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# MINUTE

**“B - PUBLIC”**

## **Zetland Transport Partnership**

**Council Chamber, Town Hall, Lerwick**

**Thursday 2 November 2017 at 10am**

### **Present:**

R Hunter

R McGregor

D Sandison

R Thomson

### **Advisers:**

S Laurenson

S Mathieson

A Priest

R Roberts

### **Apologies:**

J Smith

A Steven

### **In attendance (Officers):**

M Craigie, Lead Officer

J Belford, Proper Officer for Finance

J Riise, Legal Officer for ZetTrans

P Mogridge, Transport Policy and Projects Officer

B Kerr, Communications Officer

P Wishart, Solicitor

L Malcolmson, Committee Officer

### **Also:**

S Leask

### **Chair**

Mr Thomson, Chairperson of the Partnership, presided.

### **Circular**

The circular calling the meeting was held as read.

### **Declarations of Interest**

None

### **Minutes**

Minutes of meeting held on i) 29 June 2017 was confirmed on the motion of Mr Sandison, seconded by Ms Hunter and on ii) 21 September 2017 was confirmed on the motion of Mr Sandison, seconded by Mr Thomson.

24/17     **Appointment of An Other Member – NHS Nomination**

The Partnership considered a report by the Secretary to ZetTrans (ZTP-29-17-F) which presented the Chair's recommendation that Mr Roberts, nomination by the NHS Shetland, be approved as an Other Member to the partnership, subject to Ministerial consent.

The Committee Officer introduced the report and advised that should approval be granted by the Partnership, Mr Roberts would represent NHS Shetland as an observer/adviser until Ministerial consent had been received.

The Chair advised on the outcome of the interview held with Mr Roberts in early October and moved that the Partnership approve the recommendations contained in the report, Mr McGregor seconded.

**Decision:**

The Partnership resolved to:

- APPROVE the appointment of Mr Roberts as an Other Member, nominated by NHS Shetland;
- AUTHORISED the Secretary or his nominee, to submit the appointment for approval to the Scottish Ministers, with a recommended term of office from 2 November 2017 to 2 November 2021; and
- AGREED that Mr Roberts be appointed as an Adviser from 2 November 2017 until the date of Scottish Minister's approval of his appointment as an Other Member.

25/17

**Transfer of Functions to the Shetland Transport Partnership Order 2006. Implications and Reappraisal of Current Understanding**

The Partnership considered a report by the Lead Officer (ZTP-23-17-F) which presented information on the Transfer of Functions to the Shetland Transport Partnership Order 2006 and the implications and reappraisal of current understanding.

The Lead Officer introduced the report.

During questions, Officers were asked whether ZetTrans had a different VAT status and whether there are implications that the Partnership needs to be aware of. The Executive Manager – Finance advised that he had taken initial advice and there are, two VAT regulations to consider this would be highlighted in the annual accounts. He reassured however that there was nothing uncertain or concerning and that this was simply a reflection of where matters stand in terms of process.

Mr Thomson moved that the Partnership approve the recommendations contained in the report, Mr Sandison seconded.

**Decision:**

The Partnership NOTED

- The Minute of Agreement between Shetland Islands Council and the Shetland Transport Partnership dated 1 November 2006 attached as Appendix 1 to this report;

- The Transfer of Functions to the Shetland Transport Partnership Order 2006 appended as Appendix 2 to this report; and
- That in terms of law the Shetland Transport Partnership has, since 1 November 2006, been functionally responsible for securing the provision of such public passenger transport services as it considers appropriate to secure to meet any public transport requirements within their area which would not in their view be met apart from any action taken by them for that purpose, [to include public bus, ferry and air services].

The Partnership RESOLVED to: -

- Authorise and confirm that all contracts entered into by the Council since 1 November 2006 for the provision of transport services that ought to have been entered into by or on behalf of the Shetland Transport Partnership were entered into by the Council acting on behalf of the Shetland Transport Partnership in accordance with 3.3 of the Minute of Agreement.
- Confirm that any service subsidy paid by the Council to operators of transport services were paid by the Council for and on behalf of the Shetland Transport Partnership.
- Authorise and instruct the Lead Officer (or his nominee) in conjunction with the Proper Officer for Finance and Proper Officer for Legal Proceedings, to take all steps necessary to ensure that all service subsidy, contractual or other issues, including arranging for any accounting adjustments and/or reports to external bodies, required to put Shetland Transport Partnership in the position it should have been in but for the misunderstanding of the Transfer Order's true meaning.

26/17

**ZetTrans DRAFT Annual Report 2016/17**

The Partnership considered a report by the Transport Policy and Projects Officer (ZTP-26-17-F) which presented the Draft Annual Report 2016/17.

The Transport Policy and Projects Officer introduced the main terms of the report.

During discussions comment was made on the indicators in regard to market growth for Shetland Tourism and Officers were asked if there was any way of capturing unmet need. The Lead Officer explained that some information is being gathered in term of constraints and whether passengers are getting the choices they want or if there is limited space on certain dates etc. He said that air service operators ask questions of how and what can affect choices. He said this was a universal problem, and efforts are being made to see what can be done to inform Officers of unmet demand. Comment was made that there is huge potential to develop tourism into Fair Isle for example, but more information is needed to establish whether there is a need for increased capacity to serve tourism but also for residents to access services outwith the isles.

The Lead Officer confirmed that in terms of internal air services information had been gathered in order to address any issues within the next contract. The Transport Planning and Policy Officer added that next year's annual report may be

able to identify performance and how it can be addressed but that is not possible at this point.

In referring to discussion around the tourism growth in Fair Isle, the Vice-Chair advised that he had a conversation with the Fair Isle ferry crew and suggested that a new fit for purpose vessel, that is faster, could go a long way to improving sailing times and improve the travel experience. The Transport Planning and Policy Officer said that splitting performance from indicators would help in making a business case and that projected growth in the market would be important. He referred members to a section in the transport strategy on proposed interventions and said that unmet need would be covered in that.

Further discussion was held on future reporting and the use of graphics and the ability to show trends over the last 10 years, and how the baseline information gathered in the annual report will be used in future years. The Lead Officer said that the information gathered would help in the introduction of different products that could be influenced by the Partnership.

Mr R Thomson said that this was a good, clear report and moved that the Partnership approve the recommendation at paragraph 1.1.2. Mr Sandison seconded.

**Decision:**

The Partnership AUTHORISED the Lead Officer or his nominee to finalise and (a) publish the Annual Report 2016-17 and (b) give it to the Scottish Ministers.

27/17

**ZetTrans Pre-consultation DRAFT Shetland Transport Strategy Refresh**

The Partnership considered a report by the Transport Policy and Projects Officer (ZTP-24-17-F) which presented the pre-consultation draft of the Shetland Transport Strategy Refresh.

The Transport Planning and Policy Officer introduced the report and advised that the Transport Strategy was closely tied to the Local Outcome Improvement Plan (LOIP) and because of the work done on the main issues report and LOIP he said there would be no surprises for the Partnership. He advised that the new Shetland Transport Strategy would be published by March next year. The Lead Officer said that it was intended that there would be workshops held with the working group and Partnership Members and Advisers as the work nears completion.

During discussions comment was made around fair funding being ZetTrans and the Council's number one priority but it was suggested that affordability becomes a threat to both. The Lead Officer said that the strategy and delivery plan are shaped by available funding. Officers were asked what was missing in terms of resourcing and how are the risks mitigated. The Proper Officer for Finance said that the challenge for ZetTrans is that it does not hold any funds and it relies on funding streams to continue. He said that how ZetTrans presents the strategy in terms of what is deliverable is important.

The Chair added that the funding issues were something that is monitored day by day.

**Decision:**

The Partnership noted the report.

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**Decision:**

The Partnership noted the report.

29/17 **ZetTrans Business Programme 2017/18**

The Partnership considered a report by the Secretary to ZetTrans (ZTP-25-17-F) which presented ZetTrans' business programme 2017/18.

The Lead Officer advised that that the unallocated items would be moved into scheduled meetings as matters developed and required consideration by the Partnership. He advised that there would be a report on smart ticketing in February 2018.

**Decision:**

The Partnership noted the ZetTrans Business Programme 2017/18.

30/17 **Shetland External Transport Forum Minutes – 5 July 2017 and 28 September 2017**

The Partnership noted the minutes presented. The Partnership were advised and agreed that the minutes would be included as appendices to the Lead Officer's report in future in order that any items requiring further consideration by the Partnership can be reported in more detail.

**In order to avoid the disclosure of exempt information, Mr Thomson moved, and Mr McGregor seconded, and the Partnership agreed to exclude the public in terms of the relevant legislation during consideration of the following items.**

**31/17      Inter Island Air Services Tender and Specification**

The Partnership considered a report by the Lead Officer which presented proposals to continue the inter-island air service under a one year contract with capacity to extend for a further year.

The Lead Officer introduced the report and provided background to the recommendations presented.

Following questions and discussion, Mr McGregor moved that the Partnership approve the recommendation with the addition that the Partnership note that the fares timetable in Appendix 1 would be subject to further appraisal as part of the budget setting process. Mr Thomson seconded.

**Decision:**

The Partnership APPROVED the continuation of the inter-islands air service under a one year contract (with the capacity to extend for a further year) for the reasons described in the report; and

NOTED that the fares timetable will be subject to further appraisal as part of the budget setting process.

The meeting concluded at 12.05pm.

CHAIRPERSON