

EAST AYRSHIRE COUNCIL

DEVELOPMENT SERVICES COMMITTEE: 16 DECEMBER 2003

SCOTLAND'S TRANSPORT – CONSULTATION BY THE SCOTTISH EXECUTIVE

Report by the Director of Development Services

1 PURPOSE OF REPORT

- 1.1** To recommend a response by the Council to a consultation report from the Scottish Executive on proposals for a new approach to transport in Scotland.

2 BACKGROUND

- 2.1** At its meeting of 25 June 2003 the Committee considered a proposal to set up a Strategic Transport Authority in Scotland which was contained in the policy statement "A Partnership for a Better Scotland" published by the Executive following the last election. It was agreed that the Council should not support the proposed establishment of a Strategic Transport Authority. The Committee's concerns were about democratic accountability of the proposed organisation and lack of clarity about its proposed role in particular the possible implications for a reduction in the current responsibilities of the SPT and local authorities and the potential to undermine effective transport strategy at the regional and local levels.
- 2.2** Since then the Executive has further developed its proposals which are now the subject of formal consultation with a response date of 17 December 2003.
- 2.3** Responses are also being drawn up by CoSLA, WESTRANS, and the SPT (which is also consulting Councils in the course of drawing up a response). The responses emerging from these other bodies are broadly consistent. It will not be possible to submit each of these responses to the Committee for consideration. But the response proposed in this report on behalf of East Ayrshire Council is likely to be broadly consistent with the responses being prepared by the collective bodies and it is accordingly recommended the Council should give support to these collective responses to the extent that they are consistent with the Council's own response.

3 OUTLINE OF PROPOSALS

- 3.1** The consultation document contains two distinct, although related proposals. It is proposed to establish a new national agency with the suggested name of Transport Scotland. It is also proposed that in parallel the regional transport bodies which have been established in recent years should be reconfigured

and established on a legal footing which would enable them to become key agencies of strategic transport planning and programme implementation. Although the second proposal is presented as a matter for the constituent local authorities to consider it is clear that the Scottish Executive view regional bodies as an integral component of the strategic transport planning and implementation arrangements which they intend to establish for Scotland and that neither the principle of establishing a National Transport Agency or effective regional organisations is essentially open to debate. The consultation report focuses instead on the powers, responsibilities, and format of both the national and regional organisations. On these questions the report is open ended to the point of containing very little in the way of precise proposals.

3.2 A central driver of the proposals is a concern that recent commitments to spend substantially more funds on major transport infrastructure projects should be converted into a step change in the quality of Scotland's infrastructure, particularly public transport infrastructure. The core task for the national body is proposed as:

- To ensure the construction of the major new projects on which the first phase of our transport planning is centred.

The second central principle is that a national agency is needed to ensure effective integration in the operations of public transport services and integration with the development of the national road network, including responsibility for management of major transport assets. The report also sets out a number of delivery principles for the national agency: the ability to harness the private sector, a focus on the users of transport services, and a commitment to integration, social justice and sustainable development. Beyond this the consultation report declares that the Executive has "an open mind on any transfer of powers".

3.3 In relation to the format of the proposed new agency the report sets out a clear preference for establishing an Executive Agency reporting directly to the Minister. This is described as "at heart a ringfencing of part of the existing Civil Service support to Ministers set up in a way, including the financial regime, carefully adjusted to the specific nature of the task." It would also have advantages over other formats such as a new non-departmental body in that no legislation would be required and that full accountability to Scottish Ministers through the Minister for Transport would be retained.

3.4 In relation to regional transport organisations the report essentially encourages consideration of establishing these as formal legal entities capable of undertaking integrated strategic transport planning and managing significant funds for new transport projects. The report reviews the options, principally establishment of joint committees or joint boards under Local Government legislation. The difference is that joint committees are voluntary associations of local authorities which generally depend on a consensual approach, and which individual authorities can choose to leave. Budgets are also generally subject to joint agreement of the constituent local authorities,

although they are typically determined by a formula allocation of costs written into the constitution of the committee. In contrast joint boards once established are, in effect, independent organisations. Although they may be formed by representatives nominated by local authorities the representatives cannot be mandated by individual authorities. Budgets will normally be determined by a levy on local authorities over which the individual authorities have no direct influence.

- 3.5** Within the West of Scotland WESTRANS is established as a joint committee. The SPT, although established under separate legislation, is in effect the equivalent of a joint board. The issue which requires to be addressed for the West of Scotland is whether these two organisations should be formally integrated and, if so, how.
- 3.6** It may be noted that elsewhere in Scotland the regional transport partnerships which have been established currently are voluntary partnerships. The establishment of joint committees or executive boards would be a significantly greater change for other parts of Scotland. Perth, Dundee and Angus are not currently members of any regional partnership.
- 3.7** The authorities in the West of Scotland are also invited to review the geographic coverage of the current bodies or a new integrated body. Currently WESTRANS includes the former Strathclyde Regional Council area plus Dumfries & Galloway (which has recently joined). The SPT covers an area slightly smaller than the former Strathclyde Regional Council area, although it is acting as an agent for the procurement of transport services throughout the former Regional Council area.
- 3.8** The consultation report suggests that one option could be the establishment of a separate regional transport body for Dumfries & Galloway and Ayrshire with a more tightly focused regional body for the Clydeside conurbation centred on Glasgow. Other options which have been suggested in discussions with other offices from the West of Scotland include a smaller reduction of the current WESTRANS area to exclude Dumfries & Galloway and the "Highlands" parts of Argyll & Bute, and a new Central Scotland regional authority which would extend from Glasgow to Edinburgh, but which would exclude Ayrshire and Dumfries & Galloway.
- 3.9** The consultation report contains no specific suggestions about the split of responsibilities between local authorities and regional partnerships although it does emphasise that local authorities should continue to have a major role in the delivery of local transport projects and roads maintenance. Given that in the West of Scotland we already have a recognition of the need for regional transport plans to complement local transport strategies, and a regional body managing the procurement of public transport services the main issue which requires to be reviewed is whether the management of some components of the strategic road network should be transferred to a regional body. There have also been suggestions that the regional transport body might take over responsibility for some or all of the road network from the Scottish Executive, although this is not explicitly put forward within the consultation report.

3.10 Again, the issue of the relative balance of responsibilities between the regional organisations and local authorities is a more significant issue for other parts of Scotland where local authorities currently operate their own concessionary travel schemes and supported bus network.

4 GENERAL PRINCIPLES

4.1 It is suggested that the Council's response should support a number of key principles:

- Clarity in the value added by each tier in the proposed hierarchy (the principle of 'subsidiarity')
- Democratic accountability at each level in the hierarchy
- Clarity in transport strategy at all levels
- Assigning functions to the levels at which transport systems can be effectively integrated with each other and with land use planning and economic development
- Assigning functions to the level at which effective partnerships can be established with other stakeholders and community planning partners
- Building on strong components within existing arrangements
- Retaining and building up existing skills and expertise

4.2 These principles need to be applied to the key transport activities:

- Transport policy and strategy
- Public transport support
- Public transport co-ordination – through ticketing, information
- Concessionary fares
- Public transport infrastructure
- Road management and road safety
- Implementation of improvement projects

4.3 Transport Policy and Strategy: Most transport trips (both personal and business) are local. Effective integration of transport with land use planning and economic development also requires integration at the level of specific projects and in the localities within which businesses operate. Local transport policy and strategy must continue to play a fundamental role in shaping the

development of transport systems. The regional and national levels in the hierarchy should be limited to functions which add value to these local transport planning processes. Essentially this needs to be achieved by linking locally driven transport developments into regional, national and international networks. Key issues to which a regional and national level of policy and strategy can add value include:

- Management of transport to and from major urban centres and between smaller urban centres including the possible development of congestion charging
- Effective regional and national road networks
- Integrated rail planning for both passengers and freight
- Integration of national policy with the Framework for Economic development and the national Spatial Planning Framework
- The development of effective international communications by road, rail, air and sea

Many of these “value added” functions can be performed satisfactorily at a regional level. At the national level policy and strategy should be outward looking and seek to influence UK and European transport policy and development.

4.4 Public Transport Support – Railways: The support for the railway system is currently reserved to the UK level, although the Scottish Executive has an executive role in relation to freight transport support and is consulted on passenger rail franchising in Scotland. The SPT has a statutory role in relation to rail franchising and has a legal entitlement to be a party in franchising agreements affecting its area. This arrangement has worked reasonably satisfactorily. The SPT’s direct involvement has made it possible to ensure that the effective functioning of the Glasgow suburban rail network is maintained in the context of the national rail system and that the suburban rail network is developed in the context of an integrated strategy for the Glasgow conurbation and the surrounding areas including Ayrshire. There appears to be no strong reason for changing this arrangement unless the Scottish Executive secure a greater level of devolved responsibility for rail franchising and infrastructure development from the Strategic Rail Authority.

4.5 Support for Public Transport – Buses: Subsidies for bus services fall within the remit of local authorities, except that within the SPT area this statutory power rests with the Passenger Transport Authority (if this were to be wound up the power would revert to the local authorities within the area). Again, the system works satisfactorily within the West of Scotland. (This is an area where there is greatest interest elsewhere in Scotland in a greater degree of collaboration amongst authorities). The role for a national agency is limited, although there may be a case for public support for some inter-

regional services particularly serving locations not well served by the national rail network.

- 4.6** The principal limitations in developing bus services are financial and regulatory. Improvements require reconsideration of the regulatory framework to permit limited “franchising” of routes within local bus networks. If such changes are achieved it is likely that implementation would be most appropriate within regional, or in some areas more local geographical areas.
- 4.7 Public Transport Co-ordination:** Scotland lags behind continental countries in providing through ticketing for single journeys involving change between different modes of transport. This is an essential feature of an effective integrated transport system. The introduction of through ticketing will require greater co-operation between public transport operators, and possibly some change in the regulatory framework. Again through ticketing will be of value to the widest number of passengers for trips across urban areas or between local centres. The most realistic prospect of achieving through ticketing systems is likely to be based on the regional tier. It may be possible to envisage a system in which regional through tickets are available which provide limited additional benefits for longer distance national trips, as in some continental countries.
- 4.8** Similar considerations apply to improved information systems. Although there has been a rapid increase in the use of Internet based national information systems, timetable and other information at the point of delivery including bus stops will continue to be of greatest value to the majority of passengers. This cannot effectively be delivered at the local level without the close involvement of local authorities.
- 4.9 Concessionary Fares:** The powers to operate concessionary fares schemes currently lie with local authorities. In the former Strathclyde area the Strathclyde Concessionary Fares Scheme is operated by a Joint Committee (with management input from the SPT and the City of Glasgow Council). With the introduction of a national standard, however, together with a commitment to funding by the Scottish Executive for this national standard, policy has become national. In this context financing through local authorities could potentially give rise to inequities. It would appear that little would be lost were the policy and overall management of the concessionary fares scheme to be centralised with a national agency, although it will require to work closely with the bodies involved in supporting bus services and rail franchising.
- 4.10 Public Transport Infrastructure:** Public transport infrastructure is currently managed at all levels, and is split between the public sector and private operators. Arguably this is one of the most fundamental and least integrated features of the overall system. There are clearly roles for local authorities: bus stops and bus shelters, bus quality corridors and bus stations (where these are not under private operation or nodes within the regional or national networks). There are also clearly a number of regional facilities such as major bus stations and significant interchange facilities. Within the former Strathclyde area these are currently managed by the SPT. Some of the

highest profile public transport infrastructure facilities are, however, national or international. These include the airports, the major rail stations, the rail network, the motorway and principal trunk route network and major ports. Policy relating to many of these facilities is reserved to Westminster, although the Scottish Executive is consulted on many aspects. There is a strong case for Transport Scotland to seek a higher profile role in relation to the development of these facilities.

- 4.11 Road Management and Road Safety:** There are no suggestions in the consultation report that local road management and road safety programmes should be transferred from local authorities. At the other end of the spectrum the motorway and principal trunk road network forms a backbone of the national and international transport system and should probably remain under national level management. There may, however, be a case for some regionally strategic routes to be managed by the proposed regional bodies. This could include parts of the trunk road network such as the A76, A737 and A78 in Ayrshire (the A77 should probably be considered to form part of the national network). A West of Scotland transport framework would be more likely to recognise the importance of an east-west arterial route linking Ayrshire to the M74 and the East of Scotland. There would be a case for including the A70 and the A71 in a strategic regional roads network. The advantage of this will depend on potential funding support. But it is already clear that the Scottish Executive intends to make available significant funding for regionally significant transport projects through the regional bodies.
- 4.12 Implementation of Improvement Projects:** The Scottish Executive has a concern about the ability of existing local and regional bodies to undertake very large transport projects. These entail a high level of financial risk and require significant resources for preparatory work and supervision of contracts. The evidence of failure is, however, unclear. Over the years the SPT has managed major projects and East Renfrewshire Council is managing the large contract for the M77 and GSO. It is far from clear that the regional bodies and in some cases local authorities are not capable of managing large scale projects. There may, however, be a case for drawing in Transport Scotland to managing some key large scale projects particularly when they involve more than one regional area or collaboration with national transport undertakings.
- 4.13** It is also understood that the Scottish Executive has been disappointed about the take up by many local authorities of funding for public transport initiatives through the Public Transport Fund. It would appear that few authorities have developed comprehensive Public Transport Fund programmes as has been rolled out within East Ayrshire (see separate item on this agenda). The proposed regional bodies may be able to give greater impetus to local authorities in developing such initiatives in the future.

5 GEOGRAPHICAL SCOPE FOR A REGIONAL BODY IN THE WEST OF SCOTLAND

- 5.1** As noted above at para 3.8 the Scottish Executive have suggested that the West of Scotland might be served by more than one regional body, with Ayrshire separate from the Clydeside conurbation and linked to Dumfries & Galloway.
- 5.2** Currently the Ayrshire authorities and Dumfries & Galloway are members of WESTRANS, but the Ayrshire authorities also collaborate on transport policy for Ayrshire through the Ayrshire Joint Structure Plan and Transportation Joint Committee and the Ayrshire Economic Forum. Transport forms a major component of the development strategy recently adopted by the Ayrshire Economic Forum.
- 5.3** These existing partnerships would provide the basis for an Ayrshire regional transport body probably linked with Dumfries & Galloway. Such a body would have potentially direct access to strategic transport funds allocated to regional projects by the Scottish Executive. But continued participation in WESTRANS would have other, arguably greater, advantages. It would offer direct participation in framing future transport strategy for the conurbation. Key projects such as Glasgow cross rail, the links to Glasgow Airport, the development of Glasgow Central Station, the introduction of park and ride schemes (both bus and rail), the continued development of the suburban rail network and the possibility of congestion charging at some stage in the future are all issues of direct significance to Ayrshire. Continued membership of WESTRANS would also give Ayrshire authorities access to a much larger fund for regionally significant transport projects.
- 5.4** It is considered that continued participation in WESTRANS would be to the advantage of the Ayrshire authorities, so long as there is continued recognition of the value of collaboration on transport planning at the Ayrshire level under the auspices of the Structure Plan Joint Committee and the Ayrshire Economic Forum.

6 FORMAT OF THE REGIONAL BODY FOR THE WEST OF SCOTLAND

- 6.1** If the allocation of responsibilities at the local, regional and national levels as outlined in the preceding sections is accepted there would be no clear reason for disbanding the current SPT. The current arrangements for regional transport planning, however, which involve both WESTRANS and the SPT require to be reinforced and better integrated. There are a number of models which could be used. SPT could be reconstructed (which will require legislation) to become a strategic transport planning and management authority as a joint board absorbing WESTRANS. Alternatively a new joint board could be established which drew together the powers of WESTRANS and the SPT. A third model might be to retain WESTRANS as a joint committee, with executive units for public transport, roads and other functions as might be required reporting to it. The success of this last arrangement

would depend on clear protocols setting out the roles of the joint committee and its subsidiary executive agencies – the executive agencies would require a degree of operational autonomy to be effective in a management role.

- 6.2** In practice funding for transport projects beyond local road improvements and road safety initiatives and funding for supported bus services has been controlled entirely by the Scottish Executive. This includes funding for rail support, major transport projects through the integrated transport fund, funding for Public Transport Fund supported projects, and funding for the national concessionary fares scheme. The framework for future funding which the Executive appears to be envisaging is allocations of funding for regionally significant transport projects through the regional bodies. This approach to funding would be essential to make the proposed hierarchy of transport management effective. It would represent a significant improvement over current arrangements. It will be important to ensure that the format of future regional bodies is appropriate to the management of a substantial fund for regionally significant projects. The three general formats outlined in the previous paragraph would all have the capacity to manage funds in this way.

7 FUNDING

- 7.1** The framework for future funding which the Executive appears to be envisaging is allocations of funding for regionally significant transport projects through the regional bodies. This approach to funding would be essential to make the proposed hierarchy of transport management effective. It would represent a significant improvement over current arrangements.
- 7.2** It will be important to ensure that the format of future regional bodies is appropriate to the management of a substantial fund for regionally significant projects. The three general formats outlined in the previous paragraph would all have the capacity to manage funds in this way.
- 7.3** Funding for regionally significant projects should be through S75 capital grants under the Local Government in Scotland Act 2003, and revenue allocation for national and regional trunk road maintenance. Current funding arrangements for local transport projects and road maintenance should be maintained at current levels.

8 SUMMARY – RESPONSE TO CONSULTATION QUESTIONS

- 8.1 Q1: We seek views on the overall aims for a new national transport body**

A new national transport body should aim to add value to strengthened local authorities and regional organisations. It should not undertake functions which can be more effectively managed at local and regional levels. In practice the focus of its activities should be on: developing and implementing national policy and strategy for all transport modes and policy and management of nationally significant transport assets (airports, the rail network, the principal trunk road network, international

ports and nationally significant transport interchanges). It should seek greater involvement in national transport policy which is currently reserved to Westminster, and a direct involvement in the development of European transport policy.

8.2 Q2: We would welcome comments on the best way of widening public involvement in the planning of public services in Scotland

Public involvement can best be achieved at the level of local authorities in the context of Community Planning. This should be complemented by the development of close collaboration between regional and national agencies and regional and national transport operators and other stakeholders.

8.3 Q3: We have an open mind at present on any transfer of powers but would welcome views on whether changes should be made to the existing balance

The broad current balance should be maintained. Specific changes which might be considered include:

- *Further devolution of strategic planning powers currently reserved to Westminster, in particular powers to promote new railways and tramways and direct responsibility over the rail, airport and international port facilities in Scotland*
- *Devolving responsibility for regionally significant trunk roads to the regional bodies, combined with incorporating some current local authority roads within this regional hierarchy (subject to adequate funding)*
- *Continued development of national concessionary fares policy jointly with regional transport bodies*
- *Continued development of national schemes for public transport through ticketing and information services to complement through ticketing and information services developed by the regional bodies*

8.4 Q4: We would welcome views on the management framework options for regional partnerships

See para 6.1 above. The precise format of future regional organisations in the West of Scotland should be subject to further debate amongst the local authorities within the region.

8.5 Q5: We welcome comments on the future of SPT and the challenge of delivering integrated transport in the West of Scotland, particularly if the regional partnerships are established in Scotland

See paragraphs 6.1 above. It is essential that development of improved integration in transport planning in the West of Scotland does not compromise the current capability of the SPT to develop policy and programmes for public transport services.

8.6 Q6: We invite views on the appropriate number and geographical extent of regional partnerships

For the reasons set out at paragraph 5.3 above it is recommended that the Ayrshire authorities should remain part of the WESTRANS and SPT areas, although they should continue to seek recognition of the value of close collaboration on Ayrshire transport development through the Ayrshire Joint Structure Plan and Transport Committee and the Ayrshire Economic Forum. The opportunity should be taken to align the boundaries of the SPT are fully with those of the authority areas covered by WESTRANS (excluding Dumfries and Galloway).

8.7 Q7: We will welcome views on the options for resourcing effective regional partnerships, recognising that the preferred method will be informed by what model of regional partnership is chosen

- *Funding for local transport initiatives and road safety programmes should continue to be provided through general local authority funding.*
- *It will be essential for the success of the proposed transport structure for the regional transport partnerships to be allocated significant funds for strategic transport initiatives through Section 70 grant over and above the funding made available through local authorities for local transport schemes. These funds should be made available both for projects implemented by the regional partnerships and for projects implemented by local authorities which contribute to the regional transport strategy.*
- *There would be advantages in funds currently provided for public transport programmes managed by the SPT to be taken out of the levy on local authorities and provided direct by the Scottish Executive.*
- *The levy on local authorities, or the contribution to the costs of running a joint committee or joint board should be limited to the costs of administration and strategic policy development.*

9 FINANCIAL AND LEGAL IMPLICATIONS

- 9.1** There are no financial or legal implications arising directly from the recommendations on this report.

10 RECOMMENDATION

10.1 It is recommended that the Committee:

- (a) endorse this report as the Council's submission to the Scottish Executive's Consultation Document: "Scotland's Transport";
- (b) authorise the Director in consultation with the chair to endorse responses by CoSLA, WESTRANS and the SPT in so far as they are consistent with the response set out in this report.

Stephen Chorley
Director of Development Services
1 December 2003
SC/JR

BACKGROUND PAPERS

Consultation Report: Proposals for a New Approach to Transport in Scotland.

For further information on the content of the report, contact Stephen Chorley,
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