the Directorate Plan and make any suggestions for amendment or further update.
- Recommend the actions, risks and measures in the Plan to Council.
- Delegate authority to the Director of Development Services to make any necessary adjustments to the Plan to ensure it is fully aligned with the final version of the Corporate Plan approved by Council.

44/14 **2015-16 Budget Proposals and Charges – Environment and Transport Committee**

The Committee considered a report by the Executive Manager - Finance (F-059-F), which enabled consideration of the controllable budget proposals for the services within the Committee's remit, which will in turn contribute towards ensuring that the Infrastructure and Development directorates meet their Target Operating Budgets, as set out in the Medium Term Financial Plan.

The Executive Manager – Finance introduced the report and advised that both the Infrastructure Services and Development Services directorates had met the Medium Term Financial Plan Targets and this report set a sustainable target for 2015/16. He reported on the main changes in section 4 and provided reassurance on the risk budget and the overall budget book.

In response to questions, the Executive Manager – Finance agreed to provide an email to Committee Members on the insurance cover. The Director of Infrastructure Services provided a summary of the activity in the Scord Quarry over the last year stating that the anticipated increase in activity had not been as high but explained that the cost to the Council had also not been as high as the anticipated peak in staff costs did not occur. There was no expected peak of activity in the next year.

Members agreed that there was a need for more promotion of the bus services and that the rationale around fare charges be explained to the public. The Executive Manager – Transport Planning agreed.

Members commended Officers for achieving a balanced budget.

Mr Robinson moved that the Committee approve the recommendations contained in the report, seconded by Mr Sandison.

Decision:

The Environment and Transport Committee **RECOMMENDED** that the Policy and Resources Committee and Council resolve to approve the budget proposals for 2015-16 included in the report and set out in detail in the Budget Activity Sheet and Charging Sheet.

The meeting concluded at 3.35pm.

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Chair