



TSDB(07)5th Conclusions

TRANSPORT SCOTLAND DIRECTORS' BOARD MEETING

MINUTES OF MEETING HELD IN BUCHANAN HOUSE, GLASGOW AT 10AM ON FRIDAY, 18 MAY 2007

Present:	Malcolm Reed	Chief Executive
	Jim Barton	Director of Trunk Roads Network Management
	Frances Duffy	Director of Strategy & Investment
	Guy Houston	Director of Finance & Corporate Services
	Ainslie McLaughlin	Director of Trunk Roads: Infrastructure & Professional Services
	Bill Reeve	Director of Rail Delivery
	Lucy Adamson	Head of Communications
	Ian Docherty	Non-Executive Director
In Attendance:	Angus Macleod	PS/Transport Scotland
	Jim Berryman	Corporate Finance Team (<i>For Agenda Item 2 only</i>)

Agenda Item 1: Minutes of Previous Meeting and Matters Arising

1. The minutes of the meeting held on 20 April (TSDB(07)4th Conclusions) were approved, subject to paragraph 5.3(c) being amended to read,

“Even with a change in administration, Transport Scotland would need to take care if threatening to pull out of the smartcard scheme...”

Matters Arising

Network Rail away day

2. Senior management from Transport Scotland and Network Rail had met on 1-2 May to discuss working relationships between the 2 organisations. The event had been successful and a number of outcomes had been agreed to be taken forward by

both organisations, including to develop and agree a framework for contracting as partners; to improve the information protocols used and to refocus the high-level meetings between Network Rail and Transport Scotland.

Meeting with Council of Scottish Executive Unions (CSEU)

3. It had been pointed out during the communications audit that there had been no meeting between senior management and the CSEU and this would need to be rectified. **(Action: Malcolm Reed and Guy Houston).**

Agenda Item 2: Executive Board Pack (Paper TSDB(07)11)

4. Jim Berryman introduced the May version of the Executive board pack. It was proposed to vary the information in the front page summary on a quarterly basis to cover progress against government/Business Plan commitments, HR statistics and risk management.

5. In discussion the following points were made:

5.1 Forth Replacement Crossing (FRC)

(a) There was concern that the consultants may struggle to provide the next report on the Forth Replacement Crossing by the end of May, partly because their understanding of the risks involved was not as detailed as it should be. During meetings with the consultants, Transport Scotland's concerns had been raised and it had been made clear that failure to meet the deadlines would not be acceptable;

(b) The high-profile political nature of the project was adding pressure to the timescales for the work and also limiting the amount of time for Transport Scotland to quality control the consultants' reports. The new administration wanted the study to look more closely at the tunnel option and this would need to be carried out;

(c) At the Executive's Strategic Board discussion of the FRC, there had been acknowledgement that responsibility for the project lay with Transport Scotland and that this was a complex project to manage. A small peer review group was to be established to monitor progress and give reassurance to Executive senior management and Ministers that due process was being followed.

5.2 Concessionary Fares/Smartcard

(a) There was an ongoing review of the contractual situation with the implementation of smartcard ticketing machines following the previous Board meeting. It had been made clear to the programme board that the current situation was untenable and that bus companies should not be dictating deadlines. However, there were huge implications for the scheme – and other schemes – if there was resistance to changing the terms of the contracts. Careful negotiations and decisions would be needed if the situation did not

improve;

(b) There was no guarantee of future funding for the smartcards as a new spending review period would commence in April 2008. This should be emphasised to the bus operators and ticket machine suppliers. The current terms of the contract meant that the operators had no incentive to install the machines by the previously agreed deadline;

(c) The new administration may be looking for a different type of smartcard machine and so a period of uncertainty may have its benefits.

6. **The Directors' Board agreed** that there should be a separate discussion on tackling the smartcard contractual situation to be followed by a report back to the Board. **(Action: Guy Houston)**

Agenda Item 3: Transport Scotland Internal Communications Audit (Paper TSDB(07)12)

7. Lucy Adamson introduced paper TSDB(07)12 which sought the Board's approval for the final report of the internal communications audit, including the recommendations for implementation. The Communications team was in the process of planning the implementation of the recommendations over the next 12 months and this would form part of the communications strategy, which would be presented to the Board in the coming months.

8. In discussion the following points were made:

(a) There was overlap between the conclusions in this report and that of the training needs analysis and the HR team was working with Communications on this;

(b) The recommendations were all reasonable courses of action and underlined that there was no need for wholesale reform, but that some areas required improvement; and

(c) An event for all Transport Scotland staff would help build team spirit.

9. **The Directors' Board agreed** that:

(a) The Action Plan for implementing the recommendations should be discussed at a later Board meeting; and

(b) There should be an all staff away day after the summer.

(Action: Guy Houston and Communications Team)

Agenda Item 4: Any Other Business

New Administration

10. Malcolm Reed said that, as was well known, there had been changes in both the political and management structures in recent weeks, both of which had created new pressures and new opportunities. The new political administration had a Parliamentary minority which meant there was a need for consensus between parties on a number of issues. The revised structure of the new civil service structure was to make it more outcome-focused and the traditional Departmental boundaries had been removed. It was important to acknowledge that it was business as usual until told otherwise and that Transport Scotland would need to show how well it can adapt to the new circumstances, regardless of what happened to previous commitments that the agency was working on. There would be wider implications from the changes around day-to-day business, such as finance process and the handling of Parliamentary questions, which would need to be clarified. **(Action: PS/Transport Scotland)**.

Ian Turner

11. Malcolm Reed said that it was Ian Turner's last day in Transport Scotland and **the Board agreed** to record its thanks to Ian for the work of him and his team in passing the different public transport bills through Parliament.

PS/Transport Scotland

June 2006