

**BUS FORUM  
10.00 AM FRIDAY 13<sup>TH</sup> MAY  
CONFERENCE ROOM 4+5, VICTORIA QUAY, EDINBURGH**

**AGENDA**

1. Welcome and Apologies
2. Minutes and matters arising;      Minutes of 6<sup>th</sup> Nov 2016 Bus Forum attached
3. Smart Ticketing; Presentation by Gordon Hanning, Transport Scotland – followed by a Q & A session
4. First Group; CMA ruling; First Group being released from Undertakings (CMA provisional finding (press release) as well as SEStran's original response attached)
5. Environment and Clean Air issues
  - 5.1. Measures to reduce fuel costs and environmental impact; Presentation by Gordon Manson, Specialist Transport Advisor, Energy Saving Trust; Followed by a Q&A session
  - 5.2. Air Quality and Buses in Edinburgh (CEC)
  - 5.3. Cost of Congestion; Possible initiatives by Local Authorities and Operators (CA)
  - 5.4. International Treaty on Climate Change (CA)
6. Update on projects
  - 6.1. A89/A8 Corridor Public Transport Study (Copy of Executive summary attached)
  - 6.2. Ferrytoll P&R (Fife)
  - 6.3. South Tay P&R update (TH)
  - 6.4. Real Time Bus Passenger Information; update (JG)
  - 6.5. Thistle Card update (AS) (Up-to-date statistics attached)
7. Current Issues (as relevant)
  - 7.1. Transport Scotland
  - 7.2. Local Authorities
  - 7.3. Operators / CPT (GM/PW)
  - 7.4. Traveline Issues (S McN)
  - 7.5. Bus Users Scotland (GB)
  - 7.6. CTA (J McD)
8. AOCB
9. Next Bus Forum    Fri 14 Oct 2016 at 10 a.m., Conference Room 4-5, Victoria Quay

**SESTRAN BUS FORUM**

**DIAMOND JUBILEE ROOM, CITY CHAMBERS, EDINBURGH**

**10AM FRIDAY 6<sup>th</sup> NOVEMBER 2015**

**Present**

Charlie Anderson (Chair)	Non Councillor Member
Cllr Stephen Bird	Falkirk Council
Cllr Jim Fullarton	Scottish Borders
Cllr Russell Imrie	SEStran Chair
John Martin	Non Councillor Member
Neil Renilson	Non Councillor Member
Barry Turner	Non Councillor Member
Neil Bailey	Edinburgh Coach Lines
Derek Beveridge	Fife Council
Chris Cox	Falkirk Council
Mark Craske	NHS Forth Valley
Tom Davy	Transport Scotland
Chris Day	City of Edinburgh Council
John Dellow	Scottish Borders Council
Ian Forbes	West Lothian Council
Nicola Gill	West Lothian Council
Jim Grieve	SEStran
Trond Haugen	SEStran
Stuart Lockhart	One Ticket Limited
Alex Macaulay	SEStran
Catriona Macdonald	SEStran
Moira Nelson	SEStran
Brian Peat	First Scotland East
Karl Vanters	Midlothian Council
John White	Lothian Buses
Paul White	CPT Scotland
Mark Whitelocks	Stagecoach East Scotland
Emily Whitters	SEStran

**Apologies**

Cllr Jim Bryant	Midlothian Council
Cllr Pat Callaghan	Fife Council
Cllr Gordon Edgar	Scottish Borders Council
Cllr Lesley Hinds	City of Edinburgh Council
Cllr Adam McVey	City of Edinburgh Council
Cllr Cathy Muldoon	West Lothian Council
Cllr Derek Rosie	Midlothian Council

Tom Steele	Non Councillor Member
Cllr Michael Veitch	East Lothian Council
David Brown	Stirling & Clackmannanshire Councils
Ian Dalgleish	East Lothian Council
Joanne Gray	Transport Scotland
John Macdonald	CTA UK
George Mair	CPT
Stuart MacNeill	Traveline Scotland
Ewan Milligan	Transport Scotland
Tony McRae	Fife Council
Derek Parry	Stirling & Clackmannanshire Councils
Rob Plewes	Stirling & Clackmannanshire Councils
Ross Prentice	Prentice Coaches

Ref		Actions
<b>1.</b>	<b>Welcome &amp; Apologies</b>	
	Mr Anderson welcomed the group and conducted round table introductions.	
<b>2.</b>	<b>Minutes &amp; Matters Arising</b>	
	Item 4 20/02/15 Mr Haugen noted that the Bus Regulation (Scotland) Bill did not get to Parliament as it ran out of time.	
<b>3.</b>	<b>Transport Scotland; Update on Bus issues</b>	
	Mr Davy provided an update as follows: <ul style="list-style-type: none"> <li>• Transport Scotland are focusing on changes to Bus Service Registration Regulations. This will involve a longer period of notification to transport authorities, moving to 28 days. 14 days will be removed from the registration period to keep the timescale the same.</li> <li>• The guidance for this has encountered resistance from local authorities so a new draft will be coming out shortly for further comment. The new process is to come in to force at the beginning of January.</li> <li>• There have been constructive discussions between the Transport Minister and operators regarding smart and integrated ticketing.</li> <li>• Bus services are a significant element of the National Transport Strategy Refresh. The strategy will clarify the roles and responsibilities of the various organisations providing and influencing bus services.</li> <li>• Transport Scotland are likely to revisit guidance on regional and local transport strategies.</li> </ul>	

	<ul style="list-style-type: none"> <li>• There has been a 5-6% overspend in the BSOG budget due to increased numbers of low carbon vehicles which receive double rates.</li> <li>• There has been £3 million for 3 years for the Bus Investment Fund. Mr Davy is hoping to have money for future rounds but noted that criteria may be more explicit going forward.</li> <li>• Transport Scotland are hoping to redesign the Green Bus Fund in future years to fund infrastructure as well as vehicles.</li> </ul> <p>Mr Haugen noted that SEStran had responded to the changes to the guidance on bus service registration regulations through ATCO and were pleased that a further draft will be circulated addressing concerns with the reduction in the registration period and the confidentiality restrictions on the 4 week consultation period.</p>	
<b>4.</b>	<b>Proposed new Bus Service Registration Regulations</b>	
	Covered in item 3.	
<b>5.</b>	<b>First Group; Application to the Competition and Markets Authority (CMA) to be released from Undertakings</b>	
	<p>Mr Anderson declared an interest in this item by reason of a professional relationship with First Group and did not participate in discussions.</p> <p>Mr Haugen gave a summary as follows: First Group have had restrictions on their operations since 2000 which include; the size of the network, fare increases and reactions to competition. First Group have now approached CMA to be released from these restrictions as they believe that circumstances have now changed. CMA approached 12 public sector bodies with the statement “Do you agree there has been a change in circumstances, does it warrant a review and should it be a priority.” SEStran responded that there has been a significant change and that a review should take place soon.</p>	
<b>6.</b>	<b>One Ticket; presentation by Stuart Lockhart followed by Q&amp;A session</b>	
	<p>Mr Lockhart gave a presentation on the One-Ticket scheme. Presentation attached with minutes. Main points as follows:</p> <ul style="list-style-type: none"> <li>• One-Ticket has been in operation since 2001 and is partnership between participating operators and SEStran local authorities. There are 8 local authority shareholders, 12 operator shareholders and 22 operators that accept the product.</li> <li>• It is an Edinburgh centric product as the majority of customers are those commuting to and from the city.</li> <li>• Aims to continue to develop modal shift by targeting car</li> </ul>	

	<p>users.</p> <ul style="list-style-type: none"> <li>• Looking to advertise with a new marketing campaign. Currently developing a new logo and strapline.</li> <li>• Moving away from a paper based product with hopes of reducing fraud and attracting new customers</li> <li>• Developing smartphone app for iOS and Android, to be extended to Windows at a later date and the Bus only product will be launched on the app on 25<sup>th</sup> January</li> <li>• There is currently no estimated time for the Rail+Bus product to be available on the app. Abellio have franchise commitments for smart ticketing and the One-Ticket app must follow on from this.</li> <li>• Looking for increased support from partner local authorities such as increased visibility on websites and appointing a champion for the product.</li> </ul>	
<b>7.</b>	<b>Update on projects</b>	
<b>7.1</b>	<b>A89/A8 Corridor Public Transport Study</b>	
	<p>Mr Haugen gave a summary as follows:</p> <ul style="list-style-type: none"> <li>• The study stems from the Forth Replacement crossing public transport strategy that was produced in 2010.</li> <li>• Focus is on alleviating congestion issues on the Newbridge roundabout and the A8/A89 corridor on either side of this.</li> <li>• The first draft of the report concludes that converting existing lanes to bus lanes would not be productive but adding a third lane as a bus lane would be helpful.</li> <li>• A further draft will be produced and this item will be kept on the agenda going forward.</li> </ul>	
<b>7.2</b>	<b>Ferrytoll P&amp;R</b>	
	<p>Mr Beveridge stated that works are ongoing and there are some delays at peak hours. Some congestion issues will be eased with temporary bus parking within the car park area.</p>	
<b>7.3</b>	<b>South Tay P&amp;R update</b>	
	<p>Mr Haugen stated that the SEStran board have now agreed to lease the site rather than purchase it. This change of circumstance will be considered by the Tay Road Bridge Joint Board in January. Following this SEStran will be in a position to take on the lease and make progress on the site.</p>	
<b>7.4</b>	<b>Real Time Bus Passenger Information; update</b>	
	<p>Mr Grieve gave an update as follows:</p> <ul style="list-style-type: none"> <li>• Issues with system reliability have been resolved following the implementation of a 24hour manned service centre.</li> <li>• There has been a delay with integration with the Edinburgh street signs but work is progressing on having all services</li> </ul>	

	<p>displayed.</p> <ul style="list-style-type: none"> <li>• BIF 2 - Stagecoach interface and fit out is progressing well and work to move Stagecoach kit to First vehicles has now started.</li> <li>• BIF 3 – around 130 sites are now committed to having the RTPI screens with another potential 30 lined up.</li> <li>• Hoping to move forward with small operators using RTPI system through ticket machines in the near future.</li> </ul> <p>Mr Martin noted two key technical issues with RTPI across Edinburgh:</p> <ul style="list-style-type: none"> <li>• There is a small lag in RTPI times which can cause passengers to miss a service.</li> <li>• Some key interchanges in Edinburgh, such as Lothian Road, are not equipped with RTPI screens.</li> </ul> <p>Mr Macaulay stated that SEStran can raise these issues with City of Edinburgh council.</p>	Mr Grieve
<b>8.</b>	<b>Edinburgh Bus Lanes; change to Regulations</b>	
	Mr Anderson raised the issue of City of Edinburgh Council making a change to the regulations of Edinburgh bus lanes. Mr Scotland noted that this change took place on the 5 <sup>th</sup> October on a temporary experimental order. The group expressed some concerns over the implications of this and discussed the potential consequences of the change.	
<b>9.</b>	<b>Recent concerns over 'clean' diesel engines</b>	
	Following the recent emissions scandal, Mr Anderson suggested that the industry could be more visible in publicising how clean the Euro 6 engines are in order to avoid damage to the public transport industry.	
<b>10.</b>	<b>Buses in new residential development</b>	
	Mr Turner circulated a paper with guidelines on access to public transport for new housing developments. He noted that this has become a problem in recent years where housing is being approved with little to no access to public transport. Mr Macaulay commented that SEStran had developed a sustainable development guideline document and suggested that SEStran compare this with Mr Turner's paper to see if a refresh is required.	Mr Haugen
<b>11.</b>	<b>Barriers to Bus Travel; Cultural &amp; Societal Attitudes</b>	
	Mr Anderson stated that public attitude to bus travel is a common problem throughout the UK, creating a barrier to greater use of bus travel. Mr White stated that the Scottish Government had carried out some research on this in 2010, link below. <a href="http://www.gov.scot/Publications/2010/04/23115458/0">http://www.gov.scot/Publications/2010/04/23115458/0</a>	
	The group agreed that there were several issues that affect	

	patronage but that more could be done to promote and engage with passengers and current non users.	
<b>12.</b>	<b>Current Issues (as relevant)</b>	
<b>12.1</b>	<b>Local Authorities</b>	
	There were no current issues.	
<b>12.2</b>	<b>Operators</b>	
	There were no current issues.	
<b>12.3</b>	<b>Traveline Issues</b>	
	No representative available.	
<b>12.4</b>	<b>Bus Users Scotland</b>	
	There were no current issues.	
<b>12.5</b>	<b>CTA</b>	
	There were no current issues.	
<b>13.</b>	<b>AOCB</b>	
	There was no AOCB.	
<b>14.</b>	<b>Future Dates</b>	
	SEStran will circulate the future date of the Bus Forum.	

## Press release

# CMA set to release FirstGroup plc bus undertakings

**From:** Competition and Markets Authority (<https://www.gov.uk/government/organisations/competition-and-markets-authority>)  
**First published:** 15 March 2016

The CMA has provisionally decided to release the undertakings affecting FirstGroup's bus business across southern and central Scotland.



The Competition and Markets Authority (CMA) announced in October that it would carry out a review of the undertakings given in relation to the completed acquisition by FirstBus plc of SB Holdings Ltd (SBH) in 1996. FirstBus changed its name to FirstGroup in 1997.

The undertakings limit the fares that FirstGroup can charge and require the company to maintain a minimum level of service in some areas. They also govern some aspects of how FirstGroup schedules its services.

In a provisional decision (<https://www.gov.uk/cma-cases/firstgroup-undertakings-review#provisional-decision-to-release-undertakings>) published today, the group of independent CMA panel members carrying out the review have found that the undertakings are no longer appropriate due to a change in circumstances.

Phil Evans, chair of the FirstGroup undertakings review group, said:

“ We have examined each of the initial concerns about the merger that ultimately led to the undertakings being imposed. We have provisionally found that the constraint that rival operators now place on FirstGroup is as great, if not greater, than the constraint that FirstBus and SBH placed on each other before the merger and think the undertakings should be lifted.

We recognise that if the undertakings are removed, FirstGroup might restructure some of its fares and routes. The undertakings artificially held prices down in some areas and required the maintenance of otherwise unprofitable routes. This both reduced the chances of a rival bus operator bringing in a competing service which could benefit passengers and made investment in better bus services uneconomic.

We place strong weight on the fact that in hearings there was universal agreement from competitors and public transport authorities that the undertakings were either having little effect or having harmful effects.”

Further details, including the CMA's summary of its provisional decision and notice of intention to release the undertakings, can be found on the case page (<https://www.gov.uk/cma-cases/firstgroup-undertakings-review>).

Anyone wishing to respond to the provisional decision should do so in writing, by 5pm on 5 April 2016. Please email [firstgroup.undertakings@cma.gsi.gov.uk](mailto:firstgroup.undertakings@cma.gsi.gov.uk), or write to:



Project Manager  
FirstGroup Undertakings Review  
Competition and Markets Authority  
Victoria House  
Southampton Row  
London WC1B 4AD

## Notes for editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law.
2. The members of the review group are: Phil Evans (<https://www.gov.uk/government/publications/cma-panel-member-biographies-and-disclosures-of-interest/inquiry-chairs-biographies#phil-evans>) (Chair), Jayne Scott (<https://www.gov.uk/government/publications/cma-panel-member-biographies-and-disclosures-of-interest/panel-members-biographies#jayne-scott>), and Roger Finbow (<https://www.gov.uk/government/publications/cma-panel-member-biographies-and-disclosures-of-interest/panel-members-biographies#roger-finbow>).
3. The undertakings, affecting FirstGroup's bus business, were given by FirstGroup to the then Secretary of State for Trade and Industry in 2002 following a review in 1997 by the Monopolies and Mergers Commission of the FirstBus acquisition of SBH. The undertakings were subsequently varied following the Competition Commission's review of the undertakings ([http://webarchive.nationalarchives.gov.uk/20111202195250/http://www.competition-commission.org.uk/rep\\_pub/notices/sbh\\_notice\\_undertakings.htm](http://webarchive.nationalarchives.gov.uk/20111202195250/http://www.competition-commission.org.uk/rep_pub/notices/sbh_notice_undertakings.htm)) in 2008.
4. The fares cap applies to FirstGroup operations in the First Edinburgh and First Glasgow areas. The First Edinburgh area comprises the unitary authorities of Stirling, Clackmannanshire, Falkirk, West Lothian, Midlothian, East Lothian and the Scottish Borders. The First Glasgow area comprises the unitary authorities of the City of Glasgow, North Lanarkshire, South Lanarkshire, East Dunbartonshire, West Dunbartonshire and East Renfrewshire. The requirement to operate a minimum level of service also known as the 'mileage floor' applies to FirstGroup operations in the First Edinburgh area. The price cap and mileage floor do not extend to Edinburgh.
5. The CMA has the ability to supersede, vary or release certain undertakings accepted under the Fair Trading Act 1973; this includes the FirstGroup undertakings. This power is exercisable in the same circumstances, and on the same terms and conditions as applied to the Secretary of State under the Fair Trading Act 1973; namely that by reason of any change of circumstances the undertakings are no longer appropriate and need to be varied, superseded or released.
6. For more information on the CMA see our homepage (<https://www.gov.uk/government/organisations/competition-and-markets-authority>) or follow us on Twitter @CMAgovuk (<https://twitter.com/CMAgovUK>), Flickr (<https://www.flickr.com/photos/cma-gov-uk/>) and LinkedIn (<https://www.linkedin.com/company/competition-and-markets-authority?trk=tyah&trkInfo=tas%3ACompetition+and+Markets+Authority>).
7. Enquiries should be directed to Rory Taylor ([rory.taylor@cma.gsi.gov.uk](mailto:rory.taylor@cma.gsi.gov.uk), 020 3738 6798).

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- Share on Facebook (<https://www.facebook.com/sharer/sharer.php?u=https%3A%2F%2Fwww.gov.uk%2Fgovernment%2Fnews%2Fcma-set-to-release-firstgroup-plc-bus-undertakings>)
- Share on Twitter (<https://twitter.com/share?url=https%3A%2F%2Fwww.gov.uk%2Fgovernment%2Fnews%2Fcma-set-to-release-firstgroup-plc-bus-undertakings&text=CMA%20set%20to%20release%20FirstGroup%20plc%20bus%20undertakings>)



Claremont House, 130 East Claremont Street, Edinburgh, EH7 4LB, Tel: 0131 524 5150

Chairman: Cllr Russell Imrie Partnership Director: Alex Macaulay

Mark Hogan  
Project Manager  
Competition and Markets Authority  
Victoria House  
Southampton Row  
London WC1B 4AD

9 Oct 2015

Dear Mark,

**FIRST GROUP; Application for Release of Merger Undertakings imposed on First Scotland East**

First of all, thank you for extending the response date for SEStran on this issue. We understand the undertakings impose restrictions on First Scotland East in respect of fares (cannot increase by more than the 'Hybrid CPT fares index') and operations (mileage cannot be reduced to less than 75% of the 'original' level). We also understand that First Scotland East is not allowed to take 'retaliatory measures' against competing services in the form of changes to timetables or reduction in fares.

As you may be aware, SEStran (South East Scotland Transport Partnership) is the Statutory Strategic Transport Planning Authority for the following eight Councils:- City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

First Scotland East is the major bus operator in all the SEStran authorities – with the exception of City of Edinburgh, Midlothian and Fife.

In Edinburgh, where Lothian buses is by a fair margin the major operator, First Group is nevertheless the main operator of services extending beyond the city and the nearest hinterland. In Midlothian, First used to be the main operator but they have largely withdrawn all their services - with Lothian buses coming in to fill the gap. In Fife – where Stagecoach is the major operator - First have only a very minor presence.

Any change in circumstance in respect of First operations since the last review/change of the undertakings back in 2008 will vary across the SEStran area so our response should not be seen as a reflection of the whole of the SEStran area.

We note that this consultation also covers the undertakings that apply to First Glasgow operations. The SEStran response must therefore be read as only applying to First Scotland East and the (relevant parts of the) SEStran area.

We also note that this consultation is to address the question of whether or not there should be a review - so our response must not be seen as a SEStran view on whether or not the Undertakings should be lifted or amended.

In their application, First Group have argued that there has been significant change in circumstances since 2008 so I will touch on a number of issues in this respect.

**First Group has faced increase in competition.** It is the case that both of the other major operators in the SEStran area – Lothian buses and Stagecoach - have increased their head on competition against First Scotland East.

Lothian Buses have expanded their operational territory much further into East Lothian and Midlothian – partly as a result of First deciding to abandon a number of routes in these areas as well as closing the Dalkeith depot (their only depot in Midlothian) – but also due to Lothian Buses starting new services or extending existing services into Midlothian and East Lothian in competition with First. First have therefore all but stopped operating in Midlothian (there is a through service to the Borders) and they have significantly reduced their operations in East Lothian.

Stagecoach started a competing service on the only First service wholly within Edinburgh (to South Queensferry) - with the result that First stopped their service.

In many areas there has also been an increase in the level of competition from smaller operators. This has in part been reflected in First losing out to smaller operators for subsidised services tendered by the relevant Councils.

It can therefore be concluded that since 2008, First Edinburgh East has faced / is facing increased competition from other operators.

### **There are constraints from new modes of transport**

There have been several significant rail openings and improvements in the SEStran area since 2008 that will have significantly made an impact on First operations.

The opening of the Alloa railway line (extending the Glasgow – Stirling service to Alloa, with good interconnectivity at Stirling for travelling to Falkirk and Edinburgh) will have had a significant impact on a key First Scotland East market.

The Airdrie – Bathgate line (extending the Edinburgh – Bathgate service to Glasgow) opened around 2010 – introducing two additional stations in the SEStran area and increased the frequency from 2 to 4 trains per hour. This will have had a significant impact on the travel opportunities in the key West Lothian corridor Armadale-Bathgate-Livingston-Edinburgh corridor

The frequency on the Shotts line, between Edinburgh and Glasgow through the southern part of West Lothian, was increased from 1 to 2 trains per hour and with a significantly reduced journey time.

The recent opening of the Borders railway (including 7 new stations in Midlothian and Scottish Borders) will compete directly with First Group services in the Galashiels – Dalkeith - Edinburgh corridor.

The opening of the Edinburgh Tram will have had less impact on the First Scotland East market. We are not in a position to verify if the presence of on-street trams in the centre of Edinburgh will have significantly impacted on the journey-time of First Scotland East services. If it has, this would be the same for competing operators and costs would also have increased.

It can however be concluded that new modes of transport will have had a significant impact on much of the market served by First Scotland East.

### **There have been regulatory changes to Scottish Bus Services**

We cannot agree that the introduction of Quality Partnerships in the SEStran area will have had any measurable impact on operating costs of the bus operators. They should however have enhanced the attractiveness of travelling by bus, thereby stimulating bus travel.

We would therefore argue that actions and involvement by local authorities in the SEStran area regarding bus services will have had no measurable impact on the operators' costs.

### **The 'Hybrid CPT Cost Index' does not accurately reflect rising bus operating costs in Scotland**

First group claim that labour costs have increased faster in Scotland than in the rest of the UK, that there has been larger investment in new vehicles in Scotland than in the rest of the UK and that there has been larger relevant increase in non-bus costs in Scotland than in the rest of the UK.

We are not in a position to verify these claims but should they be 'correct', there would be an argument that First Scotland East would have been at a disadvantage relative to other operators in not being able to recoup these costs through higher fares.

It would however also be reasonable to argue that greater investment in rolling stock should be reflected in higher level of patronage and an increase in income.

It could perhaps also be questioned if First Edinburgh East has over the last decade made the same relative level of investment in rolling stock when compared with the other major operators in the area – but part of the reason for this could of course be due to the fares restriction.

### **First Scotland East have cost increases outside the scope of the price mechanism and that cannot be recovered.**

SEStran is not in a position to verify the accuracy of this claim.

The operator cite the closure of the old Galashiels Bus Station (owned by First) and being replaced by a new (multi-modal) Interchange where the operators will have to pay a departure charge.

It can be argued however that a new interchange with very modern facilities will stimulate bus travel and should increase patronage and fares income.

**Cost pressures have been exacerbated by declining revenues resulting from reduced demand for bus travel.**

This may well be the case but will also have been the case for competing operators.

Where the situation will be different for First Scotland East is that they could not recover this situation through higher fares (beyond the hybrid CPT index) and would therefore instead look at a reduction in their network.

We understand that the network is now reduced to the 'minimum 75% level' and it could perhaps been argued that the fare cap has in part been instrumental in the significant decline in the First Scotland East network in large parts of the SEStran area.

**The inability of First Scotland East to recover its costs may deter competitors from entering or expanding**

We would not readily agree with this since, as mentioned earlier, First Group has faced competition from other operators in a large part of the SEStran area. However, this situation will not be uniform across SEStran and there may well be a picture of a lack of competition due to 'low' First Scotland East fares.

**Conclusion**

In answer to the specific questions asked in this consultation, SEStran consider – based on the above – that “there has been a change in circumstances in this (*The First Scotland East*) market, which obliges the CMA to consider a review of these undertakings”

We also consider that, due to the significant reduction in the First Scotland East network and operations over the recent years that the CMA should consider prioritising this case for review and that the review should be carried out now – although this issue is mainly for the CMA to judge

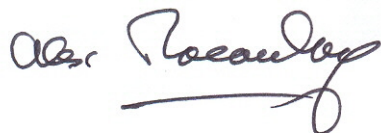
We would however argue that any review should not only consider either continuing or removing the current undertakings but it should also consider a change in the undertakings to include, for example, a minimum number of buses and depots in the SEStran area.

Should First Scotland East be free from all undertakings, we could see a repeat of the whole scale withdrawal of services in the Midlothian area being replicated elsewhere in the SEStran region but these areas may not have a large operator next door (like Lothian Buses in the case of Midlothian) to step in to fill the void and could consequently be left without much of a bus network.

I trust this response will be of assistance and we would of course be happy to discuss the issue in more detail as relevant. In this respect, contact either myself [alex.macaulay@sestran.gov.uk](mailto:alex.macaulay@sestran.gov.uk) Tel 0131 524 5152 or [trond.haugen@sestran.gov.uk](mailto:trond.haugen@sestran.gov.uk) Tel 0131 524 5155

Kind regards,

Alex Macaulay

A handwritten signature in black ink, appearing to read 'Alex Macaulay', with a long horizontal flourish underneath.

Partnership Director

## Executive Summary

This is the outcome of a public transport study for the A89/ A8 between the Kilpult Roundabout in Broxburn and Maybury Road Junction in Edinburgh. Through a robust option appraisal process it was demonstrated that bus lanes/ priority measures and high quality active travel infrastructure will need to be invested in to ensure the future needs of all road users using the corridor are considered. It is estimated that the indicative cost to deliver these measures would be around £11 million in the next 5 to 10 years (medium term).

The Forth Replacement Crossing Public Transport Strategy (FRCPTS) was published in January 2010 by Transport Scotland, in conjunction with the South East Scotland Regional Transport Partnership (SEStran), The City of Edinburgh and West Lothian Councils. A refreshed Strategy was produced in August 2012 with a purpose to support the Forth Replacement Crossing by delivering effective public transport facilities, and to ensure that levels of service provided for all transport modes is at least equal to that which was provided in 2006. Its investigation identified the implementation of a range of schemes and measures would be required to deliver this target. This included public transport improvements at the Newbridge Interchange, along with bus lanes on the A89 and A8 as well as the installation of traffic signals on the A8/ Station Road. These intervention measures are also contained within other strategies such as the West Edinburgh Transport Appraisal (WETA) and the Transport Infrastructure for West Edinburgh Phase 1 (TISWEP) studies.

This study takes full account of these strategies and others by developing strategically aligned intervention measures and then testing them through rigorous traffic micro simulation modelling. A subsidiary aim of the study was to ensure that provision for walking and cycling along the corridor were investigated to identify any gaps in service provision that could encourage a shift away from the car.

When assessing against the various transport strategies and deliverability (including public acceptability through stakeholder engagement meetings), a number of the justifiable intervention measures were taken forward to the option appraisal and development stages.

This allowed the rationalisation of the traffic modelling work into three distinct traffic models (excluding the base models):

- Near sided bus lane using the existing road space which resulted in significant congestion issues;
- The construction of a bus lane through local road widening, which yielded the best results; and
- The addition of traffic signals at Station Road which had a negative impact on the network performance.

### Results

The aim of this study was to identify the intervention measures required to aid public transport movement along the A89/ A8 corridor and thus improve bus journey times. The most pragmatic way of achieving this is through bus lanes and potentially by intelligent bus priority measures.

To support public transport enhancements, active travel improvements can also offer a credible alternative to the car. To capitalise further on the existing strategic walking and cycle network along the A8 corridor the active travel audit carried out identifies further design work that would be required to establish the cycling/ walking investment required to do so.

Bus priority measures assist buses through traffic with more consistent journey times helping deliver timetable reliability. In addition to quality and frequency, reliability is the most important issue in attracting and maintaining public transport usage. In almost every survey about bus services, reliability is one of the most important issues for bus users. Motorists cite reliable bus services as a pre-requisite for leaving their car at home. Through the scheme evaluation work, increasing road space through the introduction of bus lanes is the only way to ensure this without creating detriment to other traffic. This requires design development of the identified measures to establish costs

and the land needed to allow this to happen. The introduction of Intelligent Transport Systems (ITS) based bus priority solutions would strengthen further bus reliability but would require a detailed investigation as part of an ITS strategy for the SEStran region.

One of the objectives of the FRCPTS is the provision of traffic signal at Station Road however the traffic modelling work has shown a decrease in network performance and so further investigation is required to look at alternatives such as a stand-alone controlled crossing facility.



### SEStran Thistle Assistance Cards: Distribution Overview

*Statistics applicable to 31 March 2016*

Statistics displayed as text

*Table 1:* Figures summarising total number of cards distributed from the SEStran office and the costs of this each financial year

<b>Financial Year</b>	<b>No. Of Cards Sent from SEStran Office</b>	<b>Postage and Courier Costs</b>
2011-12	25413	£449.37
2012-13	6891	£354.04
2013-14	8352	£331.62
2014-15	1317	£97.24
2015-16 (current)	234	£21.82
<b>Overall Totals:</b>	<b>42207</b>	<b>£1254.09</b>

*Table 2:* Total number of cards sent to each sector for financial year 2011-2012

<b>Sector</b>	<b>Quantity</b>
Bus Companies Total	13510
Councils Total	4000
Disability Groups Total	4020
Healthcare Total	3740
Other Total	40
Personal Total	103
<b>Grand Total</b>	<b>25413</b>

*Table 3:* Total number of cards sent to each sector for financial year 2012-2013

<b>Sector</b>	<b>Quantity</b>
Bus Companies Total	1020
Councils Total	1020
Disability Groups Total	699
Elderly Care Total	132
Healthcare Total	1260
Libraries Total	110
Other Total	2220
Personal Total	430
<b>Grand Total</b>	<b>6891</b>

*Table 4: Total number of cards sent to each sector for financial year 2013-2014*

<b>Sector</b>	<b>Quantity</b>
Bus Companies Total	3100
Disability Groups Total	1040
Elderly Care Total	50
Healthcare Total	3500
Libraries Total	200
Other Total	0
Personal Total	444
<b>Grand Total</b>	<b>8334</b>

*Table 5: Total number of cards sent to each sector for financial year 2014-2015 (current)*

<b>Sector</b>	<b>Quantity</b>
Bus Companies	0
Disability Groups	530
Healthcare	300
Libraries	46
Elderly Care	100
Councils	0
Other	30
Personal	11
<b>Grand Total</b>	<b>1017</b>

*Table 6: Total number of cards sent to each sector for financial year 2015-16 (current)*

<b>Sector</b>	<b>Quantity</b>
Bus Companies	6
Disability Groups	165
Healthcare	414
Libraries	70
Elderly Care	60
Councils	50
Other	86
Personal	9
<b>Grand Total</b>	<b>860</b>

### Total number of cards distributed to each sector 2015-16

