

## TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

14 MARCH 2017

## GENERAL CONSULTATIONS

## REPORT BY DIRECTOR

This report seeks the Partnership's endorsement of joint RTP responses to consultation by the Scottish Parliament on the Scottish Government's Draft Climate Change Plan and the Public Petitions Committee's request for views on regulating bus services in Scotland and carrying out an inquiry into bringing bus services into common ownership.

**1 RECOMMENDATIONS**

- 1.1 That the Partnership endorses the joint RTP responses:
- (i) to the Scottish Parliament's consultation on the Scottish Government's Draft Climate Change Plan, as detailed in Appendix A; and
  - (ii) to the Scottish Parliament Public Petitions Committee's request for views on legislating to regulate bus services in Scotland and to carry out an inquiry into the benefits of bringing bus services in Scotland into common ownership, as detailed in Appendix B.

**2 BACKGROUND**

- 2.1 The Climate Change (Scotland) Act 2009 set targets to reduce Scotland's emissions of greenhouse gases by 42% by 2020 and 80% by 2050. Reports on proposals and policies for meeting the targets were published by the Scottish Government in March 2011 (RPP1) and June 2013 (RPP2).
- 2.2 The Scottish Government published the [Draft Climate Change Plan](#) – The Draft Third Report on Policies and Proposals 2017-2032 (RPP3), on 19 January 2017. This indicates how the Government proposes to meet climate change targets from 2017 to 2032.
- 2.3 The Scottish Parliament Public Petitions Committee (PPC) considered petition PE1626 at its meeting on 19 January 2017. This [petition](#) was lodged by Unite Scotland and called on the Scottish Parliament to urge the Scottish Government to legislate to regulate bus services in Scotland and to carry out an inquiry into the benefits of bringing bus services in Scotland into common ownership. The PPC agreed to seek the views of a range of stakeholders, including Regional Transport Partnerships, on the action called for in the petition, with submissions requested by 17 February 2017.

### **3 DISCUSSION**

#### Scottish Government's Draft Climate Change Plan

- 3.1 The Scottish Government published the Draft Climate Change Plan on 19 January 2017, which was then subject to a 60-day period of Parliamentary scrutiny. The Scottish Parliament's Environment, Climate Change and Land Reform Committee; Rural Economy and Connectivity Committee; Local Government Committee; and Economy, Jobs and Fair Work Committee launched a joint call for views on the Scottish Government's plan ahead of evidence hearings. The Committees will also scrutinise the effectiveness of the proposals and policies to meet the targets set out in the Scottish Government's first report, which covered 2010-2022 and second report, which covered 2013-2027.
- 3.2 The Draft Plan outlines progress since RPP2 and the policy outcomes, policies, development milestones and proposals for the following sectors of the economy: electricity, residential, transport, services, industry, waste, land use and agriculture. It recognises that transport accounts for 28% of total Scottish emissions and that transport emissions have been falling from a peak in 2007. Road transport emissions are identified as the largest contributor to total transport emissions.
- 3.3 Transport related policy outcomes aim for a reduction in average vehicle emissions; increase in ultra-low emission cars and vans; falls in average emissions from road freight; increase in low emission buses; adoption of low emission solutions at Scottish ports and airports; increase in low emission ferries; increased electrification of the rail network; and an increase in the proportion of domestic passenger journeys undertaken by active travel modes.
- 3.4 The Parliamentary Committees sought views on four issues. The issues and joint RTP responses, together with more general comments, are shown in Appendix A, which the Partnership is asked to endorse.

#### Public Petitions Committee

- 3.5 The joint RTP response to petition PE1626 regarding bus regulation in Scotland is shown in Appendix B, which the Partnership is asked to endorse. The RTPs made no comment on the second part of the petition, relating to carrying out an inquiry into the benefits of bringing bus services in Scotland into common ownership.
- 3.6 Following submission the stakeholder responses, including the joint RTP submission, are subject to comment by the petitioner and further consideration by the Public Petitions Committee. Any further updates will be reported orally or to a future meeting.

## **4 CONSULTATIONS**

- 4.1 The responses detailed in Appendix A and B to the report were compiled in consultation with and submitted on behalf of Scotland's 7 RTPs.

## **5 RESOURCE IMPLICATIONS**

- 5.1 This report has no direct Resource implications.

## **6 EQUALITIES IMPLICATIONS**

- 6.1 This report has been screened for any policy implications in respect of Equality Impact Assessment and no material issues have been identified.

**Eric Guthrie**  
**Director**

Report prepared by Michael Cairns and Eric Guthrie. For further information e-mail [ericguthrie@tactran.gov.uk](mailto:ericguthrie@tactran.gov.uk) or tel. 01738 475771.

### **NOTE**

The following background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (and not containing confidential or exempt information) were relied on to a material extent in preparing the above Report:

Draft Climate Change Plan, Scottish Government, January 2017



**Edward Mountain MSP  
Convenor of Rural Economy and Connectivity Committee  
Scottish Parliament  
Call for Evidence – Draft Climate Change Plan**

**Joint Regional Transport Partnership Response**

Dear Convenor,

Thank you for the opportunity to provide evidence to the Rural Economy and Connectivity Committee on your scrutiny of the Scottish Government's Draft Climate Change Plan: the draft third report on policies and proposals 2017-2032 (RPP3).

Scotland's Regional Transport Partnerships (RTPs) are statutory organisations working closely with local authorities and other bodies to provide strategic transport policy and guidance for transport in their regions. Each has an approved, statutory Regional Transport Strategy, which contain policies including those to reduce the effects of transport on climate, noise and air quality and to reduce the environmental impacts of transport, in support of national targets.

The ambition of the RPP3 is welcomed, as is the recognition of the role of RTPs. There is a clear potential role in taking a new wider regional approach to tackling the challenges for the transport sector to deliver sustainable aggregated responses to certain transport-related climate change challenges.

**Committee Questions**

In relation to the specific questions raised by the Committee we would comment as follows:

***Progress to date in cutting emissions within the sector/sectors of interest and implementing the proposals and policies set out in the RPP2;***

Progress in transport is noted in paragraph 9.1.1 and tables 9.2.2 and 9.2.3. It is believed that more could have been achieved in a more co-ordinated approach, particularly with regard to active travel, with less reliance on limited time span initiatives, and that RTPs were, and are, well placed to have been at the heart of this approach.

***The scale of reductions proposed within their sector/s and appropriateness and effectiveness of the proposals and policies within the draft RPP3 for meeting the annual emissions targets and contributing towards the 2020 and 2050 targets;***

The scale of reductions is appropriate. However some of the policies should be more ambitious. Policy outcome 4, for example, aims for 50% of the Scottish bus fleet to be low emission by 2032. Considering the average age of buses, during this time most buses will have been replaced, with Scottish Government financial support

through continuation of the Scottish Green Bus Fund this level should be higher. In Policy outcome 7 the rate of electrification should be accelerated. Electrification and the “sparks effect” will enable rail to hold its market share while major road improvements are proceeding on parallel routes, including dualling of the A9 and A96. Failure to make such improvements will place rail at a disadvantage and encourage modal shift to road. It must be noted in Policy outcome 8 that unless cycling increases very rapidly between 2017 and 2020 the Vision for 2020 of 10% of everyday journeys will not be achieved.

***The appropriateness of the timescales over which the proposals and policies within the draft RPP3 are expected to take effect;***

The time scales seem appropriate subject to the comments to the previous question.

***The extent to which the proposals and policies reflect considerations about behaviour change and opportunities to secure wider benefits (e.g. environmental, financial and health) from specific interventions in particular sectors;***

There are issues regarding behaviour change, which should be directly addressed by the Scottish Government. A “carrot” and “stick” approach is needed. The Plan offers “carrots” but “sticks” are needed to address the desire to reduce car use, for example, road pricing and the “proposed workplace parking levies”; these can only be addressed by the Scottish Government. Consideration is also needed of the full implications of technological change and particularly “disruptive” changes such as Uber and autonomous cars which may promote car use in preference to less environmentally damaging alternatives and, even though these may use low emission vehicles the net effect could be to increase congestion and increase emissions from the remaining petrol and diesel engine vehicles.

**Wider comments**

The draft RPP3 focuses predominantly on emissions reduction via supply side interventions. It would be welcomed going forward to also consider in greater detail a wider range of potential demand side interventions and the impact these could have on potential latent demand for transportation generated by the long-term achievement of inclusive growth in Scotland which may continue for the near future to generate unsustainable travel practices prior to the impact of supply side policies and proposals outlined in RPP3 being able to generate the emissions reductions planned for them. It may also generate externalities in terms of congestion with economic albeit much reduced environmental externalities in future years, which could impact on economic performance and the resultant ability to resource further emissions reduction proposals and policies.

RTPs recognise that the largest contributor to transport emissions is the road sector. And while it is acknowledged that the vast majority of these emissions come from private cars and vans, with a relatively small proportion from public transport including bus, this can create the misleading impression that bus is part of the problem rather than part of the solution. We would welcome greater emphasis, therefore, on the opportunities that bus services provide, including for people who

live in our most deprived communities, to travel sustainably to employment, health, education and training. As the bus sector invests in renewed fleets it rightly requires to meet the EU's progressively more stringent engine standards which will significantly increase the number of Low Emission Vehicles (LEVs) over the next decade. It will be essential that Government policy sees the industry as a key partner in delivering a greener fleet and recognises the huge level of investment needed to achieve this while continuing to serve our communities. While the focus on electric vehicle technology is welcome it should not come at the expense of public investment in green bus fleets.

While it is welcome to see within the draft RPP3 a focused policy on Ultra Low Emission Vehicles (ULEVs) and a recognition that parking policies can incentivise public transport and active travel, as well as reducing congestion and contributing to improved air quality, RTPs would encourage a greater discussion of parking policies, including workplace parking charges for all vehicles. Further, in terms of Low Emission Zones (LEZs) moving forward it would be useful to understand if councils will be able to charge, in order to cost recover, for LEZs given the potential magnitude of resources involved and as a further measure to alter behaviour alongside any access restrictions. It may also be appropriate to renew and revise strategic regional approaches to parking and demand restraint policies in order to strategically plan for the reduced boundary effects and therefore it would seem appropriate to reference RTPs as delivery partners. If LEZs are focussed on air quality and modal shift outcomes then it will be important to take a whole system approach to their implementation.

Within the Plan many actions require preventative spend and it is good that the co-benefits section recognises this resourcing issue and observes it will bring benefits to the healthcare budget. It also perhaps highlights the need to develop a strategic model of co-production of such transport policies and proposals to enable benefits to be realised and enable commitment to policies such as interest-free loans and active travel beyond 2020/21.

The draft RPP3 makes welcome references to the need for further engagement with public sector run partnerships such as freight quality partnerships. It would be welcome in the final document if greater reference could be made to Freight Quality Partnerships<sup>1</sup> run by RTPs and the potential for them to be involved in delivery of the outcomes required by various policies and proposals.

We welcome the recognition of Intelligent Transport Systems within the document and would be keen to see any ITS strategy also cover the wider aspects of ITS. Both SEStran and SPT currently run Real-Time Passenger Information systems to seek to enable passenger confidence in using public transport. In addition to Real Time systems there are other travel information and behavioural change initiatives, such as Tactran's GoToo.com and Nestrans' Getabout. If future policies and proposals seek to encourage and enable a modal shift, it will be vital to cover maintenance and long term resilience of these systems as part of an ITS and wider information and behavioural change response to future travel demands. It will also

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<sup>1</sup> <http://www.sestran.gov.uk/news/30/minister-launches-sestran-freight-quality-partnership/>

be welcome if such a strategy could consider the costs of such maintenance and resilience of such systems.

On the proposals within the Transport Chapter, we would comment that RTPs could deliver greater efficiency and reach if we had greater access to funding such as Smarter Choices, Smarter Places alongside our constituent councils. In recent months SEStran for example has concluded a report entitled X-Route<sup>2</sup> with YoungScot investigating young people's attitudes to active travel and potential barriers to its uptake. Given the timescale of RPP3 many of the respondents to this report will be established commuters by the end of 2032 and many of the report recommendations highlight the need to engage and embed confidence to enable travel behaviour change for the long term. Certainly, an eye-catching result of the survey was that 75% of respondents had not heard of the term "active travel", which highlighted the need to manage our messages to young people better when seeking to initiate behaviour change.

In the context of this work on X-Route and other sustainable travel initiatives, we recognise clearly the significance of 3 of the 10 key behaviour areas outlined in RPP3 relate to transport behaviours. Furthermore, that 30% of consumption emissions associated with individuals and households relate to transport. Therefore, whilst current progress is welcome on active travel and low carbon transport, we need to continue to make significant progress within the transport sector going forward and we recognise that RTPs must play our part in delivering these outcomes.

In relation to Travel Planning the RTPs have worked collectively with Transport Scotland to develop the national Travel Planning online toolkit, [www.travelknowhowscotland.co.uk](http://www.travelknowhowscotland.co.uk), an online resource which supports public and private sector organisations to develop, implement, promote and monitor effective Travel Plans for employee/business and other travel demands.

The draft Climate Change Plan also makes welcome reference to the availability of trip-sharing. We would invite further promotion of trip sharing in the final RPP3. Given the predicted increase in population we will have to balance supply side measures with demand restraint to achieve emissions goals. RTPs have successful and ever-growing Liftshare schemes and it would be welcome if further proposals and policies could be considered in the final RPP3 alongside recognition of the role of RTPs in promoting them. The increase in lift-sharing opportunities could have a related co-benefit in terms of potential inclusion and accessibility impacts across urban-rural geographies.

We welcome the ambition for Scotland to have reduced transport emissions by over a third by 2032 and with almost complete decarbonisation of the Scottish economy by 2050. This will be a challenge for all sectors but especially in our view transportation given long-standing behavioural habits, current fuelling technologies and long lead-in times for consumer purchasing habits to change in terms of asset renewal if targets, such as 40% of ULEVs by 2032, are to be realised. It is highly possible to achieve, given current rates of fleet renewal, however it requires

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<sup>2</sup> <http://www.youngscot.net/getting-active-with-xroute/>

significant and quick consumer buy-in and ability to purchase such ULEVs. There will need to be a clear focus on financing routes for households and SMEs.

In terms of the companion draft Scottish Energy Strategy it is recognised that there is a clear pick up in terms of ULEVs registered in Scotland but there is still a significant gap between that figure and other conventionally fuelled vehicles. There is a requirement for clear public leadership on this matter to drive behavioural change and instil in all consumers that they can confidently buy and drive ULEVs over the next 10-15 years. This will be critical if transport is to meet its share of the 2030 “all-Energy” target outlined in the draft Strategy. We welcome the balance outlined in the Strategy between Hydrogen, Electricity and Fuel Cells, as transport in the future may be fuelled in different manners dependent upon the urban or rural geography in question.

Further, we would comment that a lot of consumer confidence could be engendered by proposals for a Government Owned Energy Company (GOEC) working with regional or local stakeholders to equalise current short-term fluctuations in the pricing of transport fuelling due to global market conditions and also any price differentials as the outcome of geography e.g. current enhanced price of oil-based products due to transportation costs.

However, the draft Strategy and RPP3 focus on reducing the emissions impact of individualised modes of transport must not implicitly or inadvertently be allowed to strategically promote greater use of individual motorised modes over collective or active modes and so potentially contribute to the further decline of bus or rail modes of transport. There is a potential equity impact on those who in the future, despite interest-free loans, can't afford or access for other reasons individualised ULEVs. Alongside any equality impact, these ULEVs could still have externalities around economic and social impact e.g. congestion, albeit the environmental externalities of their carbon emissions would have been greatly reduced. We therefore welcome the reference in RPP3 to examining within the context of NTS2 the scope for climate change policies, including in relation to bus, across the public sector in high-level transport legislation, strategies and policies. We also welcome the reference to providing financial support for the purchase and operation of low carbon buses.

The Draft Energy Strategy also ends with a commitment to work with Local Authorities moving forward which is welcomed in terms of co-design principles. However, in terms of transport we would suggest that RTPs would offer a clear route for delivery of regional low-carbon outcomes and would be grateful if the final strategy made a similar commitment to work with RTPs on the issues of transport energy moving forward.

In conclusion we would welcome further discussion, in co-design terms, on policies that look at hypothecation of revenues back to further transport projects to deliver improvements to collective modes of transport and also resource the maintenance and adaptation of our existing networks to climate change and increased demand. At present it would appear that the RPP3 strategic approach is very much focussed on a supply-side revolution of fuelling of vehicles but if the incentives outlined in the document are not sufficient to change certain long-standing behaviour patterns, it

may also be prudent to ensure that RPP3 also have policies and proposals to restrain demand in terms of equitable and re-distributive schemes.

That comment notwithstanding, RTPs welcome proposals for access limitation policies for certain vehicles e.g. Low Emission Zones and would welcome further discussions with Scottish Government over how these can be resourced and rolled out over the period of 2017-2032. We also recognise the co-benefits such policies could have for air quality and healthier outcomes for Scotland, as well as their demand management impact on transport choices towards potentially greener and more sustainable modes of transport and distribution.

We would be happy to provide further information to your Committee if required on any of the points raised and plan to submit a further response to the draft RPP3 itself after consideration by respective RTP Boards over coming weeks.

Kind Regards

Bruce Kiloh  
Head of Policy & Planning  
Strathclyde Partnerships for Transport

Submitted jointly on behalf of Scotland's Regional Transport Partnerships

### Petition PE1626 joint RTP response

#### Benefits of bus usage

Bus usage provides significant benefits for bus users and society at large. Bus users benefit from access to jobs, training, health facilities, shopping and leisure opportunities while society benefits from decongestion, reduced pollution, lower accident rates, improved productivity and the stand-by value of bus networks. The bus industry also generates revenue and feeds this back into the Scottish economy through the supply chain and consumption expenditure by staff.

Vulnerable and socially disadvantaged groups in society are most reliant on bus networks; this includes low income households; young people in education, or trying to enter the job market; older people; disabled people; jobseekers; and women. Bus services are key to providing access to opportunity including providing the jobless with access to work; young people to education and training; and providing a way out of social isolation for older and disabled people.

#### Deregulation and public sector involvement

The current system of deregulation of the bus industry was introduced in Great Britain in 1986. Greater London was excluded and instead bus service franchising was introduced progressively from 1985.

In London, Transport for London (TfL), which is accountable to the Mayor, specifies in detail what bus services are to be provided. TfL determines the routes, timetables and fares as well as the vehicles to be used including the livery. The services themselves are operated by private companies through a competitive tendering process. There is no on-road competition.

Although in theory Scotland has a competitive market, in reality, most bus services are provided by five large companies which rarely compete against each other (First, Lothian, McGills, National Express and Stagecoach) and tend to have local monopolies.

Transport authorities can work within partnership with bus operators through a voluntary Quality Bus Partnership (QBP) scheme to improve the quality of local services and facilities though there is no statutory framework to prevent competing operators providing services on the route or in the area covered.

The Transport (Scotland) Act 2001 introduced powers to implement statutory QBPs. A statutory QBP specifies facilities to be provided by the transport authority (e.g. bus priorities, information, etc.) and the standard of local services which operators are required to provide, such as vehicles with a minimum Euro engine rating. Key within the statutory scheme is that to use the facilities, bus operators need to satisfy the standards of service set by the transport authority. The Scottish Government published Statutory Quality Partnership Best Practice Guidance in 2009 to promote

take-up of SQPs. Guidance was also published in 2009 on Bus Punctuality Improvement Partnerships (BPIP).

The 2001 Act also enabled the establishment of Quality Contracts (QC) where transport authorities would determine the local services in the area covered by the QC. It was intended that the QC would be subject to tendering and the successful tenderer would have the exclusive right to operate the local services to which the contract relates.

There have been a number of voluntary Quality Bus Partnerships across Scotland and four SQP's covering: Inverclyde; Ayr & Prestwick; the Fastlink bus rapid transit scheme; and Glasgow. These 4 were instigated by SPT, the Regional Partnership for the west of Scotland. An earlier SQP covering Paisley has completed. No QCs have been awarded anywhere in the country.

Although transport authorities have no direct control over commercial services, they play the leading role in the development of Local and Regional Transport Strategies, which set out the overall transport strategy and identify future public spending priorities. They have direct responsibility over transport infrastructure, including bus stops, bus priority facilities and, typically, bus stations. Transport authorities also have a general duty to promote integrated transport and provide impartial public transport information. Transport authorities have been at the forefront in promoting integrated, multi-modal ticketing; the introduction of smartcards and real time information systems; and specification and funding of low emission vehicles.

The bus industry receives considerable public sector financial support through transport authority local bus service contracts, concessionary fares reimbursement and Bus Service Operators Grant. Further to this, operators indirectly benefit financially from the extensive information about bus services made available to the public including printed timetables, real time information, telephone inquiry services and online journey planners.

Bus patronage has declined over the last ten years at the same time as demand for other modes of travel has increased. The number of passenger journeys on local bus services declined from 460 million in 2004-05 to 414 million in 2014-15. The comparable number of journeys on ScotRail services increased from 64 million in 2004-05 to 92 million in 2014-15, while car usage also rose from 33,674 million vehicle kilometres in 2004 to 34,399 million vehicle kilometres in 2014. By way of contrast, patronage on local bus services in London increased from 1,802 million in 2004-05 to 2,364 million in 2014-15.

It is apparent that deregulation is failing to allow the bus to meet its full potential and achieve strategic outcomes around economic growth, social inclusion, climate change and environmental sustainability.

#### Options for more effective bus services

There is clearly a need for greater public sector involvement in the planning of bus services either through enhanced partnership working by establishing SQPs or by replacing deregulation with franchising.

The low take-up of SQPs shows that consideration needs to be given to making it easier for transport authorities to encourage more formal partnership. Additional powers could be granted to enable transport authorities to require bus operators to enter into SQPs. Similarly there is a need to reduce the requirements for the introduction of QCs or more wide ranging franchising.

This would allow transport authorities a choice to either work with existing operators that are providing good quality services through SQPs or, where it is considered more intervention is needed, to implement QCs or franchising.

The benefits of QCs or franchising by replacing on-street competition with for-the-market franchising competition would be:

- single, integrated local transport networks under one brand and one simple ticketing system which could ultimately cover a wide range of modes from bus to rail and from cycle hire to car clubs, eliminating complex cash fares structures which slow down boarding times
- the ability to cap and regulate fares and deliver good value concessionary schemes
- contractually guaranteed vehicle and service standards, e.g. on fleet age, emission levels, cleanliness and reliability
- more local accountability as bus networks are planned by democratically accountable transport authorities, properly consulted on with local communities
- better consumer rights
- better value for money for the taxpayer through more efficient use of subsidy and less leakage into profit taking
- pooling available subsidy into a single pot to buy a single outcome which is more efficient than using separate funding streams to buy unclear outcomes as is the case under bus deregulation
- ensuring the network responds more quickly to the changing nature of settlements, such as putting bus services into new developments from day one and better provision of orbital routes
- ensuring that bus services are provided as part of wider integrated public transport networks – where each mode can play to its strengths.

Removing on-street competition, or the threat of it, would enable transport authorities to address issues that deter non-bus users from travelling by bus. A study undertaken for Nestrans, together with Aberdeen & Grampian Chamber of Commerce and First Group, in 2015 identified that reducing bus journey times and the perceived cost of travel by bus could generate modal shift from the car.

Franchising of public transport is now the policy norm in Britain and across Europe. Bus services in London and rail services across Great Britain, including ScotRail, are provided in this way.