

Annual Report 2016-2017

Ze Trans
SHETLAND'S TRANSPORT PARTNERSHIP



Version v1.0

Foreword

ZetTrans continues to fulfil its statutory functions of securing public bus services and strategic planning. Since the last Annual Report, officers have continued to monitor the bus network and identify opportunities for integration in service provision, information and timetabling.

We have supported some very important initiatives in 2016/17 including the Strategic Business Case for inter-island transport through the Shetland Inter-Islands Transport Study; securing commitment from Scottish Government to include fixed links in their thinking around the National Transport Strategy; and supporting Shetland Islands Council in their continuing pursuit of Fair Funding for inter-island ferry services.

In terms of strategy, the National Transport Strategy (NTS) is now under review and is due to be re-published in early 2019. During the past 12 months, ZetTrans has identified 6 Main Issues that will go on to inform our own refreshed Shetland Transport Strategy in early 2018.

Our work with the Shetland Partnership will ensure full alignment between our refreshed Regional Transport Strategy with the Local Outcomes Improvement Plan. This focus on collaboration with colleagues and services across the public sector, and with communities, is vital for developing the new initiatives needed to augment conventional public transport.

In the coming year, we intend to further develop our very good working relationship with both the Scottish Government and Transport Scotland. Sharing resources and knowledge with colleagues in Orkney Islands Council, HITRANS and Highlands and Island Enterprise is ongoing. Working beyond our own boundaries enables us to achieve the best possible results.

Having reflected on our own working practices and procedures, we have begun reviewing our own governance with the aim of further sharpening up our business planning and decision-making. This governance review will enable us to demonstrate the discipline and care for public resources which is so important in the public sector as funding and resources become scarcer.

This will stand us in good stead as we face continuing pressures on public sector funding at a time when the transport profile within, to and from Shetland remains high and we seek to support efforts to grow the local economy and underpin a healthy and vibrant society.

As the incoming Chair of ZetTrans, I wholeheartedly agree with my predecessor's assertion that "collaboration with others is the only way forward" and I will continue to build on the excellent work initiated by my predecessor and his colleagues during recent years.

Cllr Ryan Thomson – Chairman of ZetTrans, September 2017

Cllr Ryan Thomson



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Introduction

As ZetTrans' recently completed staff resource moves to refresh the Shetland Transport Strategy, with an ongoing review of the ZetTrans governance structure and a likely change in the membership of the Partnership following the Local Authority elections in May 2017, this report bridges an important transitional stage in the life of the ZetTrans Partnership.

The last annual report presented to the Partnership covered the 2015/16 financial year. This annual report covers the financial year 2016/17.

Zetland Transport Partnership (ZetTrans) was established and held its first meeting on 20th December 2005, following the introduction of Regional Transport Partnerships by the Transport (Scotland) Act 2005, and a campaign by Shetland to be recognised as a Regional Transport Partnership (RTP) in its own right.

ZetTrans Membership continues to consist of four Councillor members as well as a member each from NHS Shetland and the Local Enterprise Company: Highlands and Islands Enterprise. The Partnership also invites advisors from Lerwick Port Authority, Promote Shetland, Visit Scotland and the Sumburgh Airport Consultative Committee.

The Scottish Local Authority elections in May 2017, together with their associated close-down of political activity, have had an unavoidable impact on the approval and processing of ZetTrans work during the final months of the 2016/17 financial year. The outcome of these elections will bring about a change in the make-up of the Partnership.

As a statutory body, ZetTrans has responsibility for the development and delivery of the Regional Transport Strategy and currently holds functional responsibility for the delivery of the local bus services

When planning its activity, ZetTrans engages actively with the public, local community representatives, stakeholders, its community planning partners and transport operators.

Operational funding for ZetTrans continues to be secured from Shetland Islands Council, with support provided by the Scottish Government. The majority of projects and actions arising from the Regional Transport Strategy are funded either through the SIC's capital and revenue funds, or from the Scottish Government. Past activity has also included grant funding from the EU.

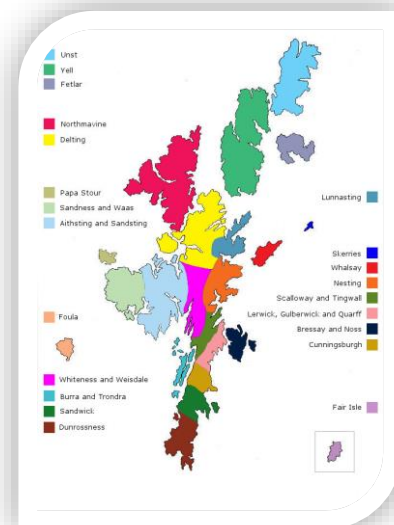
ZetTrans is one of 7 Regional Transport Partnerships (RTPs) covering the whole of Scotland. Each RTP is required to produce a Regional Transport Strategy (RTS) detailing its assessment of local transport needs and proposed measures to address gaps in provision and/or improvements to the existing position.



Shetland’s Regional Transport Strategy

The Shetland Transport Strategy is the Regional Transport Strategy (RTS) for ZetTrans and is the key, statutory document which informs and guides our activities.

ZetTrans, in consultation with Shetland Islands Council, approved Shetland’s current RTS before it was submitted to the Scottish Executive Ministers for approval on 30th March 2007. At the request of the then newly-elected Scottish Government the RTS was resubmitted in May 2008. The Minister for Transport, Infrastructure and Climate Change, approved the current strategy on behalf of the Scottish Government on 28th July 2008.



The RTS vision and objectives were developed following an extensive period of community and stakeholder consultation, analysis of constraints and drivers, and a detailed assessment of key problems and opportunities. This process and its outcomes are detailed in the current RTS.

The vision in 2007 was:

“To develop an effective, efficient, safe and reliable transport system for Shetland. The transport system will comprise an integrated network of accessible and affordable internal, inter-island and external links, which will contribute to the development of a safe, healthy, vibrant and inclusive society, a diverse, successful and self-sufficient economy, and enhanced environmental quality”.

The RTS is used to:

- Represent accurately the vision for Shetland’s transport
- Provide authoritative, ongoing, assessment of Shetland’s transport
- Guide and co-ordinate improvements to Shetland’s transport
- Underpin sound business cases for appropriate capital investment
- Underpin sound business cases for revenue support
- Underpin an annual delivery programme of specific, targeted activities, projects and interventions
- Underpin funding applications for programmes and projects



Shetland Transport Strategy Refresh

As covered in the previous section, the Shetland Transport Strategy (STS) was approved over 9 years ago, and in line with other RTPs, ZetTrans agreed in 2015/16 that an RTS refresh is needed.

It is not envisaged that the rationale for the RTS will be fundamentally altered by the refresh process. The objectives and desired outcomes are likely to remain substantially the same. It is however both prudent and timely to:

- Review the current RTS in line with relevant policy changes and developments since 2006
- Review the ongoing relevance and accuracy of all elements of the RTS
- Refresh the structure and presentation of the information contained in the RTS

The refresh comprises 2 stages:

1. A review process
2. Recommendations on the form and content of the new document

Stage 1 was completed in May 2015 and sought an external audit and evaluation of the RTS with a view to highlighting elements that need to be revisited. To achieve this, Stage 1 comprised:

- A review of changes in relevant policies to highlight how these changes impact on the RTS and its context
- Initial consultation with relevant individuals and stakeholders
- Recommendations for the structure of Stage 2

Overseen by a specially formed, short-life, working group comprising key stakeholders, stage 2 was begun in 2016/17 and a draft Main Issues Report was produced in February 2017. The draft Main Issues Report also proposes a revised ZetTrans' vision and set of strategic objectives.

Mindful of the Scottish Local Authority elections to be held in May 2017 and the potential changes to the make-up of ZetTrans, it was considered right and proper that final approval of the proposed Main Issues, Strategic Objectives and Vision should be made at ZetTrans' first post-election meeting.

The Shetland Transport Strategy (STS) refresh process will be completed during the 2017/18 financial year. The refreshed RTS will set out measures to address the Main Issues, meet the Strategic Objectives and achieve the Vision.

Summary tables of the draft / proposed Main Issues, Strategic Objectives and Vision are included in the next two sections of this document.

Proposed Vision and Strategic Objectives – Summary Table

To develop travel and transport solutions for Shetland which underpin our Economy, support our Communities and conserve our Environment

STRATEGIC OBJECTIVE 1 To underpin Shetland's economy by enabling individuals to access employment and training and businesses to access labour markets, customers and suppliers	STRATEGIC OBJECTIVE 2 To support Shetland's communities by enabling individuals, families and localities to thrive socially, physically and economically	STRATEGIC OBJECTIVE 3 To conserve Shetland's environment by enabling the reduction of detrimental transport impacts on Shetland's unique natural resources
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LOIP Outcome D Shetland has sustainable economic growth and all our people have the chance to be part of island life.	LOIP Outcome C Shetland is a safe place to live for all our people, and we have strong, resilient and supportive communities	LOIP Outcome B We live longer healthier lives and people are supported to be active and independent throughout adulthood and in older age	LOIP Outcome E We deliver all our services in an environmentally sustainable manner to safeguard and enhance our outstanding environment which underpins all our actions and our economic and social well-being
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Lifeline Transport	Transport Robustness	Community Support	Integration Support	Behavioural Change	Change Management
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Proposed Main Issues – Summary Table

Proposed Main Issues	Approach	Detail	Scottish Government Objective	National Transport Strategy Objective
Lifeline Transport	Working in partnership and through influence	To maintain, improve and expand the affordability, availability, flexibility and reliability of Shetland's lifeline transport links for both freight and passengers.	Wealthier, Fairer	Economic growth / Social inclusion
Transport Robustness	Working alone, in partnership and through influence	To enable, develop and promote community, commercial and flexible transport solutions when and where appropriate. To ensure the transport sector provides safe, inclusive and attractive travel options.	Stronger, Wealthier	Environment / Integration / Economic Growth / Safety
Community Support	Working in partnership	To support all of Shetland's communities by securing equitable access to employment, training, leisure, and services.	Fairer, Stronger	Social Inclusion
Integration Support	Working alone and in partnership	To support improved integration in ticketing, information and transport services.	Smarter, Fairer	Integration
Behavioural Change	Working in partnership	To enable and promote healthier, more sustainable and greener travel choices.	Healthier, Greener	Environment
Change Management	Working alone and in partnership	To plan for changes in legislation, transport demand, transport supply and transport funding by monitoring, recording and acting.	Smarter, Stronger	Environment / Economic growth / Social inclusion

Shetland Transport Strategy Delivery

ZetTrans works in partnership with Shetland Islands Council (SIC) to provide its office accommodation and staff. ZetTrans' current staffing resource is drawn from the following:

FTE	ROLE
1.0	Lead Officer
1.0	Transport Contracts and Operations Officer
1.0	Transport Policy and Projects Officer
0.38	Transport Assistant – Finance
0.62	Transport Assistant – Monitoring
0.38	Transport Assistant – Monitoring
1.0	Administration Assistant

These staff, along with other SIC personnel connected to the provision of transport services and infrastructure, work jointly on SIC and ZetTrans tasks as appropriate.

Shetland Islands Council staff, policies and procedures provide the administrative, legal and financial framework for, and support to, ZetTrans.

ZetTrans itself determines the make-up and direction of its activities.



Shetland’s Transport Provision

As an island community, Shetland can divide its transport needs clearly between internal / inter-island and external. Recognising this clear division, ZetTrans can make an equally clear division between the activities and projects it is able to deliver:

- In its own right
- By working in partnership
- By consulting and influencing

Necessarily, internal transport fits more easily with 1 and 2 and external transport more easily with 2 and 3.

Internal Transport Overview

Since 2005, ZetTrans has operated against the ongoing background issues of:

- Pressures to reduce costs
- Changing regulatory requirements
- Infrastructure renewal and replacement needs

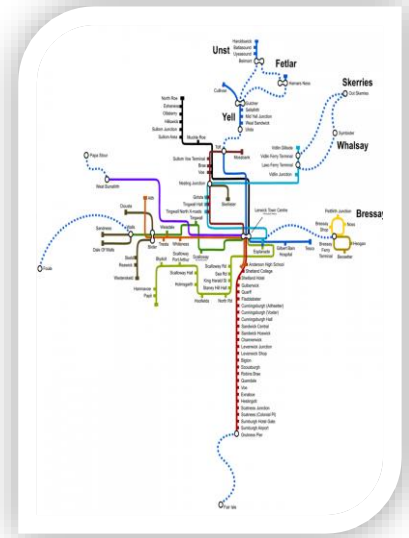
In addition, there is a general background of declining populations in the more remote parts of the county which has an inevitable impact on the passenger numbers on connecting bus, ferry and air services. At the same time, in order to support these vulnerable communities, the need to connect them with the rest of Shetland is ever more vital.

Internal Bus Services

In 2014, in order to improve efficiency and quality, ZetTrans, in partnership with Shetland Islands Council (SIC), instituted a new framework agreement for passenger transport contracts. In order to be eligible to bid for these contracts, individuals and companies were required to pre-qualify for the tendering process by applying to be on this framework. The framework covers 4 types of passenger transport:

- Short notice and urgent services
- Supported public local and community bus services
- Mainstream school services
- Additional special needs (ASN), social care, healthcare and other services

There were 34 successful tenders to be included in the framework. These ranged from established local bus companies to individual taxi drivers. ZetTrans continues to monitor the operation of the framework in preparation for its replacement when the current framework expires in February 2018.



During the 2014 re-contracting exercise no acceptably priced bids to run the West Mainland service were received. As a result, ZetTrans resolved to operate this service itself through a Memorandum of Agreement with Shetland Islands Council. ZetTrans continues to monitor this service closely.

Prior to August 2014, all bus ticket revenue was retained by the bus service operators. Since that date, all revenue from public transport bus contracts has been retained by ZetTrans. As there are no commercial public bus services in Shetland and as SIC owns all the bus ticket machines, this gives ZetTrans executive control over bus fares and bus fare products.

A consultation exercise was undertaken in 2012 with a view to redesigning transport provision. The principle objectives of this redesign were to address identified gaps in provision and to provide equitable service levels across Shetland. The key elements of the new provision were to provide improved commuting, shopping, access to health services and leisure connections for the whole population and to regularise bus fares. This continues to be achieved through a combination of mainline services coupled with connecting feeder, shopping and dial-a-ride services.

In 2007, new Smart Card ticket machines were introduced on public bus services in Shetland. Prior to that date, more traditional paper tickets had been used. The new system provides for a 20% discount when paying by Smart Card and also accepts National Entitlement cards. All data produced by the ticket machines is processed by SIC's Transport Planning Service. It remains the intention of ZetTrans to develop further the Smart Card system currently used on its buses to include inter-island ferries and inter-island air services. The current machines are now requiring comprehensive renewal.

By improving the local bus network and taking control of revenue and ticketing, ZetTrans has laid the foundations for encouraging increased bus use. Pursuing this goal will be a key element of the refreshed RTS.

Internal Ferry Services

Inter-island ferry service operations sit within SIC's Infrastructure Service. The service specifications and timetables however, remain the responsibility of Transport Planning and are developed in co-ordination with ZetTrans bus timetables. ZetTrans continues to work with all relevant parties to maximise efficiency in this regard.

Funding for the inter-island ferry services is currently provided by SIC and the Scottish Government. The funding regime and the fundamentals of responsibility and delivery remain under review and ZetTrans continues to be involved as a partner in that process.



Inevitably, the ferries and harbour infrastructure are ageing and revisions in regulations mean that it will not be possible to replace the vessels like-for-like. Larger vessels will be needed in the future with knock-on implications for harbour infrastructure improvements. ZetTrans continues to work with its partners to plan for future improvements and replacements.

Internal Air Services

Inter-island air services are based at SIC's Tingwall Airport, 6 miles from Lerwick. The airport is managed and financed by SIC's Infrastructure Services Department. Air service specification, schedules and fares are specified by SIC's Transport Planning Service with the revenue being kept by the contracted service operator.



The airstrips on each of the islands served by inter-island air services are supported by grant funding administered from the Council's Transport Planning Service. Funding for the inter-island air services originates from SIC with a grant from the Scottish Government. The air services contract is due for renewal in April 2017.

The unpredictable provision of fire cover at the smaller airstrips continues to cause problems. This is unfortunately a function of the small populations on these islands. As a result, there continue to be no regular inter-island air services to/from Out Skerries because the community cannot provide sufficient numbers of personnel to undertake the necessary training and attend each scheduled flight. The situation at the other principle air strips on Foula and Fair Isle continue to be monitored closely.

Several of the island airstrips therefore face an uncertain future as operational requirements become more stringent and falling populations reduce the capacity of these islands to operate these vital resources safely and legally.

Sustainable Travel

In March 2017, the Annual Cycling Monitoring Report stated that 59.4% of all journeys in Shetland were less than 5km with the number of folk cycling to work usually or regularly on a continuing decrease from 3.2% in 2012/13 to 1.8% in 2014/15.

The reliance on, and preference for, travelling by car does not alter the fact that those without access to cars continue to be the most vulnerable groups in society, namely: the young, the old, the less well-off and people with disabilities. Nor does high car use negate the need to address the Climate Change agenda by ensuring alternative means of transport are available.

In line with the above, the need to encourage sustainable travel therefore features strongly in the ZetTrans vision for transport in Shetland. Our vision is linked closely to the Health, Active Travel and Climate Change agendas all of which are priorities for the Scottish Government.

Even in a mainly rural county such as Shetland, there are many opportunities to walk, cycle or car share and actions to foster and encourage these modes of transport are included in the RTS.

Over the past year, ZetTrans has worked with partners including Shetland Islands Council and NHS Shetland to undertake a feasibility study into promoting the uptake of active travel in Shetland. It has also worked with its partners in the Shetland Partnership to streamline policy on active travel and physical activity.

In addition, no scheme exists within SIC to provide loans for cycle purchase but, ZetTrans is aware that promoting cycling as a feasible transport option within the Lerwick area (and perhaps beyond) needs to be addressed. To this end, ZetTrans will seek to secure funding for targeted interventions to increase the uptake of greener and healthier travel choices.

During 2016/17, ZetTrans, in partnership with NHS Shetland and SIC, successfully bid for funding to undertake a feasibility study into the creation of a network of hubs to facilitate and encourage the uptake active and sustainable travel. It is hoped that the recommendations of this study will lead to a successful funding bid during 2017/18.

Fixed Links

The island communities of Bressay, Yell, Unst and Whalsay continue to hold serious concerns about the capacity and capabilities of the current ferry network as well as the year on year costs of ferry services in an environment of reduced public sector funding.

Engagement with these communities tells us that they believe that uncertainty surrounding inter island transport and the growing difficulty in affording travel at a personal level are leading to serious population decline, particularly in the younger segment of the islands' populations.

Over the past 15 years, a great deal of work has been undertaken on whether fixed links are a viable way of connecting the Shetland mainland with the islands of Bressay, Yell, Unst and Whalsay.

The principle impetus for these studies has been to explore what fixed links can achieve and to establish the nature of the technical and financial challenges that would exist in providing fixed links as an alternative to ferries.

It is clear from consultation with the island communities that they believe fixed links are the key to a more reliable and sustainable future. At the same time, the need for ongoing spending on ferry and air transport and its infrastructure could be removed from the budget.

In summary, the key findings from these studies have recognised the long-term viability and benefits of fixed links but have highlighted the difficulty of securing funding for such major interventions.



Relationships with other RTPs

Joint meetings of the Regional Transport Partnerships (RTPs) take place quarterly with the Chair and Lead Officers from the other regions around Scotland invited to attend. These meetings are a means of discussing wider transport issues within Scotland, comparing and learning from best practice.

These meetings also allow ZetTrans to:

- Provide a more strategic approach to planning and delivery
- Build on existing joint working relationships
- Work in partnership with Transport Scotland and the Scottish Government
- Bring together local authorities and principal stakeholders

Despite its size and isolation Shetland's transport needs and provision are subject to the same forces, challenges and opportunities as the rest of the country. ZetTrans believes strongly that, being so self-contained, Shetland can provide the ideal location to pilot new approaches to transport delivery.

External Transport Overview

Sea and air transport to and from Shetland provide lifeline services connecting the islands with the rest of Scotland and beyond. These services are provided with both commercial and Scottish Government money so this is an area where ZetTrans works in partnership with other organisations both locally and external to Shetland and where it uses its good offices to influence and effect change.

External Ferry Services

The lifeline Northern Isles ferry service between Shetland, Orkney and mainland Scotland is funded by the Scottish Government and is currently operated under contract by SERCO NorthLink Ferries.

In May of 2012, the contract to operate the Northern Isles service was passed from Northlink to SERCO Northlink. The contract will run until 2018. A Scottish Government review of the Northern Isles Ferry services was commenced in September 2015 with a view to informing the new 2018 contract service provision.

Currently, residents of Shetland are entitled to a discount of 30% on vehicle and passenger fares, but not for accommodation. Residents can also nominate friends and family to receive the same discounts outside of the peak summer months.

Issues regarding fare levels and the availability of passenger accommodation continue to be raised within the local community and ZetTrans will continue to work in partnership with SIC to ensure that these issues are to the forefront when designing ferry services post 2018.

In February 2017, the Scottish Government announced a review into the future tendering of its ferry contracts. As a result, the current SERCO Northlink contract is likely to be extended. ZetTrans will seek to ensure its involvement in the discussions on this issue during the 2017/18 financial year.

External Air Services

External air services operate from Sumburgh airport in the south of mainland Shetland, 25 miles from Lerwick. Routes are currently operated to Kirkwall, Aberdeen, Inverness, Glasgow and Edinburgh. There is an additional, seasonal service to Bergen.

The airport is operated by Highland and Islands Airports Limited (HIAL). Flights are currently operated by Loganair under a FlyBe franchise.

The Air Discount Scheme, funded by the Scottish Government, was extended to include charities and volunteers in July 2012. The Scottish Government announced an increase in the Air Discount Scheme from 40% to 50% in late 2015 and implemented this increase in January 2016.

On 21st November 2016, Loganair announced its intention to end its franchise operation with FlyBe and to recommence operations in its own name for the first time on over 20 years from 1st September 2017. ZetTrans and its partners are monitoring the situation closely to see what opportunities for service improvements may arise.

External Transport Forum

The External Transport Forum meets quarterly with members, officers, external transport providers, SERCO Northlink, Loganair and other invited interested parties. This forum continues to act as a valuable opportunity for ZetTrans to maintain contact with the key bodies involved in connecting Shetland to the rest of the UK and beyond.

Monitoring and Evaluation

As can be seen from the list of *performance indicators* in the next section, many of the current *performance indicators* comprise data collected and published by other organisations to their own specifications and timescales.

ZetTrans continues to believe that the dataset combines to present a rich description of the state of Shetland's transport system. However, it is proposed that, from the 2018/19 financial year, future versions of this document will report how the Partnership is progressing towards addressing newly identified Main Issues, meeting its Strategic Objectives and achieving its Vision. In short, ZetTrans will switch to reporting less on outputs to reporting more on outcomes.

It is therefore proposed that, in line with other RTPs, future Annual Reports will begin monitoring and evaluating progress against the interventions outlined in a refreshed Shetland Transport Strategy as detailed in the ZetTrans Annual Delivery Plan. The valuable data recorded against the current performance indicators will continue to be collated and shared with partners, stakeholders and the public.

ZetTrans Performance Indicators

ZetTrans agreed a new set of 10 performance indicators from April 2016. Where available, data for 2016/2017 is recorded in this section. Because of the proposed changes to be made to its monitoring and evaluation criteria in the future, the available data is presented as a list with explanatory text. Visual presentation has been considered but the wide variability in data sets being reported risks being masked by the implied uniformity which visual representation depicts.

Figures relate to the 2016/2017 financial year unless otherwise stated. It can be seen from the information below, that ZetTrans' influence in requiring the various data sets to be compiled is starting to take effect. Several partners are now recording, or planning to record, the information that is needed.

Reliability of Shetland's Transport

Percentage of cancellations for inter-island air services

A total of 34.37% of internal flights were cancelled: 22.17% for weather-related reasons, 0.39% for technical reasons and 11.8% did not fly because there were no passengers booked. This data was first collected in June 2015 so a like-for-like financial year comparison is not possible.

Percentage of cancellations for inter-island ferry services

The data for this performance indicator will be compiled by Shetland Islands Ferries Service from January 2018.

Percentage of cancellations for external air services

A total of 2.73% of external flights were cancelled: 1.69% for weather-related reasons and 1.04% for technical or operational reasons. This is the first year that this data has been reported as a percentage. In 2015/16, 102 flights were cancelled for weather-related reasons compared with 118 in 2016/17.

Percentage of external ferry services that vary from timetabled departure by 30 minutes or more

A total of 8.8% of ferry sailings were disrupted, 3.16% were cancelled and 5.64% were more than 30 minutes late. In 2015/16, 3.2% were cancelled and 5.1% were delayed.

Standards of Road Maintenance

Percentage of local road network classed as red or amber

The average percentage of roads in Shetland classed as red or amber for the 2014/15 and 2015/16 calendar years was 37.7%. Over these two years, amber condition road fell from 31% to 30% and red condition roads fell from 11% to 9%. Datasets and statistics for Transport Scotland were re-organised during 2017 and no figure for 2016/17 is available at the time of publication.

Fuel Consumption Levels

Petrol and diesel consumption in Shetland

Vehicle fuel imports comprised 3,618 tonnes of petrol and 12,626 tonnes of diesel. This represents a slight increase in diesel and fall in petrol consumption when compared to the previously reported 2015 calendar year figures of 3,500 and 12,500 respectively.

Fuel consumption on inter island ferries

The internal ferry service consumed 4,352,228 litres of fuel. This is the first year that this data has been available.

Fuel consumption on inter island air services

47,324 litres of fuel was used to operate the internal air service. This is the first year that this data has been available.

Fuel consumption on public bus services

Because of the number of transport operators and the complexity of their operations, this data cannot be reliably calculated.

Fuel consumption on school transport services

Because of the number of transport operators and the complexity of their operations, this data cannot be reliably calculated.

Market Growth on Shetland's Transport Network

Road traffic levels in Shetland

220 million vehicle kilometers were reported for the 2016 calendar year, a modest increase on the 215 million vehicle kilometers recorded in 2015.

Bus passenger numbers

The number of passenger journeys on public transport during 2016/17 is still being calculated. The number of passengers carried in 2015/16 was 463,119 and initial analysis of the fares income from 2016/17 is suggesting there has been no significant change from last year's figure.

Passenger and vehicle numbers on inter-island ferries

A total of 389,161 vehicle journeys were made on internal ferries and a total of 769,002 passenger journeys. The passenger journey number represents a 3.5% increase from 741,902 passenger journeys in 2015/16.

Inter-island air service passenger numbers

4,363 passenger journeys were made on the inter-island air service. An increase of 4.3% on the 4,175 passenger journeys made in 2015/16.

External ferry passenger and vehicle numbers

During the 2016 calendar year, 116,353 passengers and 17,874 cars were carried between Aberdeen and Lerwick. The number of passengers carried was down from 121,990 in 2015 while the number of cars carried was slightly up from 17,446 in 2015.

External air service passenger numbers

According to the Civil Aviation Authority, the total number of passengers passing through Sumburgh in the 2016 calendar year was 249,050, a fall of 7.8% from the 2015 figure of 270,126.

Public Transport Accessibility

Percentage of households within one mile of daily public bus service

This data is not yet available – the method for calculating it accurately has yet to be ascertained.

Percentage of households within one mile of weekly public bus service

This data is not yet available – the method for calculating it accurately has yet to be ascertained.

Percentage of public bus service vehicles that are wheelchair accessible

All mainline bus services operated by vehicles using 22 seats or more meet UK national DPTAC accessibility standards.

Sustainable Transport Usage

Modal share of Shetland residents for trips to work

This information is not available as it is not currently collected. Action to remedy this situation is contained within the refreshed Shetland Transport Strategy.

Modal share of Shetland Islands Council employees for trips to work

This information is not available as it is not currently collected. Action to remedy this situation is contained within the refreshed Shetland Transport Strategy.

Road Safety Levels

This data is recorded by Transport Scotland. Datasets and statistics for Transport Scotland were re-organised during 2017 and some of the parameters they now report have changed. Notably, the *child casualty* rate is now reported as *under 19s*.

Number of people killed or seriously injured on Shetland's roads

In 2016, 5 people were seriously injured and none were killed on Shetland's roads. Those seriously injured rose from 3 in the previous year but those killed fell from 3 in the previous year. As previously reported, the Shetland's road casualty figures are so low, that discernable patterns are difficult to measure.

Number of child casualties on Shetland's roads

This nationally published dataset has now changed and no comparable data was available at the time of publication.

Number of slight casualties on Shetland's roads

32 people were slightly injured on Shetland's roads in 2016, up from 27 in 2015.

Transport Integration Opportunities

Percentage of arriving inter island ferries that connect with public bus services

This data is not yet available – because of variability in the number of ferry sailings, relating them to a fixed number of bus departures means that the method for calculating this data accurately has yet to be ascertained.

Percentage of departing inter island ferries that connect with public bus services

This data is not yet available – because of variability in the number of ferry sailings, relating them to a fixed number of bus departures means that the method for calculating this data accurately has yet to be ascertained.

Percentage of arriving external flights that connect with public bus services

All flights arrive before the last bus of the day departs. 58% of flight arrivals connect with a bus leaving between 30 minutes and 60 minutes after the plane's scheduled arrival time.

Percentage of departing external flights that connect with public bus services

All flights depart after the first bus of the day arrives. 45% of flight departures connect with a bus arriving between 60 minutes and 90 minutes before the plane's scheduled departure time.

Percentage of arriving external ferries that connect with public bus services

86% of ferry arrivals connect with a bus to Lerwick within 30 minutes, 6 days a week.

Percentage of departing external ferries that connect with public bus services

100% of ferry departures are served by a bus from Lerwick, 7 days a week.

Cost of the Provision of Shetland's Public Transport Network

Subsidy on Northern Isles Ferry Contract

The total subsidy cost for 2016/17 was £34,789,940. NB this is for the whole Northern isles ferry contract and includes the cost of services to Orkney.

Air Discount Scheme Subsidy

The Scottish government spent £2,908,395 to support the Air Discount Scheme in Shetland. This data has not previously been reported. This data has not previously been reported.

Gross cost of internal ferry services

The gross cost of providing the inter-island ferry service in 2016/17 was £14,735,000. This data has not previously been reported.

Fare income from internal ferry services

The gross income to the ferry service was £1,939,000. This income includes fares, vending machine sales, charter income, freight charges and emergency operations. This data has not previously been reported.

Internal air services grant

A total of £757,957 was spent supporting the inter-island air service. This data has not previously been reported.

Gross cost of public bus services

The total gross cost of public bus services was £2,559,954. This data has not previously been reported.

Fare income from public bus services

Total fares income from public bus services was £696,315. This data has not previously been reported.

Cost to the User on Shetland's Public Transport Network

Standard single adult public bus fares by route

Sample single fares would be: Flat fare on the Lerwick Town Bus is £1.00; Sumburgh to Lerwick costs £2.80; an integrated journey from Lerwick to Mid Yell costs £3.60 and a Feeder journey from Walls to Sandness is £1.80.

External ferry fares by season (islander and non-islander)

Single islander fares ranged from £18.90 to £28.70 and islander vehicles from £76.30 to £102.20. Single non-islander fares ranged from £27.00 to £41.00 and non-islander vehicles from £109.00 to £146.00.

Average external air fares (islander and non-islander)

Booking a week ahead, a single fare from Sumburgh to Aberdeen for a non-islander was £207.04 and £112.04 for an islander using ADS.

Internal ferry fares (ro-ro and outer isles)

Passenger fares ranged from £5.30 to £10.60 one way and one-way vehicle fares from £13.00 to £50.60.

Internal air fares (island resident and visitor)

Adult return fares ranged from £69.00 to £83.85 for non-islanders and from £28.00 to £41.00 for islanders.

Taxi fares

A tariff 1, 2-mile journey was £6.05. Shetland ranks 113 out of 365 UK taxi licensing authorities. Fares elsewhere for the same distance on tariff 1 range from £3.50 to £9.20.

Additional Activity 2016/17

The following key areas of additional activity were ongoing during 2016-17. Each activity is reported to the Partnership on a regular basis as it progresses.

Shetland Inter-Island Transport Study

The study of Shetland's inter-island transport has now been completed. This study details the current provision of inter-island transport and examine options for improving and enhancing services. In particular, findings of the study will form an important part of the case for a fairer funding strategy for Shetland's inter-island ferry services.

Shetland Inter-Island Air Services Review

A study of Shetland's inter-island air services has now been completed. This study details the current provision of inter-island air services and examine options for protecting, improving and enhancing services. Findings from the study will inform the inter-island air services contract renewal process.

Lifeline Ferry Service Re-contracting

Engagement with Transport Scotland continues with a view to securing an equitable fare structure and reviewing service levels for the proposed new lifeline ferry link contract from April 2018. This work has taken on an additional element as the Scottish Government is now reviewing the way it contracts and provides its ferry services.

ZetTrans Governance Review

An internal review of ZetTrans governance is underway.

Planned Activity 2017-2018

In order to continue to promote a fully integrated public transport system, ZetTrans will continue to explore opportunities to upgrade the ferry ticketing machines to accept Smart Card technology and renew its bus ticket machines. The latter is particularly urgent as the current bus ticket system is dangerously close to becoming unserviceable. ZetTrans will therefore continue to seek funding opportunities for the replacement of the existing ticketing system.

ZetTrans will work with Scottish Government and Transport Scotland to explore and develop a policy of fixed links as alternatives to ferries - recognising the step change in the security and sustainability of island communities that could be achieved.

Given the very close links between ZetTrans and Shetland Islands Council, ZetTrans will complete the revision and clarification of its governance so as to present a clearer identity to the public of Shetland.

ZetTrans will systematically review how it monitors its own performance. During 2017/18, ZetTrans will work to create a robust, target-driven, performance measurement framework in line with both other RTPs and a refreshed Shetland Transport Strategy and detailed Annual Delivery Plan.

In addition, as part of its day-to-day work, ZetTrans will seek funding to update and enhance its website and travel app; Improve travel information; Encourage healthier, greener and more sustainable travel choices; Increase public transport use; Deliver value for money, affordable, safe and efficient transport services for Shetland's residents and visitors. ZetTrans will also investigate the possibility of holding additional delegated funds to be used as match funding to maximize external funding opportunities.



Financial Report

ZetTrans' legal and financial functions are administered, reported and internally audited by Shetland Islands Council. Details of its expenditure are therefore made available via its regular public reporting.

2016/17 Outturn Position

The final outturn position for 2016/17 is summarised as follows:

2015/16 Actual £000	Revenue	2016/17 Budget £ 000	2016/17 Actual £ 000	2016/17 Variance £ 000
138	Policy Strategy & Projects	195	168	27
2,016	Bus Operations	1,942	1,863	79
2,154	Total Expenditure	2,137	2,031	106
(132)	Scottish Government Grant	(132)	(132)	0
(2,022)	SIC Grant	(2,005)	(1,899)	(106)
(2,154)	Total Income	(2,137)	(2,031)	(106)
0	Net (Surplus)/Deficit for Year	0	0	0

Overall, ZetTrans' outturn position is £106,000 less than that budgeted, reducing the contribution required from the Council. Explanations of the main variances at Quarter 4 are set out below:

Core Services, Support Services – Draft underspend £27k (15%)

Minor one-off savings in operating and administration costs, due in some part to a reduction in overtime.

Core Services, SIC Match Funding not required (£28k) (44%)

This position reflects the reduction in the cost of Core Services leading to a reduced contribution required from the Council.

Public Bus Services, Contracts – Draft underspend £81k (3%)

- Savings in the Westside route as a result of lower breakdown cover costs than anticipated and grant income not budgeted for - £64k.
- Other minor variances across bus services.

Public Bus Services, Contribution (SIC) not required (£78) (4%)

This position reflects the reduction in cost of Public Bus Services leading to a reduced contribution required from the Council.

ZetTrans Statutory Obligations

As a statutory public body and *Major Player*, ZetTrans has statutory obligations to meet and fulfil.

Equalities Scheme Statement

All Regional Transport Partnerships have a statutory duty to determine and operate an Equalities Scheme. Shetland is unique in possessing a unified Equalities Scheme which is shared by all four of its *Major Players*: Shetland Islands Council, Shetland College, NHS Shetland and ZetTrans.

The refreshed Shetland Transport Strategy and associated Annual Delivery Plan will adhere to the measures contained in Shetland's Equality Outcomes Mainstreaming Report which is the statutory document detailing how ZetTrans addresses its equality obligations.

Public Services Reform (Scotland) Act 2010

Section 32(1)(a) of the Public Services Reform (Scotland) Act 2010 provides that as soon as reasonably practicable after the end of each financial year each listed public body must publish statements on the following:

Expenditure Breakdown

ZetTrans can report relevant expenditure for 2016/17 as having been the following:

- Public relations: £1,708.00
- Overseas travel: £0
- Hospitality and entertainment: £133.97
- External consultancy: £0
- Payments with a value in excess of £25,000: £144,993.90
- Members or employees who received remuneration in excess of £150,000: None

Sustainable Economic Growth Statement

ZetTrans is nearing the end of the process to refresh its Shetland Transport Strategy. A central part of this process has entailed identifying the Main Issues facing transport in Shetland. One of the 6 Main Issues identified is *Behaviour Change*. This centres on the need to encourage the uptake of greener travel and transport options. ZetTrans will work closely with its partners, stakeholders and the communities it serves to address the issue.

The strategy refresh has also identified *Conserving the Environment* as one of ZetTrans' 3 Strategic Objectives. Together with the other 2 Strategic Objectives of Underpinning Shetland's Economy and Supporting Shetland's Communities, ZetTrans believes that it is firmly embedding *sustainability* within all of its activity.

Statement of Efficiency, Effectiveness and Economy

ZetTrans continues to work, and share resources with, its host organisation: Shetland Islands Council. By sharing key resources such as staff, policies and accommodation, this relationship enables ZetTrans to maximise its efficiency, effectiveness and economy.

Furthermore, ZetTrans works closely with its community planning partners via the Shetland Partnership. The Equalities Statement earlier in this document provides an excellent example of how this close relationship enables us to align and share policy in key areas, thereby avoiding duplication of both effort and message.

Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Order 2015

As a listed *Major Player*, ZetTrans is required to submit an annual Climate Change report. The report for 2015/16 was completed in November 2016. The report consists of compulsory and optional sections. As ZetTrans is housed wholly within Shetland Islands Council (SIC) premises, the compulsory section of the report refers to the SIC's own Climate Change Report. The second, optional, section of the report contains information relating to the climate change effects and considerations ZetTrans' own work. The submission date for the 2016/17 is 30th November 2017.

