

TAYSIDE AND CENTRAL SCOTLAND TRANSPORT PARTNERSHIP

11 JUNE 2024

BUS INITIATIVES UPDATE

REPORT BY PROJECT MANAGER

Purpose

This report provides the Partnership with updates on bus initiatives and projects having concluded in the last quarter of 2023/24. The report identifies areas of common interest across projects and proposes the development of an integrated bus strategy.

Summary

A series of initiatives addressing bus development have reported. These consider options as may affect buses arising from the Transport (Scotland) Act 2019; roadway and junction priorities; fares; and an assessment of governance structures at RTP level. The projects provide separate reviews but allow for a more comprehensive assessment when considered together.

The consideration of integrated measures, including common strategic direction, support the aims of the RTS, but may be best delivered where a coordinated approach is adopted.

1 RECOMMENDATIONS

1.1 That the Partnership:

- (i) notes the updates on the bus initiatives provided within the report;
- (ii) notes the continuing development of bus policies at national and local levels;
- (iii) notes the continuing development of bus priority measures as part of an integrated sustainable transport approach on three corridors in Perth and Dundee; and
- (iv) approves the development of a Tactran bus plan, in consultation with the local transport authorities in the region.

2 BACKGROUND

- 2.1 A series of linked bus initiatives and projects have concluded and reported in the last quarter. These include:
- Community Bus Fund (CBF) options from Transport (Scotland) Act 2019
 - Tactran optimal service delivery network
 - Bus Partnership Fund (BPF), urban traffic control (UTC) signal priority
 - Transport Scotland Fair Fares Review (FFR); and
 - RTP leads Develop to Deliver (DTD) report.
- 2.2 These projects provide separate reviews of the public transport market, each with a specific focus; but also allow for a more comprehensive assessment of bus services, and their improvement, where considered together. A further focal point relates to the development of integrated Sustainable Transport Corridors, as reported separately to this meeting, combining bus and active travel prioritisation, which is also considered in relation to bus enhancement.
- 2.3 Initial focus can be derived from Transport (Scotland) Act 2019, which realigned potential bus service provision away from the commercial / supported transport model applied since the Transport Act 1985. The 2019 act introduces a number of additional and alternative governance structures that could be applied to the bus sector. These include:
- New forms of partnership, including BSIP and voluntary partnerships,
 - Franchising,
 - Own account / municipal operation,
 - Fares, data and information opportunities.
- 2.4 Initial consideration of BSIPs was incorporated into BPF projects, including the Tayside, and Forth Valley Bus Alliances; and has subsequently been extended to the FFR, and DTD.
- 2.5 Further funding was made available via the CBF, targeted at projects investigating the application of new powers. Tactran was awarded a pathfinder project under the CBF.
- 2.6 Input and support to the projects has been provided by the Partnership and by the Tayside Bus Alliance (TBA), ensuring direct input to areas of specialist interest and focused application.
- 2.7 The presence of the new powers has created an impetus supporting bus service review. The BPF project was developed to support bus prioritisation, as a method of enhancing service attractiveness, passenger mode split, and commercial viability as a result. While the fund was paused at the end of March 2024, bus prioritisation through the UTC system was approved for the Tayside Bus Alliance project and has been implemented in the period to date. The system has been set up and is in the process of being made operational. Further updates should test and demonstrate the effectiveness of the system in achieving bus related benefits. Other aspects of the BPF project are also

continuing, notably the development of three corridors: the Dunkeld Road in Perth, the Lochee and Arbroath Roads, in Dundee, as integrated sustainable transport corridors.

- 2.8 Integration of sustainable modes is a logical outcome across both active travel and public transport modes. As both active and public modes seek to reduce more harmful transport use, their overarching purpose(s) are closely aligned, while their implementation on street benefits significantly from the collaborative consideration and coordinated design. The combination and integration of both bus and active travel design phases for the three sustainable corridors is reported in a separate report to this meeting.
- 2.9 The CBF pathfinder project further explores strategic bus development, specific to the Tactran region, and the related DTD document as applied to RTPs more generally. The CBF project proposing five possible pathways focused on outcomes, each discussed below.
- 2.10 Parallel analyses include the FFR, which develops approaches in the short and medium terms for ticket pricing across public transport networks in Scotland, including for buses in the Tactran region. The report proposes a number of fare options, including flat fare zones, and the consideration of reconvening a transport governance review, alongside a national forum on the future of the Public Transport system; smart ticketing, and integrated ticketing. Each element having an interaction with the regional and strategic RTP development of bus services and their governance. Wider aspects of the FFR will also impact in bus use and its delivery, including options to rebalance cost of travel, and address the cost of motoring relative to public transport needs.
- 2.11 The combination of information, data, and findings from the linked bus initiatives support the development of a Tactran bus strategy. Any such strategy would necessarily require significant input from local transport authorities, operators, and the wider bus alliances, but would result in an integrated strategic approach to the development of bus services in the region.

3 DISCUSSION

- 3.1 The following sections discuss the related studies described above as they apply to the development of the bus market, including links and parallels between the studies.

Community Bus Fund (CBF) – Pathfinder project

- 3.2 Derek Halden Consulting (DHC) was engaged to undertake a pathfinder study for Tactran. The work commenced at the end of November 2023, as reported at the Partnership meeting on 12 March 2024 (RTP/24/05 refers). A draft final report was received on 31 March 2024, which provided a review of market conditions, options, and approaches to new powers as may be applied across the Tactran region.

- 3.3 The report considers the significance of buses, which it states are the most prevalent form of public transport in the Tactran region. This said, the study notes that bus use has been in decline for a significant period. A continued downward trend visible from the 1960s to date. Despite (limited) periods of recovery associated with the introduction of the Scottish Concessionary Transport Scheme, and again with its extension to under 22s more recently, the trend continues to be a significant decline in bus use. The report includes tabulation of support and income revenues, underlining the significance of subvention and concessionary fares to the financial wellbeing of the industry. Other funding support mechanisms are also assessed, including community (social) funding, corporate investment, and local development funds, as a part of the granting of building permits. Declines in route subvention funding may be offset, in part, by increased concessionary travel, though discrepancies between popular and low demand routes are likely to follow.
- 3.4 Bus services are likely to be associated with 'local' transport, though this does not necessarily coincide with existing local authority boundaries, specifically where bus services operate from wider travel to work areas, and for medium and longer distance services across the Tactran region. Bus services should also be taken to include paratransit services, as may include Community Transport, DRT, MaaS, Taxi, and Transportation Network Companies (TNCs), app based dispatched services including Uber, Bolt, and similar. Each paratransit option offering a potentially viable element in an integrated transport network.
- 3.5 DHC conclude a need for substantial redesign of bus markets, noting that to provide an optimal outcome this would also require changes to other parts of the transport system. Redesign of the bus market would also require identification of value gains, and a willingness to pay.
- 3.6 The report concluded that a commercial approach was beneficial to the market, including that local own account service be provided on the basis of fully commercial operations, even where operated by authority own account bus companies (where developed).
- 3.7 Operational scenarios, which consider the impacts of the new powers are set out in within the DHC report, though their individual application would need to follow further consideration of delivery pathways by location. The DHC report proposes nine policy ambitions: integration with other modes; comprehensive public transport coverage; improved bus journey times; improved safety and reliability; competitive pricing; further contributions to net zero (emissions); door to door booking and payment; contribution to connected places; and integration of public and agency bus services.
- 3.8 The DHC report also includes 11 steps in the implementation of bus networks:
- Decentralised tiers of government to take lead role;
 - Risk of too much decentralisation, admin boundaries do not match travel areas, mismatch between local, regional, and national;
 - System design to ensure competitive market for contracts exists;

- Concessions should not be too large;
- Operation should be separated from infrastructure including vehicles and depots;
- Standards performance need be effective and meet public expectations for growth;
- Transparency;
- Integration, reliability;
- Link across modes including MaaS, TNC, rail;
- Actively avoid market failure; and
- Actively avoid authority bias (regulatory capture).

Bus Partnership Fund (BPF) – Urban Traffic Control (UTC) bus prioritisation

- 3.9 The submission of the Tayside Bus Alliance Strategic Business Case (SBC), reported at the Partnership meeting 13 June 2023 (RTP/23/15 refers), included a number of quick wins submitted as requests for early implementation to the Transport Scotland gateway review.
- 3.10 Approval was given to the TBA to deliver the early interventions in Perth and in Dundee as enhancements to the existing UTC systems in those cities, with system implementation required to be completed by the 31 March 2024.
- 3.11 The proposed system enhancement provides bus priority through signalised junctions in both cities, focused on the corridors already identified as being appropriate for bus priority infrastructure in the SBC submission made previously. Key facets of the project were identified in agreement with the local authorities - the operators of (separate) UTC systems in Perth and Dundee; the system supplier, Yunex; bus operators and their on-board equipment suppliers.
- 3.12 All bus operators were made aware of the project and were invited to participate. At the time of writing Stagecoach East Scotland, Xplore Dundee, and Ember bus have actively engaged with the project. Both Scottish Citylink and Flixbus (both longer distance coaching companies) are also aware of the system but have chosen not to join prior to upgrading their own equipment. Other bus operators are aware of the initiative and may join at a later date.
- 3.13 Installation work was undertaken over the last two quarters of financial year 2023/24, with all necessary work now complete. An operationalisation period is underway, primarily focused on the application of in vehicle systems, as well as the identification of baseline operational data to be used in the monitoring and evaluation of the project.
- 3.14 It is anticipated that the operation of the system will provide an example of good practice in bus prioritisation and allow for the testing and fine-tuning of the system to reflect local conditions and optimal throughput.

Transport Scotland Fair Fares Review (FFR)

- 3.15 TS has undertaken a review of public transport fares across Scotland, reporting at the end of March 2024. The report was commissioned to *‘ensure a sustainable and integrated approach to public transport fares’...’to look at the range of discounts and concessionary schemes which are available on all modes’, and to ‘consider options against a background where the costs of car travel are declining and public transport costs are increasing, exacerbating the impact on those living in poverty.’*
- 3.16 The report concludes by setting out a series of options, here highlighted as those affecting bus use that include:
- Action 1 (bus):
 - A bus flat fares pilot for an area-based scheme to provide flat fares on bus travel, or reduced fares on zonal integrated travel for consideration in future budgets.
 - Policies that allow the continuation of free bus travel to asylum seekers.
 - The expansion of concessionary travel to people with substance dependency
 - Action 2 (concessions on other modes)
 - Action 3 (rail)
 - Increased sales of intermodal tickets [to/from rail and bus]
 - Action 4 (ferries)
 - Retaining Road Equivalent Tariff (RET), including a review of formula applied
 - Action 5 (governance)
 - Transport Governance Review (recommenced) - identifying changes to support improved public transport.
 - (Consider) National Forum on the Future of Public Transport: quality, accessible, available and affordable integrated public transport system.
 - National Smart Ticketing Advisory Board - development of smart ticketing in Scotland
 - Action 6 (fares and ticketing)
 - Options and business case for nation / regional integrated ticket and fare structure
 - Refresh Smart & Integrated Ticketing Strategy Delivery Plan
 - Action 7 (rebalance cost of travel)
 - Address cost of motoring relative to public transport needs. Integrate desire to make sustainable transport more attractive into roadmap for 20% car km reduction.
 - Action 8 (Improve efficiency and integration)
 - Develop a Bus Service Improvement Plan and delivery framework (over next 18 months)

- Action 9 (Concessionary travel)
 - Notwithstanding maintaining current beneficiaries, develop future policy to better target concessions to those who need it most.

- 3.17 The review concludes that it would not extend National Concessionary Travel Schemes (NCTS) to community transport because: these services are often not open to the general public, many do not charge a “fare” in the traditional sense, and the NCTS could fundamentally change the nature of community transport in Scotland. It also concluded that it would not introduce a financial cap for journeys that can be made under NCTS because it would be operationally complex to deliver, difficult to understand and manage for users, and scored poorly against all objectives.

- 3.18 The review reviewed and rejected further options for the NCTS, as options not being progressed including: extension to ferry, light rail, and subway (although the individual local authorities could, and do, provide free travel for tram / subway to their residents); extension to rail services; increase young persons age to 26; extend to include carers; link to half price travel for some groups; introduce an annual fee for the use of NCTS; remove peak hour use; and introducing flat fare for NCTS use.

- 3.19 The Transport Scotland review also noted from their international comparisons that:
 - Most countries had a public transport planning authority that brings together a range of public and private operators to provide integrated timetabling and ticketing across all modes of public transport.
 - There was a general absence of universal schemes providing access to free public transport to those meeting age related criteria. Instead, the trend is for concessionary schemes that provide discounted fares for all modes of public transport for a wider range of people (age related, unemployed, low income, student, asylum seeker).

Governance Structure

- 3.20 While completed separately, several of the initiatives (above) consider the governance structures applied to buses, the public transport sector more widely, and the authorities that support these.

- 3.21 CBF analyses were predicated on the opportunities made possible by Transport (Scotland) Act 2019, while the Fair Fares review (action 5) recommends the recommencement of a Scotland-wide transport governance review. The DHC report, completed for Tactran, also considers the spatial scale of decision making, citing, as a desirable outcome, governance scale that is neither too great for local and regional contexts to be lost, nor too small for connectivity and natural travel patterns to be overlooked, including travel to work areas that extend beyond city boundaries.

- 3.22 Both the CBF study and the governance review recommendation contained within the FFR refer to benefits of an update to governance structure, while the RTP leads DTD report, and the underlying RTP models, reflect operation aspects of their delivery.

Develop to Deliver (DTD)

- 3.23 A separate, but related, analysis completed by the RTP leads, the Develop to Deliver paper, also looked at the potential role of RTPs in delivering policy and improvements, as part of the governance of public transport.

- 3.24 The review addresses RTP roles, setting out a series of issues, here highlighted as those affecting bus services that include:

- Emerging issues
 - Transport (Scotland) Act 2019
 - Strategic Transport Projects Review 2 (STPR2)
 - Climate Change Plan update
 - Active Travel Transformation Programme (where integrated with bus)
- Governance
 - Roles in delivering greater integration of the transport network
 - Reducing fragmented governance
 - Providing flexibility in cross boundary issues (scale not defined)
 - Provide a whole system approach to transport
- Active Travel
 - Coordination of Active Travel Transformation Programme (ATTP) / Active Travel Transformation Fund (ATTF) (integrated where possible / appropriate), delivery prioritisation. Successor programme Active Travel Infrastructure Fund (ATIF)
 - Practical support to local authorities, including development of business cases and development of proposals
 - Link and combine authorities into larger collective submissions under ATTF/ATIF
- Affordability
 - Contribute to FFR to promote affordability of public transport, including bus
 - Work with Local Transport Authorities (LTAs), and bus operators to develop BSIPs
- Land use and transport planning integration
- Access to health care

- Single body to coordinate transport modes available and accessible
- Planning for accessible (bus) vehicles, routes, and bus stops
- Ferry and Island connectivity
- Freight
- Climate change
 - Increase in sustainable public transport to lower emissions
 - Promote and invest in sustainable public transport
 - RTP role as bridge between LTAs and operators
- Aviation

RTP structure

- 3.25 Allied to the concept of governance structure, and the DTD report, RTPs have the legislated option to adopt one of three 'models', with agreement from their local authority(ies). Each of the three models reflect progressive levels of engagement and delivery, with model 3 RTPs, including the Strathclyde Partnership for Transport, taking the role of an LTA, and being directly involved in transport operations provision. This invites a question of the (most appropriate) relationships between local authorities, i.e. cities, conurbations, counties and regional authorities.
- 3.26 The DTD report highlights the role of the RTPs in the delivery of integrated multi-modal transport solutions, through regional strategies and specific interventions. These vary across RTPs reflecting the scale and geographical area of the RTP and model adopted. The DTD report further suggests additional value would arise from coordinated improvements to stimulate passenger growth and modal shift (away from less sustainable modes of transport). The development of which might arise from an enhanced and expanded role for the RTPs, taking account of changing contexts including: a cost-of-living crisis and continuing decline in bus patronage.
- 3.27 DTD also highlights the potential opportunities created by Transport (Scotland) Act 2019 to tackle the decline in bus patronage, promoting integrated ticketing (FFR proposes integrated ticketing pilots), and support for bus partnerships (the BSIP model being popular across most of the studies discussed). Equally the role of and availability for funding is discussed in most of the analyses, including the role of RTPs in how investment is distributed, but it remains visible that funds have been targeted into specific mode oriented 'silos', creating a barrier to some multi-modal and integrative aspirations stated above.

- 3.28 Continuing challenges are likely to remain in that parallel studies contain significant areas of overlap without (sufficient) coordination. Equally contextual understanding and impacts are re-assessed repeatedly (duplication), and often on a limited base (reducing integration), despite a desire (DTD) to establish 'whole system' approaches, integrated transport options (FFR), and coordinated systems (CBF)
- 3.29 Benefit arises from the combination and integration of the separate strands, described above, into a single bus plan as part of the RTS development. A proposed structure for a combined bus strategy is under development.

4 CONSULTATIONS

- 4.1 The report has been prepared in consultation with the relevant Local Authority transport officers.

5 RESOURCE IMPLICATIONS

- 5.1 The work reported falls within grant allocations as awarded to the Alliances (BPF), and Tactran (CBF).

6 EQUALITIES IMPLICATIONS

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

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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 this Report:

Report to Partnership RTP/23/15, Directors Report, 13 June 2023

Report to Partnership, RTP/24/05, Bus Initiatives Update, 12 March 2024