

# Edinburgh and South East Scotland City Region Deal Joint Committee Report

**10 am, Friday 3 September 2021**

## **ESESCR Deal Bus Partnership Fund Award: Funding Announcement and Next Steps**

**Item number 5.2**

### **Executive Summary**

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The Joint Committee approved a report on 5 March 2021 which authorised the Transport Appraisal Board to prepare a collective South East of Scotland regional bid for submission to Transport Scotland's Bus Partnership Fund (BPF), subject to agreement by the six individual Councils. The bid preparation was led by City of Edinburgh Council officers, supported by the consultants Jacobs, in collaboration with the constituent authorities of the City Region, Clackmannanshire and Falkirk, with input from SEStran and key bus operators. The £204m BPF bid was submitted on 16 April. On 22 June, ESESCR Deal were informed that it had been awarded £3.03m.

This initial tranche of funding is for the delivery of quick win measures and appraisal work to support local transport authorities towards developing business cases which will detail how the investment will achieve strategic objectives; at both the national and local levels. The aim is that the award will fund the development and delivery of projects that reduce the negative impacts of congestion on bus services and increase bus modal share. The funding award is to be supported by other action and investment by the partners (i.e. match in kind).

Further funding is expected to be released by Transport Scotland following the delivery of the initial appraisal work and the successful progression of an associated gateway review process. An element of this gateway process will be evidence of partnership working. One of the key requirements of the award offer is that bidders work towards Bus Service Improvement Partnership (BSIP) status, as defined by the Transport (Scotland) Act 2019.

Quick win measures include plans to make permanent some of the temporary infrastructure brought forward through the Bus Priority Rapid Deployment Fund, subject to due process.

This report provides more detailed background on both BPF and BSIPs and suggests recommendations to the Joint Committee on the next stages for the advancement of the

BPF and BSIP arrangements. These recommendations will then require ratification by the constituent local councils, and subsequent agreement will be required with other partners such as SEStran and bus operators.

**Grace Vickers**

Chair, ESESCR Deal Transport Appraisal Board

Contacts:

Graeme Malcolm, Roads & Transportation, West Lothian Council.

[Graeme.malcolm@westlothian.gov.uk](mailto:Graeme.malcolm@westlothian.gov.uk)

Jamie Robertson, Strategic Transport Planning and Project Development Manager, The City of Edinburgh. [Jamie.Robertson@edinburgh.gov.uk](mailto:Jamie.Robertson@edinburgh.gov.uk)

## **ESESCR Deal Transport Appraisal Board bid into the Bus Partnership Fund**

### **Recommendations**

- 1.1 To note the recent Bus Partnership Fund award of £3.03 million to ESESCR Deal from Transport Scotland.
- 1.2 To recognise the efforts of the constituent authorities, SEStran, key bus operators and the consultants in contributing to the development and submission of the funding bid, all within a tight time-scale and during Covid-19 pandemic restrictions.
- 1.3 To note that a short life BPF / BSIP sub-group will be established to support the Transport Advisory Board with the associated work-streams moving forward. In addition to local authority / SEStran representatives this sub-group will seek as far as possible direct participation from public transport operators. The purpose of the sub-group will be to recommend governance arrangements for a stand-alone partnership of councils, SEStran, bus operators and bus users that best aligns with the Government's proposals for formal Bus Service Improvement Partnerships as they develop, learning from best practice elsewhere.
- 1.4 To approve the recruitment of a dedicated Bus Partnership Fund Programme Officer to lead on the next phase of the BPF development and implementation work. Agree that the recruitment process be led by the City Region Deal Project Management Office. To bridge the gap between now and the formal appointment of the programme officer, which may take up to four to six months, it is intended to arrange a temporary resource.
- 1.5 Following any required procurement exercises, approve the appointment of consultants to undertake the Strategic Appraisal.
- 1.6 To note that each roads authority will be responsible for the organisation of the quick wins measure in their area and will determine their own preferred route to delivery. This approach worked well during the delivery of the Bus Priority Rapid Deployment Fund measures; of which the quick-wins measures are almost entirely based on.

## 2. Background

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- 2.1 As part of its response to the climate emergency, the Scottish Government are providing a long-term investment of over £500m through the Bus Partnership Fund to deliver targeted bus priority measures on local and trunk roads. This is intended to reduce the negative impacts of congestion on bus services and address the decline in bus patronage.
- 2.2 The Bus Partnership Fund will complement the powers in the Transport (Scotland) Act 2019, enabling local authorities to work in partnership with bus operators, to develop and deliver ambitious schemes that incorporate bus priority measures. The Fund will focus on the evidence of how bus services will be improved by addressing congestion, but the partnership approach is also expected to leverage other bus service improvements to help tackle the climate emergency, reduce private car use and increase bus patronage.
- 2.3 The report considered by the Joint Committee on 5<sup>th</sup> March gave details of how BPF and a BSIP would support the overarching aim of achieving sustainable inclusive growth across the region.

## 3. Main report

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### Overview of submitted BPF and Award Offer

- 3.1 The ESESCRD bid submission was an ambitious one which focused on the main corridors into the City but also the need for orbital improvements within the City.
- 3.2 The initial award offer from Transport Scotland, totals £3.03 million and is split as below:
  - £1.45 million for the delivery of quick win measures (over financial years 21/22 & 22/23);
  - £1.4 million\* for the development of a South East Region Strategic Appraisal and outline business cases for the North, West and Orbital corridors / routes; and
  - £180,000 to support a full time Project Manager (for the first three years of the programme).

*\*Note: Funding for the OBC works will be released subject to satisfactory gateway review of the strategic appraisal.*

It is anticipated that further funding will be offered following submission, to Transport Scotland, of a Strategic Appraisal and outline business cases for the North, West and Orbital corridors / routes.

Committee should note that the scope of the Strategic Appraisal will be finalised in further discussion with Transport Scotland

- 3.3 In comparison to awards made to other partnerships, the ESESCRD award is comparable and bodes well for further awards. The largest initial award was made to the North East Bus Alliance (comprising Aberdeen & Aberdeenshire Council,

Nestrans, Stagecoach, First Aberdeen and Bains Coaches) but it should be borne in mind that this alliance has been a well-established partnership for many years, and is therefore, in a more advanced and advantageous position than most of the other partnerships.

- Ayrshire Bus Partnership: £305,000
- Edinburgh and South East City Region: £3m
- Fife Bus Partnership (west area only, central/east Fife bid pending decision): £749,000
- Forth Valley Bus Alliance: £500,000
- Glasgow Bus Partnership: £3.7m
- Highland Bus Service Improvement Partnership: £2.1m for Inverness and £707,000 for Fort William
- North East Bus Alliance: £12m
- Tayside Bus Alliance: £497,000.

### **Governance of the BPF Delivery**

- 3.4 The feedback from Transport Scotland made clear that further evidence of partnership working, particularly with bus operators, was critical going forward. Accordingly, in the development of any BSIP, a governance model would be needed that creates a partnership with the relevant bus operators and local authorities in the BSIP area.
- 3.5 The work undertaken by the Regional Transport Transition Group, over the last year on Covid-19 transport transition work has worked extremely well and has shown the strength of collaborative working. This underpinned the BPF bid by the TAB. It is essential that this good partnership working is now carried forward into a new grouping that involves the relevant bus operators. For the three corridors, it may be that different operators will be engaged – for example First Group for West, and Stagecoach for North corridors.
- 3.6 With this in view there would be merit in establishing a specific, short life, BPF / BSIP sub-group. This sub-group would be focussed on BPF / BSIP work and would be led by those with experience of public transport on a day-to-day basis within the local authorities and SEStran but more importantly public transport operators would be invited to be members of the sub-group. The remit of this sub-group and the roles within it will be finalised in due course but its main initial aim would be to develop a set of governance recommendations for a BSIP model. This agreement would need approval from SEStran, constituent authorities and participating bus operators.
- 3.7 It is important that the sub-group considers the best fit for governance going forward, having regard not just to the emerging draft guidance and regulations from the Government on BSIP models but also successful, existing bus alliances – most notably the long-established North East of Scotland Bus Alliance,<sup>1</sup> which secured £12m in the recent round of bidding. How the governance model interacts with existing City Deal structures such as the TAB will also need to be considered.

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<sup>1</sup> <https://www.nestrans.org.uk/wp-content/uploads/2019/01/Signed-Region-Wide-QP-Agreement.pdf>

## **Appointment of a Dedicated BPF Project Manager**

- 3.8 A key component of the bid submission was the “building in” of a dedicated project management resource to support the delivery of the various aspects of BPF and the establishment of a City Region Deal BSIP. Although at this time the funding for this dedicated resource is less than bid for, it is considered proportionate for the stage we are at in the process. As the Strategic Appraisal and outline business case work advances through Transport Scotland’s gateway stages it is anticipated that the management resource will be strengthened.
- 3.9 It is the recommendation of the TAB that this resource sits within the established City Region Deal’s Programme Management Office, thereby maintaining contact with the City Deal programme, and that the recruitment exercise is led by the City Region Deal’s Project Management Office (where the post would be hosted by The City of Edinburgh Council mirroring the existing arrangements of the CRD PMO). It is anticipated that the recruitment of the post could take between four to six months and therefore it is intended to arrange a temporary resource to ensure momentum is maintained during the initial stages of the funding award.

## **Procurement of Consultancy Support Services**

- 3.10 The TAB was supported by consultants Jacobs during the preparation of the BPF bid and their technical knowledge, professionalism and general enthusiasm should be highlighted and acknowledged.
- 3.11 It is therefore proposed that Jacobs are reappointed, under CEC’s current framework contract, to support the development and delivery of the initial Strategic Appraisal work (valued at £350,000), with the following Outline Business Case work (£1.05 million) being subject to a competitive procurement exercise in due course.

## **Delivery of Quick-Win Projects**

- 3.12 £1.45 million has been allocated to quick-win projects. These are:

- A1 bus lanes £100,000
- A90 bus lanes £200,000
- A89 eastbound bus lane £225,000
- A8 westbound bus lane £75,000 (scheme title is being checked – authors think this is actually Maybury Eastbound)
- A71 Hermiston P&R signals £150,000
- Newcraighall/Kaimies/Gilmerton bus lanes £150,000
- Melville Dykes/Hillhead junction £200,000
- Musselburgh and Prestonpans £100,000
- Orbital routes - Rationalising bus stops £250,000

The TAB considers that the most efficient way of delivering these projects is for them to be managed and undertaken by the relevant local authority. There will be an associated statutory process with much of this work and a sizeable amount of

evidence gathering, consultation and engagement. Some authorities may be able to undertake this work in-house but others may require to appoint consultants. Those seeking to appoint consultants will have the option of working collaboratively with other authorities. Progress would be monitored by the TAB / City of Edinburgh. This approach worked well during the delivery of the Bus Priority Rapid Deployment Fund measures, of which the quick-wins measures are almost entirely based on.

## **Development of an ESESCR Deal Bus Service Improvement Partnership**

- 3.13 One of the main conditions of the BPF award is that partnerships have to demonstrate partnership strength and commitment, including through ‘match in kind’ action and investment to further improve bus services. In doing this it is expected that partnerships will be working towards a BSIP model. The governance arrangements will need to be kept under review to ensure they comply with emerging regulations and guidance.
- 3.14 The establishment of the TAB sub-group mentioned in 3.2.3 will allow this aspect of Scottish Government’s ask to be discussed and advanced. The inter-relationship between an ESESCR Deal BSIP and other developing local authority BSIPs needs to be fully understood to ensure that duplication is avoided and the cohesive offer in terms of both regional and local transport needs is maximised. Good communication protocol with existing and emerging BSIPs throughout the SEStran region should be a priority for the Project Management Officer and/or the temporary resource used pending their appointment.

## **4. Financial impact**

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- 4.1 The City of Edinburgh Council will on behalf of the partnership act as the lead financial authority and will prepare and manage the required reporting information and submission of grant claims. They will be supported by the City Deal Programme Office and through the BPF/BSIP Programme Officer once appointed.

## **5. Alignment with Sustainable, Inclusive Growth Ambitions**

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- 5.1 An efficient regional public transport system will be an essential requirement if the regional economy is to experience strong and rapid recovery in a range of sectors, including employment, education/training, retail, commercial leisure and other services.
- 5.2 The interventions will align closely with the environmental objectives of maximising public transport and active travel; and thereby reducing the amount of travel undertaken by private car.

## **6. Background reading/external references**

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- 6.1 [Bus Partnership Fund website](#): Transport Scotland

## **7. Appendices**

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