



Minute of Meeting held in the Council Chamber, Comhairle nan Eilean Siar, Stornoway on Friday 14 September 2018 at 9.00am.

PRESENT
Cllr Uisdean Robertson, Comhairle nan Eilean Siar Member
Cllr Graham Sinclair, Orkney Islands Council Member
Mr Okain McLennan, Non-Councilor Member
Prof David Gray, Non Councilor Member

IN ATTENDANCE
Mr Ranald Robertson, Partnership Director
Mr Frank Roach, Partnership Manager
Mr Neil MacRae, Partnership Manager
Mr Mike Mitchell, Partnership Treasurer
Mr Derek Mackay, Partnership Secretary
Ms Julie Cromarty, HITRANS
Mr Gavin Barr, Orkney Islands Council
Mrs Nicola Moss, Moray Council
Mr Iain Mackinnon, Comhairle nan Eilean Siar
Mr Richard Gerring, The Highland Council (by teleconference)
Mr Fergus Murray, Argyll and Bute Council
Mr Fraser Grieve, SCDI
Mr Nicky Sobey, HIE
Mr John Boyd, Grant Thornton

APOLOGIES
Cllr Allan Henderson, The Highland Council Member (Chair)
Cllr John Cowe, Moray Council Member (Vice Chair)
Cllr Roderick McCuish, Argyll and Bute Council Member
Mr Malcolm Macleod, The Highland Council
Ms Pip Farman, NHS Highland

CONSTITUTION

Appointment of Chair
In the absence of the Chair and Vice-Chair it was **agreed** to appoint Mr Uisdean Robertson as Chair for the Meeting.

MINUTES

Minute of Meeting of 20 April 2018 1 The Minute of Meeting of 20 April 2018 was **approved**.

Matters Arising

2 Mr Ranald Robertson provided an update in respect of the following:

- Members met with Mr Graham Laidlaw, Transport Scotland, Mr Robbie Drummond, Calmac and Mr Kevin Hobbs, CMAL at the pre-meeting on 13 September 2018.
- Mr Neil Macrae confirmed that the Electrical Vehicle Strategy was complete and would be published on the HITRANS website.
- In respect of item 18 of the Minute it was indicated that HIAL should be asked to consider a special parking rate or permit system for regular public sector travellers using Inverness Airport.

It was agreed:

- (1) to note the updates; and**
- (2) that Mr Ranald Robertson would make representation to HIAL seeking a special parking rate or permit system for regular public sector travellers using Inverness Airport.**

FINANCE

- Final Outturn Monitoring Report – 1 April 2017 to 31 March 2018 3 Mr Mike Mitchell, Partnership Treasurer, submitted a Report presenting the final outturn revenue monitoring position for the year ended 31 March 2018. The Report provided details on the current position, year end projection and major issues and variances.
- It was agreed to approve the final outturn revenue monitoring position for the year ended 31 March 2018.**
- 2017/18 Audited Accounts 4 Mr Mike Mitchell, Partnership Treasurer, presented the 2017/18 Audited Accounts detailing the performance of the Partnership and providing narrative on the financial outlook for 2018/19 and beyond.
- It was agreed to approve The Highlands and Islands Transport Partnership Annual Audited Accounts 2017/18.**
- 2017/18 Annual Audit Report 5 Ms Joanne Brown, Grant Thornton Auditors, submitted a Report detailing the draft External Audit Annual Report to Members and Controller of Audit – 2017/18 Financial Year.
- It was agreed to note the 2017/18 Annual Audit Report.**
- Revenue Budget Monitoring Report – 1 April 2018 to 31 August 2018 6 Mr Mike Mitchell, Partnership Treasurer, submitted a Report detailing the revenue monitoring position for the period to 31 August 2018 and the projected year end position. The Report stated the annual budget had been approved at the Board Meeting of 2 February 2018 and had subsequently been amended for the inclusion of the 2017/18 underspend of £24,458. The budget also included grants received from the Scottish Government's Green Bus Fund, as part of the G-PaTRA project, Press'N'Ride, a Network Rail Joint Project and the Inverness Station Project. The Report detailed that there were no major issues or variances to highlight and in light of the 2017/18 outturn position, the Partnership Director and Partnership Treasurer had reviewed the budget and no adjustments were required to the previously agreed budget.
- It was agreed to approve the revenue monitoring position for the period to 31 August 2018.**

RESEARCH AND STRATEGY DELIVERY

- Research/Strategy Development Programme for 2018/19 7 Mr Ranald Robertson, Partnership Director, submitted a Report which provided an update of progress made on delivering the Research and Strategy Development Programme and sought approval of amendments to the Programme to reflect commitments made and changing priorities and funding opportunities identified since approval of the 2018/19 Business Plan The Report summarised the key Programme changes as follows:
- Introduce a new item with a budget of £40,000 following the approval by the North Sea Region Programme of the MOVE project. This had required the reallocation of £20,000 from the ERDF Bid Project Support budget line and reflected the 50% intervention rate of the programme ensuring drawdown of match funding.
 - Reduce the ERDF / INTERREG / SG Bid Project Support budget line to reflect the reallocation detailed for the MOVE project above to £20,000.
 - Increase Rail Policy Development budget by £50,000 to £80,000 to reflect the award of Local Rail Development fund support for Fastline Faslane.
 - Reduce Inverness Airport (Dalcross) budget to £30,000.
 - £8,000 contribution to Knowledge Transfer Partnership project identified within ITS, Real Time and EV Strategy budget to reflect range of project focus.

It was agreed:

- (1) to approve the amendments to the Research and Strategy Development Programme 2018/19 as detailed in the Appendix to the Report; and**
- (2) that the Permanent Advisers would develop a case for making representations to Scottish Ministers highlighting the difficulties for Local Authorities in identifying match funding to access Scottish Government initiatives and the onerous nature of the monitoring and auditing requirements associated with such initiatives; and**
- (3) the Partnership Director would ask the Leader of Orkney Islands Council to raise the issues relating to match funding at the Highlands and Islands Leaders Group and the valuable role Regional Transport Partnerships can offer as a delivery vehicle within the local government family for funds including Active and Sustainable Travel.**

Skye Air Service
Short Life Working
Group Update

8

Mr Neil MacRae, Partnership Manager, submitted a Report providing an update on work to develop how an air service linking Skye with Glasgow or Edinburgh could be established on a trial basis with the most cost effective capital investment. The Report gave background information on the 2016 Skye Air Service Business Case and stated that the Skye Airport Working Group had sought Ministerial Support to extend the group representation to include Transport Scotland and Highlands and Islands Airports (HIAL) with a Short Life Working Group engaged with the following remit:

- To identify and implement the necessary investment required to support the establishment of a pilot scheduled air service between Skye Airport and the Central Belt.
- To ensure that all necessary technical, operational and licensing requirements for establishing scheduled air services from Skye airport were addressed and advanced with a view to achieving this proportionately with the pilot nature of the air service establishment.
- To establish the CAPEX and OPEX required to support any trial and consider opportunities for funding.

The Report further stated that Aviation consultants Arcadis had been commissioned to identify the infrastructure and operational costs to establish a trial air service at Ashaig, Skye to the Central Belt. The Executive Summary of the Report undertaken by Arcadis was provided in the Appendix to the Report. A summary of the estimated costs for the trial phase was detailed in the Report and it was highlighted that the estimated CAPEX required to accommodate scheduled flights with a Twin Otter was in the range of £1,158k - £1,363k inclusive of contingencies and professional fees.

It was agreed to:

- (1) note the Report and the contents of the Executive Summary.**
- (2) approve further engagement of Officers with the Working Group and other stakeholders to establish how the capital and revenue costs of a trial air services may be funded; and**
- (3) seek agreement through the Working Group of those cost effective regulatory elements of the development Strategy that require advancement at an early stage to ensure that the re-introduction of Scheduled services on a trial basis is not further delayed.**

Rail Investment – Local Rail Development Fund 9 Mr Frank Roach, Partnership Manager, submitted a Report providing an update on the outcome of the funding bids from the Local Rail Development Fund. The Report stated that in the HITRANS area options included Far North Connectivity, Highlands and West Highland Improvements. The Report intimated Fastline Faslane had been awarded funding in the announcement on 9 August which committed £681K. The Report further provided a summary of reasons for non-award of HITRANS schemes and stated that Transport Scotland may consider a second round of applications to which HITRANS would resubmit some schemes if resources permitted.

It was agreed to:

- (1) authorise the Partnership Manager to prepare a Project Brief and Tender Documents for the Fastline Faslane Scheme; and**
- (2) authorise Mr Frank Roach to determine which Development Fund Bids to resubmit based on evaluation of the chance of success having considered the comments from Transport Scotland and following discussion with Network Rail.**

Air Policy Update 10 Mr Neil MacRae, Partnership Manager, submitted a Report providing an update on a number of issues relating to Air Policy including the Air Discount Scheme (ADS) and the Air Departure Tax (ADT). The Report stated that, in 2016, HITRANS, ZetTrans, Comhairle nan Eilean Siar, Orkney and Shetland Islands Council, The Highland Council and Argyll and Bute Council had commissioned research to explore potential benefits, costs and feasibility of reintroducing ADS for all types of business users and in 2017 HITRANS had commissioned Reference Economic Consultants to undertake an appraisal of extending student eligibility within the ADS. Following completion of the research HITRANS had written to Transport Ministers requesting consideration be given to extending the ADS for business travel and for students within the eligible areas. Transport Scotland had indicated that this would be unlikely to be considered until after the 2018/19 budget had been finalised.

The Report further stated that HITRANS had also commissioned Reference Economic Consultants to undertake research to help quantify the socio-economic evidence base supporting the current Highlands and Islands exemption in relation to ADT which would then feed into the work being undertaken by Scottish Government officials involved with the implementation of the ADT.

The Report intimated that HITRANS had submitted a response to a consultation paper “Beyond the Horizon – The Future of UK Aviation” and had invited representatives from the Department of Transport to undertake a consultation event to provide an opportunity for key stakeholders from the Highlands and Islands area to highlight the importance of aviation to the region’s economy.

It was agreed:

- (1) to note the Report;**
- (2) that HITRANS make representations to the new Cabinet Secretary for Transport, Infrastructure and Connectivity and the Minister for Energy, Connectivity and the Islands highlighting the positive case for the inclusion of all public and private sector business travel and the extension of student eligibility within the Air Discount Scheme; and**
- (3) to invite Mr Inglis Lyon, Managing Director HIAL to the next Meeting to discuss progress with implementation of the priorities for regional air services; and**
- (4) that the Partnership Director would request that Air Policy matters including the Air Discount Scheme, Air Departure Tax and regional air services priorities are agenda items for the next Island Transport Forum.**

Active Travel
Update

11 Ms Fiona McNally, Active Travel Office, submitted a Report providing an update on the current Active Travel Policy, initiatives and funding. The Report provided a summary of progress on:

- Regional Active Travel Fund Proposal
- Active Travel Framework Model
- CNES Active Travel Strategy
- Active Aviemore
- Accessing Inverness
- Moray Carshare LEADER
- Links to SPARA E-bike pilots
- Sustrans 18/19 Grant
- Energy Savings Trust (EST) E-bike Grant: Round 1
- Inverness Smart Hubs
- INCLUSION Cairngorms

It was agreed:

- (1) to note the Report; and**
- (2) to invite SUSTRANS to make a presentation to a future meeting on Community Links funding opportunities.**

Orkney Connectivity
(Internal / External)

12 Mr Neil MacRae, Partnership Manager, submitted a Report providing an update on the progress of the work to undertake an Outline Business Case STAG Part 2 Appraisal of transport connectivity to the outlying islands of Orkney, the implementation of Road Equivalent Tariff on services to and from the Scottish Mainland to Orkney and Shetland and the procurement of the next Northern Isles Ferry Services (NIFS) Contract. The Report stated transport consultants Peter Brett Associates had been appointed to undertake capital Outline Business Cases in relation to inter-island transport to island groups in the Orkney Islands and the revenue budget for the Orkney Network as a whole. Separate Outline Business Cases would be undertaken by ZetTrans in relation to inter-island transport within the Shetland Island Council area.

It was intimated in the Report that the Scottish Government had indicated that it wanted to negotiate a better deal in relation to Road Equivalent Tariff and that fares were to be reduced by 20% on the Aberdeen-Lerwick and Kirkwall-Lerwick routes from 30 June for both passengers and cars.

It was further stated in the Report that the decision to put the Northern Isles Ferry Services (NIFS) Contract out to tender had been taken following extensive consultation with key local stakeholders, consideration of value for money and further correspondence from the European Commission on the possibility of making a direct contract award to an in-house provider.

It was agreed to:

- (1) note the Report; and**
- (2) that the Partnership Director would write to the Cabinet Secretary for Transport, Infrastructure and Connectivity to highlight the urgency in finding a resolution to enable the implementation of Road Equivalent Tariff (RET) fares on the Pentland Firth so that the Orkney Islands could benefit from the reduced ferry fares which every other island group on the CHFS and Northlink networks currently experienced.**

Inverness Station 13 Mr Frank Roach gave a presentation in respect of the planned refurbishment of Inverness Railway Station. Early investment would see improvements to Station Square making the area pedestrian friendly and later phases would involve major improvements to the two other station entrances – on Strothers Lane, leading to Inverness Bus Station, and on Falcon Square, leading to the Eastgate Shopping Centre.

It was agreed to note the Presentation.

Fort William Pre-Appraisal STAG Study 14 Mr Neil MacRae, Partnership Manager, submitted a Report providing an update on the progress of work to undertake a Scottish Transport Pre-Appraisal (STAG) for Fort William and sought approval for the submission of a joint letter to the Transport Minister seeking agreement for Transport Scotland to lead on the Stage 1 Appraisal and complete the appraisal within 6 months. The Fort William Strategic Transport Study, Executive Summary was provided as an Appendix to the Report. The Report provided background information, an overview of the public and stakeholder engagement that had been carried out and summarised the comprehensive report that had been produced covering the full scope of the Study. The Report stated that a list of options had been packaged and sifted and would be taken forward to the next stage of the transport appraisal process.

It was agreed to:

- (1) note the Report;**
- (2) note the contents of the Executive Summary; and**
- (3) approve the submission of a joint letter from the partner organisations (Highland Council, HITRANS and Highlands and Islands Enterprise) to the Cabinet Secretary for Transport, Infrastructure and Connectivity seeking agreement for Transport Scotland to lead on the Stage 1 Appraisal and requesting that the appraisal be completed within six months.**

Midnight Train to Georgemas 15 Mr Frank Roach, Partnership Manager, submitted a Report providing an update of progress made on the Caithness sleeper project. The Report detailed the Executive Summary by Reference Economics, following on from the feasibility work from Systra, on the economic impact of the proposed service. The research assessed the potential economic benefits of the proposed Caithness- central Scotland overnight sleeper train service focusing on three geographical areas: Orkney; Far North of Scottish Mainland; and other parts of the HITRANS area. It was intimated in the Report that having failed to interest the Local Rail Development Fund, HITRANS would be seeking to hold discussions with Transport Scotland in respect of the project.

It was agreed to note the Report.

CONSULTATION

Rural Economy and Connectivity Committee Call for Views – Transport Bill

16 Mr Neil MacRae, Partnership Manager, submitted a Report concerning HITRANS response to the Transport (Scotland) Bill consultation. The Report stated that the Scottish Parliament’s Rural Economy and Connectivity Committee had invited written views on the Transport (Scotland) Bill and the HITRANS draft response was provided at Appendix 1 to the Report. The Bill intended to make provision for the following:

- Creation of low emission zones
- Bus services
- Smart ticketing
- Responsible parking
- Road works
- Regional Transport Partnerships and Scotland’s canals

It was agreed to:

- (1) note the Report;**
- (2) consider the draft response prepared on behalf of HITRANS to Transport (Scotland) Bill consultation and attached as an appendix to the Report; and**
- (3) authorise the HITRANS Chair and Partnership Director to prepare and submit a finalised response to the Transport (Scotland) Bill consultation on behalf of HITRANS incorporating the comments of members.**

Rural Economy and Connectivity Committee Call for Views – CHFS

17 Mr Ranald Robertson, Partnership Director, submitted a Report which sought approval of the draft response, included in the Appendix, to the Rural Economy and Connectivity Committee Call for VIEWS – CHFS. The Report stated that the Rural Economy and Connectivity Committee had agreed to focus its budget scrutiny on investment to support Clyde and Hebrides ferry services and the impact this had on the wider rural economy in the areas served by these services.

It was agreed to authorise the Partnership Director to finalise and submit the HITRANS response to the call for evidence incorporating the comments of members.

EUROPEAN PROJECTS

- G-PaTRA Green Passenger Transport in Rural Areas 18 Ms Julie Cromarty, Public Transport Officer and Ms Jayne Golding, Projects and Policy Officer submitted a joint Report providing an update on G-PaTRA (Green Passenger Transport in Rural Areas). The Report stated that G-PaTRA was an EU Interreg VB North Sea Region project that sought to deliver a number of Green Passenger Transport solutions in rural areas and that the HITRANS element of the overall project amounted to €466,000 over the next three years. The Report provided background information and an overview of the project and project goals. The Report further provided an overview of: the Aviemore Partner Conference; HITRANS Workstreams; the Green Bus Fund; Alternative Fuel Case Studies; bus delivery; and Smarter Choices Smarter Places Funding.

It was agreed to note the Report.

- ERDF: Low Carbon Travel and Transport Update 19 Ms Fiona McNally, Active Travel Officer submitted a Report providing an update on round 2 of ERDF Low Carbon Travel and Transport funding awards. The Report provided an overview of the nine projects which had been awarded funds and stated that there were ongoing discussions between Highland Council and Transport Scotland regarding their Inverness Low Carbon and Active Travel Hub application. It was noted in the Report that Comhairle nan Eilean Siar's application had been unsuccessful. The Report further stated that HITRANS had committed to funding each successful project in their area with £15k per annum as part of the contribution towards match funding for the ERDF funding which would amount to £90,000 between 2018/19 and 2019/20.

It was agreed to note the Report.

- MOVE North Sea Region Project 20 Ms Jayne Golding, Projects and Policy Officer, submitted a Report providing an update following receipt of notification that Mobile Opportunities Valuable to Everyone (MOVE) North Sea Region Project had been successful in securing funding. The Report stated that HITRANS were a partner in the Project and would work closely with Partners including NHS Highland. The Report provided an overview of the MOVE Project, its objectives and HITRANS proposed role within the Project. It was further stated in the Report that HITRANS, being a pilot project leader, were a significant beneficiary with a budget allocation of €349,411.37.

It was agreed to note the Report.

PARTNERSHIP

- Non-Council Board Member Vacancy 21 Mr Ranald Robertson, Partnership Director, submitted a Report providing an update on the progress of filling the vacancy for a Non-Council Board Member following Mr Wilson Metcalfe's resignation from the Board and outlined the steps to be taken when the other Non-Council Members terms were reached after 14 September 2018. The Report stated that the role of the Non-Council Board Members provided valuable perspective, continuity in Board Membership and contributed greatly to the work and success of the organisation.

It was agreed to:

- (1) **note the Report; and**
- (2) **approve the recruitment process to be followed for the two Non-Council Board Member positions which would follow the same process as for the recent vacancy.**

Community Links
Plus Secondment /
Active Travel
Officer

22 Mr Ranald Robertson, Partnership Director, submitted a Report advising Members of the secondment of HITRANS Active Travel Officer to take up the role of Community Links Programme Manager with Highland Council. The Report set out the steps recommended by officers to be taken to cover the Active Travel Officer role during the secondment. The Report stated that Highland Council had secured £6.5m from the Community Links Fund for the Inverness City Active Travel Network (ICATN) and the primary focus for delivery would rely on project leaders in Highland Council and the appointment of an ICATN Programme Manager. It was further stated in the Report that all salary and administration cost for the ICANT Programme Manager post would be met by Highland Council.

It was intimated in the Report that the post of Active Travel Officer was linked to a £100,000 grant from Sustrans and it would be the preferred option to appoint someone to cover the period of the secondment with an initial appointment being made for a 2 year period. Consideration was also sought in respect of short term cover options with the suggestion of the appointment of an intern to provide a graduate business support role for a period of 3-6 months.

It was agreed to:

- (1) note the Report;**
- (2) approve the recruitment of an officer to cover the active travel role on the basis of a 2 year term appointment; and**
- (3) authorise the Partnership Director to consider the value of appointing an Intern to provide graduate business support cover in the short term.**

