

Environment and Transport Committee
Council Chamber, Town Hall, Lerwick
Tuesday 6 February 2018 at 10am

Present:

P Campbell	S Coutts
S Leask	A Manson
R McGregor	A Priest
C Smith	G Smith
R Thomson	

Apologies:

P Campbell (lateness)
D Sandison

In Attendance (Officers):

J Belford, Executive Manager – Finance
M Craigie, Executive Manager – Transport Planning
C Robertson – Executive Manager - Ferries
P Wishart, Solicitor
B Kerr, Communications Officer
L Malcolmson, Committee Officer

Also:

T Smith

Chair:

Mr Thomson, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

In referring to the recent announcement on additional funding from the Scottish Government, the Chair extended his thanks to all Officers and Members within the Council, as well as Ministers and Officials within the Scottish Government for their hard work in securing £5m revenue funding for Shetland's internal ferry services. He said however that although this was a welcome boost for 2018/19, this was still short of the 100% funding for internal ferry services as is the position now for Orkney and the Clyde and Hebrides networks. The Chair welcomed Mr McKay's statement and his commitment to continuing discussion to find a secure and long term sustainable way ahead that included capital costs and replacement of Shetland's aging ferry fleet. He said that the Chairs of the Council's committees together with the Sounding Board Group should and will have a say in how these discussions progress.

Declarations of Interests

None

Minutes

The Committee approved the minutes of the meetings held on 5 December 2017 on the motion of Mr C Smith seconded by Mr Leask

1/18 **2018/19 Budget and Charging Proposals – Environment and Transport Committee**

The Committee considered a report by the Executive Manager – Finance (*F-010-18-F*) which enabled the Environment & Transport Committee to consider the controllable budget proposals for the services within the Committee's remit.

The Executive Manager - Finance introduced the report and commented that what was not included was the additional funding announced for revenue in regard to the operation of the internal ferries. He said that this was a specific grant not included in the overall grant settlement but would have a significant impact on the services under Environment and Transport Committee remit. He said that the table at paragraph 4.1 would be changed to include the £5m and would be updated within for the papers being presented to the Policy and Resources Committee. The Executive Manager – Finance went on to explain that the £5m did not change the cost of operating the services and that the capital contributions would still form part of the Council's costs but he welcomed the significant financial support for the revenue budget.

The Chair moved that the Committee approve the recommendations contained in the report with the removal of paragraph 4.5.2, namely the Roads Gritting Review, and commented on the impact that £50k reduction in service provision and gritting of routes would have on the community. Mr McGregor seconded quoting a sentence from a letter received from an employee that indicated that travelling to and from work was not safe where they are required to work on public holidays when gritter services are not provided and as a result they did not feel valued as an employee.

During discussion it was suggested that such a review may conclude that an improved service may be required and that efficiencies may be made that allows an increased gritting service within budget. It was suggested therefore that the Chair may wish to consider amending his motion that allows the review to proceed without a financial target being set. Officers assured Members that the intention would be to look at all aspects of the service in terms of impacts on services whilst considering efficiency and best value for money.

The Chair agreed and with the support of his seconder he moved that the Committee approve the recommendations contained in the report but that at paragraph 4.5.2 a review of the Gritting Service be undertaken with no financial target set.

During further consideration of the report and in response to a question on the increase/decrease in costs allocated to each ferry service, the Executive Manager – Ferries agreed to provide a briefing note on how costs are allocated between services and relief vessels.

In response to a further question, whereby grass cutting was given as an example, the Executive Manager – Ferries confirmed that there had been a regulatory review to ensure cost efficiencies are sought where possible and to discuss with the other agencies, such as the NHS, where this may be achieved in partnership.

Decision

The Environment and Transport Committee **RECOMMENDED** to Policy and Resources Committee and Council that they approve the budget proposals for 2018/19 included in this report and set out in detail in the Budget Activity Summary (Appendix 2) and Schedule of Charges (Appendix 3), but that at 4.5.2 a review of the Gritting Service be undertaken with no financial target set.

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

2/18 **Inter-Island Air Service and Smart Ticketing – Funding Requirements**

The Committee considered a report by the Executive Manager – Transport Planning.

The Executive Manager – Transport Planning introduced the report and provided a summary of the opportunities available in regard to funding for Smart Ticketing and on the outcome of a tender process for extending the Inter Island Air Services contract.

During discussions Officers received questions in respect of both initiatives and responded accordingly.

(Mr Campbell attended the meeting)

Following discussion, Ms Manson moved that the Committee approve the recommendations contained in the report, with the addition, as suggested, that a business justification case be circulated to all Members in support of the recommendation to Policy and Resources Committee. Mr Coutts seconded.

Decision

That the Committee **RESOLVED** to approve the recommendation in the report, and that a business justification case be circulated to all Members in support of the recommendation to Policy and Resources Committee.

The meeting concluded at 10.50am.

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Chair