

**Environment and Transport Committee
Council Chamber, Town Hall, Lerwick
Tuesday 11 December 2018 at 3.30pm**

Present:

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

Apologies:

None.

In Attendance (Officers):

J Smith, Director of Infrastructure Services
D Coupe, Executive Manager - Roads
M Craigie, Executive Manager – Transport Planning
C Bragg, Team Leader – Waste Management
R Williamson - Acting Energy Recovery Plant Engineer
A Inkster, Team Leader – Port Engineering
B Robb, Management Accountant
K Collins, Senior Assistant Accountant
J Macleod, Performance & Improvement Adviser
P Sutherland, Solicitor
B Kerr, Communications Officer
L Malcolmson, Committee Officer

Chair:

Mr Thomson, Chair of the Committee, presided.

Circular:

The circular calling the meeting was held as read.

Declarations of Interests

None

Minutes

The Committee approved the minutes of the meeting held on 2 October 2018 on the motion of Mr Leask, seconded by Mr Campbell, with the exception of the following:

Last sentence – change “10.30pm” to read “10.30am”.

29/18 **Infrastructure Services Directorate Performance Report - 6 Month/2nd Quarter 2018/19**

The Committee considered a report by the Director of Infrastructure Services (ISD-11-18-F) that summarised the activity and performance of the Infrastructure Directorate for the second quarter of 2018/19.

The Director of Infrastructure Services introduced the report and advised on the Risk and Service Challenges set out in section 4 and that the Team Leader – Waste Management was present to answer any questions specifically on the roll out of the recycling programme, as requested at the last meeting.

(Mr G Smith attended the meeting)

The Team Leader – Waste Management provided a detailed update on the tonnages collected to 31 October 2018 which included one collection from Lerwick. It was noted that an update at quarter three would provide more data across every area. He spoke of the logistical undertaking and the issues that arose during the roll out. The Team Leader – Waste Management explained that the construction of the shed had been delayed for a number of reasons including planning, due to an objection, and also drainage problems on the site. It was noted however that a contractor had been appointed and the recycling shed should be completed by the end of the summer. The Team Leader – Waste Management also commented on the current arrangement for bailing and shipping of the recyclates, and reported that there was no gate fee for the plastic and cans and there had been a rebate on paper and card as a result of the good quality materials being shipped. He explained that there had been market fluctuations but the quality of the material meant that a good price was achieved and these factors had resulted in a saving of £11/tonne versus incineration. The Director of Infrastructure Services added that the overall savings would not be achieved until after the recycling shed had been completed.

In responding to questions the Team Leader – Waste Management advised that 70-75% of recycling was now from kerbside collection and the bring sites had been retained for glass recycling. He added that there is an issue with regard to the use of communal points and this would continue to be monitored to encourage people to continue to recycle.

In terms of rolling out recycling to the business sector the Team Leader – Waste Management advised that would take place early in the new year as there were resource limitations over the Christmas period with seasonal activities taking priority. He explained that bins would be distributed to all businesses before April 2019, following a piece of work to establish the size of bins required to suit the business activity.

The Chair invited to the Team Leader – Waste Management to return in three months with a further update.

Reference was made to employment of apprenticeships and the evidence available that apprentices were being employed by contractors as required under the terms of procurement tender arrangements. The Director of Infrastructure Services agreed to circulate an update to Members following the meeting. It was further commented that apprenticeships were a means of growing your own workforce. Officers were asked what was being done to develop the Council's young workforce. It was suggested that the previous graduate placement scheme was based around project work but more should be done on developing an appropriate level of skilled staff to start filling the vacancies available. The Committee were advised that a number of the graduate placements are still in the Council working their way up the ranks and that the scheme had made a useful contribution at that time.

In noting an intimation from Sustrans that there had be no funding provided in Shetland in 2018, Officers were asked if there were any plans for projects to put forward in 2019. The Executive Manager – Transport advised that contact had been made in regard to an officer on sustainable travel. He advised that the role of Embedded Active Travel Officer was a post that exists in other Regional Transport Partnership and there was an opportunity to work with NHS, Council and HIE to secure funding for projects. He said that there was £100k available and it was hoped that projects would be prepared to put forward in the next financial year. Members were advised that the Roads Services had a group looking at active travel and travel to schools. It was noted however that to attract Sustrans funding there needs to be 50% match funding by the Council. During further discussion on this matter it was also suggested that Community Groups may be able to attract funding in a different way and that the Council could support these groups in achieving the same result. Officers gave the Hoswick path as an example of where the Roads Service was involved with the Community in the design of the project. The Committee were further advised that there are other sources of funding to apply for.

Under paragraph 4.5 Risks and Challenges, Officers were asked why fixed links was not included as a solution to the ferry service vessel issue. The Chair explained that there were two pieces of ongoing work carried out alongside the outline business case (OBC) for the Whalsay and Fair Isle routes. The Executive Manager – Transport Planning advised that the issue of fixed links was taken into the National Strategy programme in 2016. The Scottish Government Island Community review is where fixed links aims sit and will be considered. He explained that when the Strategic Transport Review starts the two issues will be linked and that is likely to start within the first three months of 2019. The Director of Infrastructure Services added that this Committee is part of that information gathering process on ferry options which will be updated and the Committee will be appraised on the process as it progresses.

The Chair added that whether the outcome is for tunnels or bridges tunnels would be a long way off but there would have to be an evidence based approach put before the Scottish Government and the National Strategy would do that.

Officers were asked if there was an up-to-date quote for a tunnel with more technical data. The Director of Infrastructure Service advised that a geo survey would be required so it was necessary to be practical in terms of costs and investment. He said that in order to make a STAG case the project would have to be closer to shovel ready than conceptual.

During further discussion a request was made that consideration be given to Skerries Ferry Route being added to the online booking systems as it is not possible to book on the ferry on a Sunday when the booking office is closed. It was agreed that this would be looked into to ensure there was no technical reason for that.

Reference was made to the number of lost sailings against a target of 5 and a comparison was made to other services in Scotland, operated by Calmac. It was noticed by the Director of Infrastructure Services that the figures for quarter two had not been included in the appendix. Following some discussion the Director of Infrastructure Services advised that he would provide quarter 2 figures and an explanation behind the target set to ensure that it is both realistic and achievable.

During debate the Leader commented on the Government operated ferry services and the need for the Scottish Government to be realistic about what is needed to provide a lifeline service to the North Isles and that they should come to the table with the funding for replacing the ageing fleet. The Leader also referred to the staffing issues in the Council and that credit should be paid to staff providing services in a challenging environment.

Decision:

The Environment and Transport Committee noted the report as appropriate to their remit and commented on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

30/18

Development Services Directorate Performance Report - 6 Month/2nd Quarter 2018/19

The Committee considered a report by the Director of Development Services (DV-39-18-F) that summarised the activity and performance of the Development Directorate for the second quarter of 2017/18.

The Executive Manager – Transport Planning introduced the main terms of the report that related to the Transport function of the Development Committee.

Reference was made to the fair funding for the Internal Ferry Services and Officers were asked if there was knowledge of what the Orkney Islands Council was seeking and whether this Council was aligned in time for the Scottish Government funding settlement. The Director of Infrastructure Services advised that this would be followed up with Orkney Islands Council.

The Leader explained that Orkney was different in some respects but there were key areas of common ground. He said that it was important that lobbying continue for fairness and equity however that the Council's role and number one focus was to do the best it can for the Shetland Community. Following a comment on last year's settlement the Leader confirmed that the Council's responsibility was very much to the Shetland Community.

Concern was expressed that if the Internal Ferry funding was 100% funded by the Scottish Government they would push for their own model that could affect the number of sailings each day.

In response to a request the Executive Manager – Transport Planning agreed to provide the cost of each aircraft movement at Tingwall Airport, following the meeting.

The Executive Manager – Transport Planning confirmed that the Public Bus Network extension could be granted for up to 5 years without a committee decision. He said that the next step would be to inform bus operators of the extension before the end of the calendar year.

Decision:

The Environment and Transport Committee noted the report as appropriate to their remit and commented on progress against priorities to inform further activity within the remainder of this year, and the planning process for next and future years.

Management Accounts for Environment & Transport Committee: 2018/19 - Projected Outturn at Quarter 2

The Committee considered a report by the Executive Manager - Finance (F-081-18-F) that presented the details of the projected outturn position for the second quarter of 2018/19 on net controllable costs for revenue and capital, to enable the Committee to monitor the financial performance of the services within its remit.

The Management Accountant introduced the report and highlighted the projected overspend on revenue and underspend on capital drawing attention to the reasons for the variances in Appendix 1 and 2. The Management Accountant advised that a decision was required on the proposed new income charges for the Energy Recovery Plant set out in Appendix 3.

The Committee noted the contingency allocation for ferry fuel and sought and update on the current trend in fuel pricing. The Director of Infrastructure Services advised that staff have an arrangement in place for receiving advice on fuel costs. He said that consideration was being given to whether a fixed price arrangement would be best but advice had been received to wait so it was important to monitor the situation and make the right decision. The Committee were advised that every 1p increase in fuel prices would be an additional cost of £48k to the Council as it currently uses 4.3m litres of gas oil with an overall cost of £2m.

The Team Leader – Waste Management was questioned on the charge for fish waste as this was an increase of 400%, and it was suggested that it would be interesting to get the views of the industry on this. The Team Leader – Waste Management explained that there is a need to maximise income streams and also that due to recycling there is potential for additional capacity at the plant for waste streams such as fish waste. The Director of Infrastructure Services advised that up to now there was no additional charge and this would normally be brought as part of the charge setting process but there was a case for consultation on fish waste charges to be carried out more fully. It was suggested that, when looked at in the wider economic context, it would be welcomed by the industry as incineration is their cheapest disposal option.

The Committee unanimously agree that the new charges be forwarded to Policy and Resources Committee for recommendation to the Council for approval.

Decision:

The Environment & Transport Committee:

- RESOLVED to review the Management Accounts showing the projected outturn position at Quarter 2; and
- RECOMMENDED to Policy and Resources Committee and Council that they approve the proposed new waste disposal charges set out in detail in Appendix 3, with effect from 20 December 2018.

The meeting concluded at 2.50pm.

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Chair

