

Minute of Meeting held in the
HITRANS Office, Inverness
Airport on Friday 6 June 2008
at 9.30am.

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| PRESENT | Mr Duncan Macintyre (Chairman) – Argyll and Bute Council Mr Donald Manford – Comhairle nan Eilean Siar Mr Jim Foubister – Orkney Islands Council Mr George McIntyre – Moray Council Mr Tony Jarvis – Highlands and Islands Enterprise Mr Wilson Metcalfe Mr Roy Pedersen |
| IN ATTENDANCE | Mr Dave Duthie – HITRANS Mr Ranald Robertson - HITRANS Mr Frank Roach – HITRANS Mr Sam MacNaughton – Highland Council Mr Mike Mitchell – Highland Council Mr Donald Macrae – Comhairle nan Eilean Siar Mr Murdo Gray – Comhairle nan Eilean Siar Mr Jeremy Baster – Orkney Islands Council Mr Gordon Holland – Moray Council Mr Blair Fletcher – Argyll and Bute Council Mr Douglas Forson – Scottish Government Mr Donald John MacSween – Comhairle nan Eilean Siar Mr Iain Duff – SCDI |
| APOLOGIES | Mr John Laing (Vice-Chairman) – Highland Council Ms Louise Smith Ms Naomi Coleman – Orkney Islands Council Mr David Summers – Highland Transport Forum |

The Chairman referred to Ms Louise Smith who had recently been suffering a period of ill health and it was agreed that a floral tribute would be sent to Louise with the best wishes of HITRANS.

The Chairman also referred to Mr Hugh Dan MacIannan who had recently resigned from Caledonian MacBrayne Limited. The chairman indicated that Mr MacIannan had been a friend to HITRANS and that his input on Transport matters would be missed.

The Chairman made reference to the fact that the Airports at Oban, Colonsay and Coll which had been licensed on the previous day (5 June 2008). On behalf of Argyll and Bute Council he thanked particularly HITRANS and HIE for all of their assistance in this regard and it was hoped to have the service operational within seven to ten days. He indicated that the Argyll air services would provide a missing link in the network and school children would be able to return home for the weekend at a cost per child of £1 each way.

This news was welcomed and it was agreed that opportunities to extend these services could be explored in the future.

MINUTES

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| HITRANS | 1 | The Minute of Meeting of 4 April 2008 was approved subject to the spelling of Caledonian MacBrayne in the last line of the first paragraph on page 4 being corrected. The minute's accuracy was proposed by George McIntyre and seconded by Wilson Metcalfe. |
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Matters Arising 2 In relation to item 5(c) it was indicated that Mr Denis Malone was currently on leave but that the Partnership Director and the Partnership Co-ordinator hoped to meet with him during the summer recess.

It was also indicated that a meeting with Highlands and Islands MSPs in relation to fuel had yet to be arranged. It was noted that the situation in respect of fuel was constantly changing and it was also hoped to be able to arrange this meeting over the summer recess.

FINANCE

Revenue Budget 2008/09 3 The Partnership Treasurer submitted a Report detailing the estimated outturn for Revenue Funding in 2008/09. He indicated that the figures detailed had not been finalised and constituted a best estimate at this stage

He indicated that the interest on Revenue balances which had been achieved due to the timing between the receipt of grant and its payments had been absorbed by the programme management costs. The budget for travel and subsistence for 2008/09 had been amended to £60 000 which was considered to be sufficient to cover the expenses.

In the Capital Programme of £6.2 million a slight overspend had been achieved and this therefore brought the overall financial position to within £1-2K of balancing.

It was noted that due to the rules applying to Strategic Transport Partnerships HITRANS was not allowed to carry forward any funding and the Partnership Treasurer was congratulated on the achievement of bringing the finances in so close to target as were the Partnership Director and Partnership Manager for their input in this achievement.

It was agreed to note the terms of the Report.

RESEARCH AND DEVELOPMENT

A9 Perth – Inverness Economic Appraisal 4 The Partnership Co-ordinator submitted a Report in relation to the second part of the study to estimate the economic benefit which dualling the A9 would bring to the region. The Report stated that in 2007 HITRANS and HIE had jointly commissioned work to estimate this economic benefit.

The research was part of the Regional Transport Strategy delivery plan and was also intended to support the case for A9 investment in the Government's Strategic Transport Review. The first part of the work had been concluded in October 2007 and had estimated an economic benefit of £1 billion to the region and the creation of 4 500 new jobs over a thirty year period from full dualling of the road.

The second part of the work which had involved detailed modelling of the benefits arising from dualling the A9 had been completed in May 2008 and had confirmed these estimates. This work had also shown that priority should be given to dualling the road between Kingussie and Aviemore as the next stage after the current work being carried out between Perth and Pitlochry.

The Report stated that the Kingussie - Aviemore stretch had come out very strongly in that it was estimated to bring 44% of the estimated benefits to the Highland stretch of the road. It was noted that this may also be an issue worth discussing with the MSPs for the Highlands and Islands and that the average speed on the road was reducing due to increased volume.

The Report was commended and it was noted that the "two plus ones" along the road had not helped and that the strategic approach looking at partial dualling may be more acceptable from the point of view of Transport Scotland than seeking full dualling of the road at the moment.

It was agreed that publicity should be given to these findings including

- (a) a joint press release on behalf of HITRANS and HIE and that the Scottish Government should be given the opportunity to comment on said publicity;**
- (b) the findings of the study being presented to MSPs in Edinburgh and;**
- (c) Ministers should be urged to commence detailed design work for the Kingussie Aviemore dualling immediately to avoid delay in land acquisition and statutory procedures.**

The Partnership Co-ordinator submitted a Report detailing the findings of an economic appraisal in relation to proposed A96 bypasses which had found that significant benefits would derive from the construction of bypasses at Elgin, Nairn and Keith on the A96. It was stated in the Report that such bypasses would provide a long term boost to the local economy of around £107 million per annum and cut up to 30 minutes from local and long distance journeys. More than 6 600 full time equivalent long term jobs would be created in the wider economy as well as £1 700 during the construction period. The construction of these bypasses would also potentially attract £38 million of additional planning gain contributions from developers. The appraisal had concluded that this level of benefit clearly justified inclusion of each scheme in the STPR programme.

It was noted that bypass work at Fochabers had commenced and the focus had therefore been on Elgin, Nairn and Keith.

It was stated at the meeting that Moray Council had done a STAG assessment and the economic focus of this appraisal was very useful in this regard.

It was noted that the Partnership Co-ordinator had referred the Report to Transport Scotland for consideration in the STPR process and to the Scottish Government so that the Minister could be informed and he was commended for so doing. It was further stated at the meeting that a Report in relation to proposed bypasses would be considered by Moray Council in approximately 10 days from the date of the meeting.

It was noted that the journey times were increased and there was a great deal of evidence showing the slowing speed through towns. The only other "pinch point" on this route was the rail bridge at Inverancy. It was further noted that the A96 was the only strategic route between cities going through communities which was estimated to add half an hour to the journey time from Inverness to Aberdeen.

The importance of agreeing such projects as possible development within the relevant development plans was emphasised so that development in this area would not encroach on land that could later be required to develop bypasses.

It was agreed that publicity should be given to these findings including a joint press release on behalf of HITRANS and HIE and that the findings should be presented to MSPs in Edinburgh and also highlighted if possible at a meeting with some of the Ministers who constituencies were within the HITRANS area.

The Chairman welcomed Mr Ronnie Simpson of British Waterways Board to the meeting. The Partnership Co-ordinator submitted a Report referring to the Marine Freight Study which had been completed early in 2007 and had recommended that HITRANS should undertake a detailed assessment of the potential of the Caledonian Canal for freight. Tribal consultants had been appointed in November 2007 to carry out this assessment.

Two significant freight flows had been identified-north bound 63 thousand tonnes per annum of raw timber and south bound 37 thousand tonnes per annum of fish feed. There were no constraints on the canal against securing these flows but there was no vessel of suitable size (600 – 1000 tonnes) available at present. However, largely due to the double handling required, it had been concluded that freight costs were not competitive and the consultants had indicated that under current and foreseeable market conditions even with maximum government grant a freight service was not commercially viable. The Report stated that a “sustainable distribution strategy” was required with a view to cutting down additional handling.

Mr Simpson indicated that British Waterways Board had identified Scottish canals as a potential asset for the future and there had been a transport consultant on News night Scotland on 4 June 2008 emphasising the potential role of canals and it was understood that the Scottish Government was looking at floating jetties which would make handling much easier. It was understood that double handling amounted to £3 of the £12 per tonne cost of canal transport and that a vessel within the required range would cost in the region of £3-6 million. It was also understood that some innovative work was being carried out by Glasgow and Strathclyde Universities on a vessel which amounted to a container with a structure and tug which would be suitable for canal transport although not sea worthy. The Partnership Co-ordinator also indicated that the additional costs of road maintenance in relation to road travel had been included in the detailed grant calculations.

It was noted that the comparison had been carried out purely in terms of cost and a question was raised in relation to fuel efficiency and carbon emissions. This was felt to be a valid point and it was emphasised that the challenge was to find a return journey for a vessel. Issues such as the potential for waste even outwith the Highland council area were considered and it was agreed that this was an issue that required to be discussed at a strategic level.

Chair commented that this issue should be kept in mind and developed in strategy (should this form part of minute) ?

It was agreed that

- (a) the Report be referred to the Scottish Government highlighting that grant levels were insufficient at present to make the Caledonian Canal commercially attractive;**
- (b) HITRANS take the lead in bringing together the Scottish Government, Local Authorities, British Waterways Board and key stake holders in the transport and business sectors to pilot the development of a long term “sustainable distribution strategy” for the area served by the canal; and**
- (c) British Waterways Board lobby the Scottish Government to promote the provision of suitable sized new vessels for the canal and the Coastal Trade.**

- 7 The Partnership Manager submitted a Report seeking approval of the proposed budget programme for the £107K 2008/09 allocation to HITRANS to mainstream SMART measures by local authorities and Health Boards. The Report stated that this was the new programme designation the Scottish Government had applied to the previous travel plans budget and it reflected the revised targets against which success of the funding was being measured with a focus on the delivery of travel plans by all local authorities and Health Boards. The Report highlighted that the conditions attached to this round of funding appeared to involve unnecessary bureaucracy. This was being dealt with at officer level with Government at the moment. It was also highlighted that the grant funding was coming to the Highlands and Islands as a whole and had yet to be divided between ZETRANS and HITRANS.

Reference was made to the “If You Care Share” initiative and it was noted that there was £5 000 in the budget for advertising and media such as posters, bus back advertising, local radio, temporary road side advertising were all being considered. It was noted that Sgoil Paible in North Uist had won the logo design competition.

It was agreed

- (a) to approve the detailed Travel Plan Programme 2008/09 as detailed in Appendix 1 to the Report;**
- (b) to delegate to the Partnership Director and Managers to have further discussions with Scottish Government on the detail of the grant conditions; and**
- (c) that an “If You Care Share” banner would be provided to each local authority with leaflets to accompany it and that publicity in relation to this initiative would be front loaded with a view to making an impact in the short term.**

- 8 With reference to item 9 of the meeting of 4 April 2008 the Partnership Manager submitted a Report in relation to the START project bid which was being developed by 15 regional partners across the Atlantic Area for consideration under the terms of funding for Inter reg IVB the term START had been adopted at a project scoping meeting and stood for Seamless Travel across the Atlantic area Regions using sustainable Transport. The Report indicated that it was hoped to have the START brand and identity at access to key gateways. The budget had been reduced from that originally anticipated but it was hoped that the bid as now drafted would receive funding in the autumn of 2008. The match funding required from HITRANS had been identified using existing budgetary commitments and was a combination of funding committed to related projects and officer time. A sister project was also being considered from a separate European funding pot.

It was hoped that Gaelic could be one of the languages on the proposed multi lingual audio provision on buses.

It was agreed to

- (a) note the Report;**
- (b) approve the detail of the proposal and budget as detailed in Appendix 1 to the Report; and**
- (c) note the intention of the Director and Partnership Manager(s) to maintain a dialog we with other Atlantic area regions on progressing a possible sister project bid to START.**

Arising out of consideration of this item there was some discussion in relation to the Gaelic rings project and it was agreed that liaison would take place with Joe Macphee, Comhairle nan Eilean Siar with a view to having the booklet more widely available for tourists.

Active Travel 9 The Partnership Manager submitted a Report providing information on the outcomes from the Active Travel original audit study and making proposals as to how HITRANS and its constituent councils should best proceed to promote Active Travel in communities across the Highlands and islands.

It was noted that the trial audits of Dingwall and Keith had been completed and it was proposed to roll out into the remaining HITRANS areas for example Kirkwall and Stornoway and consideration required to be given to the best means of delivery.

It was noted that the purpose of these audits was to seek a better link between land use and transportation planning and that any plans developed as a result of the audit could feed into the development plan and developers could then contribute.

It was agreed to note the outcome of the Active Travel regional audit study and agree to proceed with the other planned audits on the basis of having a consultant leading the audit supported by council staff with significant local community engagement.

CONSULTATION

Research and Development integrated ticketing: A strategy for Scotland 10 The Partnership Manager submitted a Report stating that Transport Scotland had initiated a consultation on Integrated Ticketing: A Strategy for Scotland on 9 May 2008. The Report indicated that the HITRANS area was uniquely served by all four public transport modes with the frequent need for travellers to use more than one in any journey and it was therefore in the area's best interests for HITRANS to respond comprehensively to this consultation. The closing date for comments was 30 June 2008.

It was noted that while integrated ticketing may be a worthwhile aspiration it would be set against a background of transportation operators who were used to keeping 100% of their outcome and any integrated ticketing system would inevitably have a delay prior to disbursement of funds to participating transport providers. There also required to be a focus on whether transport users were seeking convenience or to save money by the use of integrated ticketing systems. Any such system also had to operate against the background of EU competition law and bus regulation.

It was agreed that Members of HITRANS and advisers would consider the questions posed and the draft responses and submit comments to the Partnership Manager by 20 June 2008 and that the Partnership Manager would distribute the finalised response to the Partnership Advisers prior to submission not later than 30 June 2008.

Development of Freight Transport Quality Partnership 11 The Partnership Manager submitted a Report investigating the possibility of setting up a freight quality partnership and seeking approval to constitute a forum to discuss matters such as ensuring that part loads were avoided where possible and that large vehicles were utilised instead of a number of small vehicles again where practicable.

The Report indicated that it was proposed to investigate the potential remit and benefits of setting up a freight quality partnership and identifying what form it should take by considering best practice and experience elsewhere and having discussions with both RTPs and RHAFTA and setting up a meeting later in the year with stakeholders including local authorities; Transport Scotland; Scottish Government Transport Division; RHAFTA; Transerve; Trust and Local Authority Ports; Network Rail; Rail Freight Operators; Logistic Providers; Ferry Operators; TACTRAN and NESTRANS.

It was noted in the Report that such a partnership should only be established if clearly identified aims and objective in the Highlands and Islands were identified and it was considered that value could be added by delivering better and more effective movement of freight.

It was agreed to note the terms of the Report and authorise the Partnership Manager to organise a round table meeting and carry out investigations as detailed above with a review to reporting back to the board at its December 2008 meeting.

- 12 The Partnership Manager submitted a Report asking the Board to agree to proposals for engagement with stakeholders on matters pertaining to rail services.

The Report indicated that that it was proposed as part of the Partnership's commitment to positive involvement of stakeholders to engage in relation to matters relating to rail transport.

The proposed HITRANS rail advisory group would be the advisory group to the partnership for rail. It was proposed that it meet four times per year to

- Develop Rail proposals for inclusion and subsequent delivery through the regional transport strategy
- Work with partners on cross boundary issues on national Transport Strategy Rail and intermodal objectives
- Develop proposals to support delivery of modal shift to rail in both the passenger and freight sectors
- Build on the good practice and experience of the Highland Rail Partnership

The proposed membership was also detailed in the Report.

It was anticipated that the rail advisory group would be a stronger body than the Highland Rail Partnership due to the statutory obligation to engage with such a group.

It was agreed that the HITRANS rail advisory group would be established chaired by John Laing and that its first meeting would take place on 18 June 2008 in Kingussie.

The Partnership Manager submitted a Report outlining to the Board detailed proposals of how HITRANS could meet its business plan commitment to engage with stakeholders involved in the delivery and use of bus services at a regional level.

It was proposed that the regional bus forum be established to allow stakeholders to feedback to the partnership on regionally significant bus developments and related matters. It was proposed that it meet four times a year to

- Develop proposals for inclusion and subsequent deliveries through the regional transport strategy
- Work with partners on cross boundary national transport strategy bus and modal integration objectives
- Support the development of a common approach to business information and publicity and integrate ticketing across all council areas and with operators
- Develop proposals to support delivery of modal shift to bus to be taken forward along with Key partners including the local authorities potentially looking towards the development of statutory quality partnerships
- Build on the good practice and experience developed by Highland and Islands Public Transport Forum. The proposed membership was also detailed in the Report and it was noted that this membership could be changed by the bus forum should it consider it appropriate.

It was agreed to establish a regional bus forum to be chaired by Jim Foubister and that its first meeting take place in Aviemore or Inverness on Thursday 19 June 2008.

14 Jim Foubister made reference to a BBC television programme in relation to future Ferry Services and their cost to the Islands.

It was agreed that officers would seek to access a recording of the programme.

Mr Foubister also made reference to the rising cost of Orkney's internal ferries and stated that Orkney's Islands Council was exploring the possibility of fixed links and suggested that HITRANS may wish to be involved in relevant studies. It was suggested that pooling of local authority budgets may be able to obtain the best results. It was intended to engage particularly with the Western Isles and Shetland in relation to a study for short crossings.

It was agreed that local authorities would work together and that a visit was being arranged to the Western Isles in early July 2008 to consider its development of fixed links. It was further noted that there may be a possibility of HIE being able to assist with the costs of feasibility studies and it was also considered appropriate to consider the possibility of European funding for fixed links.

George McIntyre made reference to the withdrawal of the Elgin, Aberdeen Airport bus service and it was noted that Moray Council were seeking an urgent meeting with Stagecoach and were seeking HITRANS support. They were also seeking the support of Aberdeenshire Council and NESTRANS.

It was agreed to provide this support.

The Chairman made reference to the role of Committees to the Regions and to an OECD meeting which he had attended which involved a wide range of transportation interests and suggested that it would be appropriate to have HITRANS represented on such fora

It was agreed that Donald Manford would represent HITRANS in this regard and that there may be a link with HIE's Brussels office. It was agreed that any such lobbying work should not conflict with the existing Highlands and Islands European Structural Funds Programme.

The Partnership Director indicated that the fuel audit was ongoing and it was hoped to have a Report by late August/ early September 2008 and that officers would endeavour to submit this Report to the September meeting of the Partnership.

Donald Manford made reference to ferries and the Mallaig-Lochboisdale route and enquired whether there was any update on the government review in this regard as it was necessary to start meaningful engagement.

The Partnership Director indicated that the Tier 2 meeting would be an appropriate forum to raise this issue which would commence this process and it was scheduled to take place on 1 July 2008 in the Glasgow area and that Graham Laidlaw would attend. A suggested constitution would be put to Government. The Government had asked CMAL be a member given their responsibility for delivering vessels.

In response to a question from the Chair as to when the transportation committee Report would be finalised the Partnership Manager indicated that he did not think it could be finalised in time for the 1 July 2008 Tier 2 meeting.