



SESTRAN PARTNERSHIP BOARD MEETING

**Conference Room 1, Victoria Quay, Edinburgh, EH6 6QQ
10:00am Friday 8th December 2017**

AGENDA

0930 – 1000 TEA/COFFEE

1000 – 1200 PARTNERSHIP BOARD MEETING

1200 – 1245 CODE OF CONDUCT (MANDATORY)

1245 - 1330 LUNCH

1330 – 1630 UNCONSCIOUS BIAS TRAINING (VOLUNTARY)

PARTNERSHIP BOARD MEETING

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Angela Chambers
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30th November 2017.

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Agendas and papers for all SEStran meetings can be accessed on www.sestran.gov.uk

PARTNERSHIP BOARD MEETING

**HELD IN CONFERENCE ROOM 1, VICTORIA QUAY, EDINBURGH EH6 6QQ
ON FRIDAY 22nd SEPTEMBER, 2017
1.15.P.M. – 3:15 P.M.**

PRESENT:

<u>Name</u>	<u>Organisational Title</u>
Cllr Gordon Edgar (Chair)	Scottish Borders Council
Cllr Chas Booth	City of Edinburgh Council
Cllr Fiona Collie	Falkirk Council
Cllr Colin Davidson (Deputy Chair)	Fife Council
Cllr Dave Dempsey	Fife Council
Cllr Ian Ferguson	Fife Council
Cllr Jim Fullarton	Scottish Borders Council
Cllr Neil Gardiner	City of Edinburgh Council
Cllr Chris Horne	West Lothian Council
Cllr Lesley Macinnes (Deputy Chair)	City of Edinburgh Council
John Martin	Non-Councillor Member
Cllr Laura Murtagh	Falkirk Council
Neil Renilson	Non-Councillor Member
Sandy Scotland	Non-Councillor Member
Brian Sharkie	Non-Councillor Member
Cllr Peter Smaill	Midlothian Council
Dr Doreen Steele	Non-Councillor Member
Barry Turner	Non-Councillor Member

IN

ATTENDANCE:

<u>Name</u>	<u>Organisation Title</u>
Nikki Boath	SEStran
Angela Chambers	SEStran
Julie Cole	Falkirk Council
George Eckton	SEStran (Partnership Director)
Andrew Ferguson	Fife Council (Secretary/Legal)
Keith Fiskien	SEStran
Lisa Freeman	SEStran
Claire Gardiner	Scott-Moncrieff
Joanne Gray	Transport Scotland
Jim Grieve	SEStran
Ken Gourlay	Fife Council
Peter Jackson	SEStran
Karen Jones	Scott-Moncrieff
Paul Lawrence	City of Edinburgh Council
Catriona Macdonald	SEStran
Graeme Malcolm	West Lothian Council
Kerra McKinnie	Board Observer
Moiria Nelson	SEStran
Iain Shaw	City of Edinburgh Council (Treasury)

**APOLOGIES
FOR ABSENCE:**

<u>Name</u>	<u>Organisational Title</u>
Charles Anderson	Non-Councillor Member
Neil Dougal	Midlothian Council
Phil Flanders	Non-Councillor Member
Peter Forsyth	East Lothian Council
Cllr Russell Imrie	Midlothian Council
Cllr Darren Lee	Clackmannanshire Council

/APOLOGIES/

**APOLOGIES
FOR ABSENCE:**

Cllr Cathy Muldoon
Gordon Mungal
Cllr Brian Small

West Lothian Council
Board Observer
East Lothian Council

ORDER OF BUSINESS

The Chair confirmed that the order of business was as per the agenda.

APOLOGIES

Apologies were received as above.

DECLARATIONS

There were no declarations of interest made.

A4 MINUTES

(a) Partnership Board – 11th August, 2017

Decision

The Board approved the minute.

(b) P & A Committee – 8th September, 2017

Decision

The Board approved the minute.

(c) Chief Officers Liaison Group – 24th August, 2017

Decision

The Board noted the minute.

(d) RTP Chairs – 23rd August, 2017

Decision

The Board noted the minute.

A5. CITY DEAL.

The Board received a presentation by Paul Lawrence, Executive Director of Place, City of Edinburgh Council, circulated as an appendix to the minute.

Decision/

Decision

The Board noted the presentation and thanked Paul Lawrence for attending.

A6. REVIEW OF FORUMS

The Board considered a report by George Eckton, Partnership Director providing an update on the new office bearers' proposals of the introduction of a new forum structure.

Decision

The Board agreed the proposals from the Chair and Vice-Chairs, introducing a new consultative structure for a new session of the SEStran Board and meetings will be organised for autumn/winter 2017/18.

A7. BOARD MEMBERS: APPOINTMENT OF PANEL, SKILLS AUDIT TRAINING.

The Board considered a joint report by George Eckton, Partnership Director and Andrew Ferguson, Secretary and Legal Adviser providing an update on the Non-Councillor Member (NCM) recruitment process at the August Board meeting and request for consideration of SEStran representation at the CPT Conference 2017.

Decision

The Board:

1. agreed the composition of the selection panel, as a committee to be the Chair, Cllr Gordon Edgar, Cllr Colin Davidson and Cllr Lesley Macinnes;
2. agreed to delegate authority to the sub-committee to agree the appointments for subsequent consent of Scottish ministers in advance of the December Board meeting;
3. noted the update provided on the Board Skills Audit questionnaire; and
4. agreed the proposal on attendance by the Chair for this year's CPT conference.

A8. AUDITED FINANCIAL STATEMENT OF ACCOUNTS 2016 - 17

(a) Audited Financial Statement of Accounts 2016/17

The/

The Board considered a joint report Hugh Dunn presenting the Board with the audited annual accounts for the year ended 31st March, 2017 recommending the accounts be approved for signature. In response to specific points relating to actuarial assumptions revised by Councillor Smaill, Iain Shaw confirmed that these would be addressed.

Decision

The Board:-

- (1) noted the audited annual accounts and the Auditor's opinion in the audit certificate to the accounts; and
- (2) authorised the accounts for signature, subject to clarification of the points raised on the actuarial assumptions.

(b) Finance Officer's Report

The Board considered a report by Hugh Dunn, Treasurer presenting the Board with the first update on financial performance of the core revenue budget of the Partnership for 2017/18.

Decision

The Board:-

- (1) Noted the current forecast that core expenditure in 2017/18 would break even against the revenue budget of the Partnership;
- (2) Noted all income and expenditure would continue to be monitored closely with updates reported to each Partnership meeting; and
- (3) Noted the month end balance of indebtedness between the Partnership and City of Edinburgh Council and the reasons for these balances identified at paragraph 2.7.

(c) External Audit Report – 2016/17

The Board considered the terms of the External Audit Report and noted with thanks the work in particular of Iain Shaw, Craig Beattie, Jim Grieve, Catriona MacDonald and Angela Chambers in finalising SEStran's response.

Decision

The Committee noted the External Audit Report, and that an update/

update report would be presented to the Performance and Audit Committee in November, 2017.

(d) Public Services Reform Act 2017 – Statements

The Board considered a report by Angela Chambers, Business Manager, SEStran advising the Board of the information to be published.

Decision

The Board noted the content of the material for publication.

A9 SESTRAN BRAND

The Board considered a report by Keith Fiskien, Business Partner advising the Board of the current issues with the SEStran identity and name was presented for consultation.

Decision

The Board agreed to delegate the Partnership Director to develop a new brand and identity in consultation with the Chair and Vice-Chairs.

A10. POLICY AND PROJECTS UPDATE

The Board considered a report by Jim Grieve, Head of Programmes. Providing the Board with an update on the Scottish Government's programme and approach to the comprehensive review of the National Transport Strategy ("NTS2") and on SEStran's progress on awarding the "FAST" grant.

Decision

The Board:-

- (1) noted the contents of the report; and
- (2) authorised the Partnership Director to award grant to Young Scot on the basis of the agreed proposal as set out in the report.

A11. SERVICE LEVEL AGREEMENTS

The Board considered a joint report by George Eckton, Partnership Director and Angela Chambers, Business Manager providing an update on the discussion on the legal/committee services service level agreement (SLA) detailed at the August Board meeting.

Decision

The Board was asked to note the forthcoming change of SLA provider

to CEC for committee services, the ongoing procurement via framework agreement for legal services and formally recognise the long service provided by Fife Council and in particular, Andrew Ferguson, as Secretary to the Partnership in the minutes of this meeting.

A12 CONSULTATION RESPONSES

(a) Climate Change Bill

The Board considered a report by Catriona Macdonald, Projects Officer, on proposals to strengthen the ambition and strategic framework for action to reduce greenhouse gas emissions in Scotland. The new Climate Change Bill will amend only those parts of the 2009 Climate Change (Scotland) Act that relate to emission reduction targets and associated reporting duties.

Decision

The Board:-

- (1) noted on the proposed Climate Change Bill Consultation response ahead of the submission deadline of 22nd September, 2017;
- (2) agreed a further emphasis on Active Travel and Public Transport in the response; and
- (3) noted that SEStran would be submitting a report to Scottish Ministers relating to its Public Sector Climate Change Duties by 30th November, 2017.

(b) Aviation Strategy Call for Evidence

The Board considered a report by Lisa Freeman, Strategy and Projects Officer, providing a submission to the call for evidence.

Decision

The Board welcomed the opportunity to respond to the phase one Call for Evidence, responses are requested by 13th October, 2017 and agreed to submit comments by 6th October, 2017, to be incorporated into a final response from SEStran and signed off by the Partnership Director in consultation with the Chair.

(c) Low Emission Zones

The Board considered a report by Lisa Freeman, Strategy and Projects Officer

Decision/

Decision

The Board:-

- (1) noted that members were to submit their comments to SEStran Officers by 24th November, 2017. Following this SEStran Officers would provide a paper at the next Partnership Board on 8th December.

(d) Concessionary Travel

The Board considered a report by Lisa Freeman, Projects & Strategy Officer on Free Bus Travel for Older and Disabled People and Modern Apprentices describing the issues that face the scheme and asks its respondents to consider these in the light of the consultations proposals.

Responses to the consultation is to be used to inform the development of future rules and guidance on the Nation Concessionary Travel Scheme in Scotland.

Decision

The Board:-

- (1) Noted that all comments are to be sent to SEStran Officers by 13th November.

(e) Local Bus Services & Smart Ticketing

The Board considered a report by Catriona Macdonald, Projects Officer, providing the Board with an update on the launch of two consultations “Local Bus Services in Scotland – Improving the Framework for Delivery” and one concerning smart ticketing: “The Future of Smart Ticketing in Scotland” on 13th September, 2017.

Decision

The Board noted that members are to submit their comments to SEStran Officers for collation by the 24th November, following which Officers would provide a paper and proposed SEStran response at the next Partnership Board on the 8th December.

A13. PROGRAMME FOR GOVERNMENT

The Board considered a report by George Eckton, Partnership Director providing a summary of the main legislative proposals, other policy actions, and initiatives, outlined in the Scottish Government’s Programme for Government.

Decision

The Board noted the summary provided by the Scottish Government's Programme for Government 2017 – 18 and that further papers will be brought to the Partnership Board as appropriate on emerging legislation and initiatives.

A14. AOCB

None

A15. DATE OF NEXT MEETING – 10 am on Friday 8th December, 2017 in Conference Room 1, Victoria Quay, Edinburgh, EH6 6QQ.

PERFORMANCE & AUDIT COMMITTEE MEETING

**HELD IN SESTRAN OFFICES, MEETING ROOM 3E-95, VICTORIA QUAY,
EDINBURGH, EH6 6QQ
ON FRIDAY, 24 November 2017
10.00 A.M. – 12.30 P.M.**

PRESENT:	<u>Name</u>	<u>Organisation Title</u>
	Sandy Scotland (Chair)	Non-Councillor Member
	Councillor Dempsey	Fife Council
	John Martin	Non-Councillor Member
	Councillor Murtagh	Falkirk Council
	Dr Doreen Steele	Non-Councillor Member
	Barry Turner	Non-Councillor Member

IN ATTENDANCE:	<u>Name</u>	<u>Organisation Title</u>
	Angela Chambers	SEStran
	George Eckton	SEStran
	Elizabeth Forbes	SEStran
	Claire Gardiner	Scott-Moncrieff
	Jim Grieve	SEStran
	Gavin King	City of Edinburgh Council
	Iain Shaw	City of Edinburgh Council

Action by

A1. ORDER OF BUSINESS

It was confirmed that there was no change to the order of business.

A2. APOLOGIES

Apologies were received from Councillors Gardiner, Howie and Imrie.

A3. DECLARATIONS OF INTERESTS

None.

A4. MINUTES

Decision

The minute of the Performance and Audit Committee of 8 September 2017 was approved as a correct record.

A5. EXTERNAL AUDIT - CONSIDERATION OF MANAGEMENT RESPONSE

Scott-Moncrieff, the external auditors completed an audit in September 2017 finding that the Partnership had adequate systems in place. No significant weaknesses or governance issues were found in the Partnership's accounting and internal control systems.

Six actions points had been identified and the corresponding management response was outlined.

Decision

To note the report.

A6. INTERNAL AUDIT PLAN 2017/18

Committee was asked to consider the timing of the audit plan process and the focus of internal audit for 2017/18.

Decision

- 1) To consider any possible issues to be included in the Internal Audit Plan and to feedback to the Partnership Director.
- 2) To agree that a meeting between the Committee members and Internal Audit should take place before the February meeting and a meeting between the Committee members and External Audit should take place before the September meeting.

A7. FINANCE REPORTS

(a) Financial Planning 2018/19

Financial planning options for the 2018/19 revenue budget were highlighted.

The Committee expressed concern at Option 1 which involved a reduction of 5% in the Partnership's requisition to constituent Councils. This amounted to £10,000 and members expressed the opinion that this would have a significant impact on the Partnership's budget but would be negligible for Councils.

Decision

- 1) To note the financial planning assumptions currently being progressed for 2018/19.
- 2) To note the view of the Chief Officers Group, noted at paragraph 3.1 of the report by the Treasurer, on financial planning assumptions for 2018/19.
- 3) To agree that a paper should be brought to the first two

meetings of 2018 on 'aggregation' proposals for 2019/20 and if possible 2018/19.

- 4) To note the risk that Scottish Government funding allocations to Regional Transport Partnership's may be reduced.
- 5) To note that a report on financial planning would be presented to the Partnership Board on 8 December 2017.
- 6) To note a revenue budget for 2018/19 will be presented to the Partnership Board for approval in March 2018.

(b) Mid Term Review – Treasury Management Activity

Details were provided of the investment activity undertaken on behalf of the Partnership during the first half of the 2017/18 financial year.

Decision

To note the investment activity undertaken on behalf of the Partnership.

A8. RISK REGISTER

A draft version of the proposed new risk register was provided to the Committee. In addition, details of a cyber security risk were outlined.

Decision

- 1) To add an identifier for each risk and explore the formatting to ascertain the best way to display the risk register for Committee.
- 2) To note the update on key identified risk under Digital/IT of Cyber Security Assessments.
- 3) To note that discussions would be progressed to determine the appropriate level of Cyber Essentials accreditation required and that further updates would be provided to future meetings.
- 4) To agree that the Business Continuity Management Plan review should be postponed to January 2018.

A9. POLICY & PROJECTS UPDATE

An update was provided on key aspects of projects and initiatives progressed in the last quarter and the latest position on the UK leaving the EU.

Decision

- 1) To note the report.

- 2) To provide a list of the existing real time passenger information screens.

A10. RTS MONITORING

Details were provided of the Regional Transport Strategy (RTS) monitoring framework and progress outcomes.

Decision

- 1) To agree to the continued review and revision of the RTS Monitoring Framework.
- 2) To undertake a prioritised analysis of progress listed RTS actions outlined in appendix 2 of the report.
- 3) To introduce the submission of regular concise narrative accounts of progress with key actions which contribute to RTS outcomes by each constituent council of the South East of Scotland Transport Partnership. This would form the basis of the annual report monitoring until a new cost-effective and sustainable monitoring framework could be developed

A11. AOCB

Details were provided of Tripshare, a web-based car sharing scheme which had been shortlisted for an award at the Holyrood Public Service Awards.

The Winter Wheelers Falkirk Cycle Challenge would commence on 1 December 2017.

A12. PROVISIONAL DATE OF NEXT MEETING

10:00am on Friday 2 March 2018 in Conference Room 2, Victoria Quay, Edinburgh, EH6 6QQ

CHIEF OFFICER LIAISON GROUP MEETING
10:00AM THURSDAY 9TH NOVEMBER 2017

Present:

George Eckton (GE)	SEStran (Chair)
Angela Chambers (AC)	SEStran
Kevin Collins (KC)	Falkirk Council
Lesley Deans (LD)	Clacks Council
Neil Dougall (ND)	Midlothian Council
Keith Fiskien (KF)	SEStran
Peter Forsyth (PF)	East Lothian Council
Ken Gourlay (KG)	Fife Council
Jim Grieve (JG)	SEStran
Graeme Johnston (GJ)	Scottish Borders Council
Catrina Macdonald (CM)	SEStran
Iain Shaw (IS)	CEC (Treasury)

Apologies:

Ewan Kennedy	CEC
Graeme Malcolm	West Lothian Council
Peter Jackson	SEStran

Ref.		Actions
1.	Welcome and Apologies for Absence	
1.1	GE welcomed the group to the meeting and apologies are noted as above.	
2.	Minutes	
(a)	<u>Chief Officers Liaison Group – 24th August 2017</u> Agreed as a correct record.	
(b)	<u>Partnership Board – 22nd September 2017</u> For noting. GE reported that he had received positive feedback from Members on the brand workshop.	
3.	Brand Identity Update	
3.1	KF provided a verbal update, summarising progress to date. Design concepts will be presented to the Chair/Deputy Chairs and Chief Officers' will continue to be informed on future developments.	
4.	Agenda for December Board	
4.1	GE advised that following discussions with the Chair/Deputy Chairs', the main focus of Board meetings would be on strategic issues and less on procedural items. A discussion paper is being drafted on Active Travel, looking at funding, budget pressure, encouraging people to walk,	

/4.	Agenda for December Board	
	equalities aspects and priorities for SE Scotland. It is also proposed to look at options for accessing funds as a partnership, plus tapping in to CPPs and LOIPs.	
4.2	GE noted that it was anticipated there would be a new discussion topic at each Board meeting and asked the group if they supported the new approach. The consensus was supportive of this arrangement.	
4.3	Agenda items to include Model 3, financial planning, policy and projects update, followed by a mandatory training session on the Code of Conduct and a voluntary session on unconscious bias. Timescales for NCM appointments was also discussed.	
4.4	GE asked the group for any additional agenda items. The item concluded with a short discussion on agenda planning and procedures within partner authorities.	
5.	Model 3 Update/NTS2/E&S/Planning Review	
5.1	GE provided a summary of the Model 3 consultation process to date and reported that NTS2 had overtaken earlier proposals. Whilst the Minister has given clear indications that the functions of RTPs will continue, it is likely method of delivery of functions will evolve. City Deals were discussed, along with the Planning and E & S Review. GE continued that a paper is being drafted for the Board which proposes the formal closure of the process and Officers agreed that this would be a suitable conclusion.	
5.2	GE offered to circulate the Planning Review paper and Officers agreed that this would be helpful.	GE
6.	Financial Reports	
(a)	<u>Financial Planning 2018/19</u> IS presented the report, outlining the following key issues: <ul style="list-style-type: none"> • Audit suggested looking beyond usual 1 year budget, for longer term planning, however, this approach is fully dependent on SG context. • Planning assumptions based on fixed grant offer from SG • 3 planning options for council requisitions presented; 5% reduction, flat cash or budget increase to fund Intelligent Centralisation schemes The group discussed the various options and agreed that Intelligent Centralisation to be taken forward to develop in the next financial year. Officers to scope out possible joint working initiatives.	ALL
(b)	<u>Core Revenue Budget Monitoring 2017/18</u> IS provided a verbal update noting that the budget is currently on track.	
(c)	<u>Mid-term Review – Treasury Management Activity</u> IS reported a slight upside as a result of changes to base interest rate.	

7.	Projects Update/Delivery Plans	
7.1	JG presented the report, which provided an update on SEStran projects and RTS delivery plans.	
8.	RTS Monitoring Analysis	
8.1	GE introduced the report which is seeking an update from Officers' on the work being progressed by their individual councils to deliver outcomes surrounding the main objectives of the RTS. It was noted that the RTS monitoring framework is no longer fit for purpose and a paper will be presented to P&A and Board.	GE/KG
8.2	Officers provided individual updates and discussed by the group. The role and scope of the new Freight Forum was also discussed and will continue separately between GE and KG.	
9.	Risk Report	
9.1	AC provided a verbal update to the group, highlighting that the newly formatted risk register will be presented to P&A for review.	
10.	MaaS	
10.1	For noting.	
11.	Review of Forums	
11.1	GE summarised the report, providing an update on Board outcomes and an overview of the remit of consultative forums. It is anticipated the first meetings will be launched in January and GE asked Officers' to provide any comments or feedback by 17 th November.	
12.	Consultation Reports	
(a)	<u>Local Bus Services in Scotland</u> Closes 5 th December, extension granted to feed back any comments from the Board.	
(b)	<u>Low Emission Zones</u> Closes end of November, extension granted to feed back any comments from the Board.	
(c)	<u>The Future of Smart Ticketing in Scotland</u> Comments required by end of November.	
(d)	<u>Concessionary Travel</u> Closes end of November, extension granted to feed back any comments from the Board.	
(e)	<u>Health & Social Care – Healthier Future</u> Section of consultation covers transport issues. Comments welcome.	
(f)	<u>Scottish National Investment Bank</u> Comments welcome.	
13.	AOCB	
13.1	Financial Accounting Arrangements for RTPs consultation – SEStran response to be shared with Officers.	GE

14.	Date of Next Meeting	
	TBC	

Active Travel in South East of Scotland

1. INTRODUCTION

- 1.1 This paper is the first of potentially a series of policy area discussion papers. This comes from a suggestion from the Chair and Deputy Chairs that the meetings of the Partnership should have a greater focus on debating and discussing strategic issues, leaving procedural matters to be proposed by the Officer team of the Partnership. In light of the recent increase in active travel funding, this paper seeks to enable a Board level strategic discussion of possible actions for the Partnership in increasing the journeys made by active travel in the South East of Scotland.

2 Active Travel in South East of Scotland

- 2.1 The Scottish Household Survey 2016ⁱ, published in September 2017 revealed that active travel modes as the main mode of transport, have recorded 26.8% walking and 1.3% cycling rates for the South East of Scotland. Active travel rates to work were recorded as 16.9% walking and 2.7% cycling for the SEStran region, which sits higher than the national average of 12.3% and 2.6% respectively. It is also noteworthy that the percentage of journeys under 5km for the region was 63.5%, with a median journey length of 3km, suggesting a great potential for active travel journeys.

However, with the current Scottish Government target of one in ten journeys being made by bike by 2020, considerations must also be made towards ownership and access. To emphasise this, the recent Scottish Household survey shows that within the most deprived areas, 78.6% of households did not have access to a bicycle (see Appendix). Regionally, 66.4% of households within SEStran have no access to a bicycle, an increase of 2.1% on 2015. Facing the issue of ownership and access to alternative modes of transport, would not only help Scottish Government work towards its own ambitious targets, it could go a long way in addressing social mobility across the country.

The SEStran and Young Scot X-route report highlighted themes that are holding young people back from active travel, aside from the 79% surveyed that were unfamiliar with the term active travel, young people wanted to see more provision of safe routes, bike storage, clear route information, and greater incentives for the uptake of active travel.

The first question for the Board to consider is whether further regional data and bespoke surveys like that produced by Young Scot are helpful, in terms of economies of scale, identifying transport inequalities and actively targeting the views of under-represented groups in regard to Active Travel?

3 Current Policy Context

- 3.1 It is important to acknowledge that active travel plays a wider role than being a mere mode of transport. There is a growing wealth of knowledge touting the benefits of active travel to health, easing of congestion, air quality, and wider economic benefits. The Let's Make Scotland More Activeⁱⁱ strategy paper set out a target of 50% of all adults meeting the recommended guideline for physical activity by 2022, which is 30mins of moderate or vigorous on 5 days over a week. Continuing on this health theme, the latest report for the Prevention of Obesity Route Map records that 65% of the adult population of Scotland are overweight or obese. The Obesity Indicator Model, has multiple levels with timescale objectives that support the need for more active travel provision, culminating in the majority of the population being of a healthy weight.

The refreshed 2015 Regional Transport Strategy has currently only one direct target for Active Travel:

A 5% point increase in walking and cycling mode share for all trips, SEStran wide. Cycling Action Plan for Scotland has a vision of 10% of all journeys will be by bike by 2020.

There are other targets that are contingent upon an increase in active travel e.g., reduction in motorised mode journeys and this potentially reflects the lack of maturity of the walking and cycling agenda at the time of the 2005-2008 and the development of the Strategy.

As well as the local level, individually, a number of Local Transport Strategies, Public Health policy and emerging Local Outcome Improvement Plans target the greater uptake of active travel across the region.

From a Strategy or Policy prospective, is there something we feel we should be progressing further? Should the Partnership consider writing to all CPPs across the region advocating and offering support for Active Travel in the next round of Local Outcome Improvement Plans?

4. Potential Regional Actions

- 4.1 Under the current Transport (Scotland) Act 2005, all RTPs are obligated to produce Regional Transport Strategies. At present with the NTS2 and other reviews underway, the Minister has stated in writing that he doesn't wish us to produce a new RTS at this time. However, in our evidence to the Active Travel Task Force this year we have proposed developing Regional Active Travel Strategies. All RTPs in their evidence felt there could be greater consistency of approach in the methodology for developing local cycling strategies. These can often be consultant led with a variety of approaches employed making for inconsistency and lack of cohesiveness.

In the intermission between regional strategy review, a specific Active Travel document could be produced in conjunction with a Transport Audit as part of a

wider assessment of Transport Infrastructure and the upcoming renewal of the Strategic Transport Projects Review. This could provide the Region with a list of strategic active travel priorities, and create a platform for joint working across local authority boundaries?

Or the Board may feel that there should be a greater focus on active travel regional infrastructure? The Strategic Cross Boundary Cycle Development Study produced a compiled list of recommendations for investment in cross boundary cycling structure in the SEStran Region. A combination of site audits, consultations and stakeholder workshops were used to identify the main barriers and missing links in the Region's Cycling Network. With a particular focus on routes suitable for commuters, funding for infrastructure will be maximised and will deliver a greater return on investment. This could build on the previous studiesⁱⁱ. SEStran also contributed to the recommendation in SESplan's Strategic Development Planⁱⁱⁱ regarding the creation of a regional active travel network and has subsequently funded feasibility studies on identified strategic routes.

Another question would be, does the Board see merit in a separate Active Travel Strategy and a further iteration of the Cross Boundary Study for the Region?

- 4.2** Is there still a tendency to have a limited focus on walking, as a part of the active travel debate, in some discussions? There is, occasionally, a tendency to forget that a significant amount of bus users will have to walk to their stop. There is evidenceⁱⁱ that this provides a regular form of exercise for those that do and their fitness improves as a result. Walking can also be the sole part of an inter-urban commute or part of a multi-modal journey. Walking offers the same associated-benefits from reductions in noise and congestion. However, this does expose those walkers to significant levels of noise and pollution, which can be a perceived barrier. There is clear evidence that the adverse impacts of increased accidents or pollutant exposure faced by cyclists and walkers are outweighed by the benefits of physical activity and the resultant co-benefit of avoided/prevented costs on the NHS. There is also a continued co-benefit of an active lifestyle into later life, including health benefits not only of a physical nature but in terms of independence and well-being

Within SEStran, 53.2% of journeys to a place of work could be made by public transport. Walking needs to be seen as part of a wider modal shift debate, especially in the scheduled non-DRT bus network, as primary access will be by foot. We need to be aware of concerns over road safety and personal safety in accessing the stop, as well as walking time gradients to the nearest higher frequency routes and how we support people to walk further to bus stops to increase modal shift but also have mental health and public health benefits.

Are there initiatives to increase positive attitudes towards walking including walking to sustainable transport, especially bus that we could utilise across the South East of Scotland?

- 4.3** All constituent councils of the Partnership undertake promotion of attitudinal and behavioural change across their area. However, in terms of Active Travel, is there benefit in creating greater capacity at a regional level to undertake and co-ordinate these activities across the whole regional Travel to Work area?

SEStran is currently completing an application to the Low Carbon Travel and Transport Challenge Fund (LCTT) to expand its regional electric bicycle pilot. The aim is to create a series of community hubs across the region, particularly in areas of deprivation and transport poverty, to improve access to employment, amenities and services. SEStran would invite any of its partner local authorities who would be interested in supporting the bid to contact SEStran officers.

In relation to Travel Planning, all RTPs have worked collaboratively with Transport Scotland to develop the national Travel Planning online toolkit, www.travelknowhowscotland.co.uk, an online resource which supports public and private sector organisations to develop, implement, promote and monitor effective Travel Plans for employee/business and other travel demands. With limited promotional resource, the site has already acquired 133 registrations (98 unique organisations). Further investment in this resource would be an effective and low-cost way of addressing gaps in knowledge and enhance skills required to deliver travel planning measures.

Would the Board see value in recommending further investment to promote this resource?

The Smarter Choices Smarter Places (SCSP) programme is another good example of funding sources being used to help the uptake of travel planning measures across the Region by all constituent councils. The majority of impacts were associated with cycle promotions, events linked to cycle and walking routes, Personalised Travel Planning and school travel. Feedback is that the 2015-16 SCSP programme was successful at enabling smarter travel work to be undertaken in many areas where it would not otherwise have been funded. 16 reported increased cycling, 13 reported increased walking, 12 reported increased awareness, 12 reported improved satisfaction, 10 projects reported corresponding impacts on car use and 9 reported increased willingness to change behaviour^{iv}. It could enable retention of key skills and expertise across a wider geographical area and enable the delivery of coherent, integrated regional programmes to promote active travel. This could build on the previous success of TravelSmart or IndiMark PSP schemes^v across other wider regional geographies

There would appear to be an opportunity here to deliver greater efficiencies from programmes such as SCSP, if these certain actions and funding were delivered regionally, rather being than split 32 ways between local authorities on issues such as social marketing. The supporting documentation for the recent Climate Change Plan also highlights the need to have further evaluation of real world active travel interventions. This dovetails with a proposed action in the 2015 RTS refresh which states that the Partnership should establish the likely value of personalised travel planning assistance in the South East of

Scotland context and if it's shown to be good value, implement it across the South East of Scotland. This could tie in with the new brand identity for the Partnership and offer a consistent and cost-efficient suite of interventions across the area.

Travel Planning initiatives like these could also be delivered in conjunction with Local Enterprise Partnerships. As an example of this, the West Yorkshire Combined Authority offers its 'Travel Plan Network'^{vi}, which currently supports over 300 Organisations in their Region. The aims of the network include the reduction of single occupancy car use, easing congestion and the improvement of air quality whilst promoting sustainable and active travel. The Travel Plan Network Team offer their support in business relocation, corporate travel discounts, car club memberships, car sharing, real-time passenger information and other various Travel Plan promotion measures.

The Travel Plan Team are now in the process of relocating from the Transport department (Metro) to the City Region Enterprise Partnership (LEP) to improve their ties with businesses in the area further.

Should SEStran look to establish similar links with Scottish Enterprise and other Local Enterprise Partnerships to help deliver Travel Plans?

Would the Board consider lobbying the Minister for some of the additional Active Travel funding to develop and implement consistent regional social marketing and evaluation campaigns to actively seek to change behaviour and attitudes?

- 4.4** The recent Blueprint 2020 childcare consultation asks what actions could be taken to support increased access to outdoor learning, exercise and play. One suggestion to encourage more outdoor activity would be to set up walking buses for children to travel to and from childcare in the more temperate months or a region-wide uptake of Play on Pedals scheme? This would provide a safe and healthy way to travel and may help to encourage children and parents to try a healthy active lifestyle and embed, at an early age, long term antecedents of behaviour change and sustainable modal choice. This would potentially address some of the long-term funding pressures on Integrated Joint Boards and be the type of preventative/early intervention actions, highlighted by the 2011 Christie Commission?

Would the Board perhaps consider that these preventative actions could be developed on a regional basis?

- 4.5** The issue of Active Travel, could sometimes overly focus on a certain cohort of the population and a certain type of synthetic fibre. However, there isn't equal access to active travel opportunities or equal benefits/impacts for all groups. Scottish Government commissioned research highlights that there are challenges to achieving behavioural change in the groups that could benefit most, including ethnic minorities and those who identify with a gender that is not male. There is a reported gender disparity in reported cycling accidents. Women are currently under-represented amongst cyclists across Scotland.

Furthermore, whilst women have a higher propensity to walk, they are underrepresented in the number of cyclists in Scotland. Factors in this underrepresentation were not feeling safe, age, lack of fitness and concerns over appearance. However, whilst women have a greater tendency to walk, research has shown that women express much higher levels of fear for their personal security in public places, whether on or waiting for transport, or in the use of car parks, particularly at night. This fear can, in turn, place a constraint on the mobility of women and their participation in public life as they factor personal safety into routine decisions and activities. It not only constraints mobility, it constrains the choice of mode for women and access to more sustainable and healthier modes of transport at this time. The Partnership has been clear in its communications that a greater coverage and use of real-time passenger information could promote reduced perceptions of crime and increase mobility for certain groups.

We have sought to promote active travel and the Real-Time Passenger Information system as a mechanism for reducing the time people with higher levels of fear need to wait for transport in public places. Public transport can also serve as the scene for discrimination based on gender identity and sexual orientation, so limiting the potential of walking to public transport presumably in the first instance. We are also actively seeking to pilot a regional Hate Crime charter to reduce fear and incidents of crime on the transport network, encouraging the widest possible number of people to consider commuting by more sustainable modes of transport. For example, the Diversity Trust in 2014 found that 36% of survey respondents had been discriminated against at some point, with 32% of incidents taking place on public transport. This has a clear potential to limit walking to/from public transport and a reinforce for valid personal security concerns to commuting by car. Overcoming such equity, equality and diversity barriers to increase active travel and walking to public transportation is key to reducing transport inequality.

The recent Sustrans Scotland Transport Poverty report^{vii} highlights that whilst a complex issue, there is a relationship between the impacts of current non-cycling and walking based travel and the impact on communities. There is a number of barriers to those who have lower income who cannot buy a car or struggle to pay public transport fares to access a wide range of opportunities. There is potential to walk and cycle to a large range of essential services but these may be limited for those in poverty because of cost of kit and/or lack of physical health to walk. There are many variables in play when discussing transport and poverty. However, the report concludes that there is no doubt active travel can provide a part of the solution to reducing inequalities. At present, Local Authorities and Transport Scotland are listed authorities for the socio-economic duty and should be considering how to address these.

There are also barriers to achieving the broader benefits of public transport and steps need to be taken to ensure those people with visible and invisible disabilities have their physical, psychological and economic barriers addressed. There does need to be a continuing awareness raising initiative and training on the needs of disabled people, which initiatives such as the Thistle Assistance Card can play a key part in addressing.

What more could the Partnership do to promote equality and safety of active travel? Do we need to undertake regionally focused co-design engagement to understand the key disadvantaged groups and their travel needs? How should responsible authorities for the new socio-economic duty, respond to inequalities of outcome surrounding active travel and could the Partnership be a mechanism for an efficient regional approach to this issue?

5. CONCLUSION

- 5.1** The discussion paper seeks to generate debate on a number of issues facing active travel across the South East of Scotland.

South East of Scotland Transport Partnership Team

30th November 2017

Policy Implications	The implications will be dependent on the outcomes and actions agreed by the Board following discussion of the paper and any other matters raised at the meeting.
Financial Implications	The implications will be dependent on the outcomes and actions agreed by the Board following discussion of the paper and any other matters raised at the meeting.
Equalities Implications	The implications will be dependent on the outcomes and actions agreed by the Board following discussion of the paper and any other matters raised at the meeting.
Climate Change Implications	The implications will be dependent on the outcomes and actions agreed by the Board following discussion of the paper and any other matters raised at the meeting.

ⁱ <http://www.gov.scot/Publications/2017/09/9979>

ⁱⁱ <http://www.gov.scot/resource/doc/47032/0017726.pdf>
<http://www.bmj.com/content/357/bmj.j1456>

ⁱⁱⁱ <http://www.sesplan.gov.uk/assets/publications/SDP2/Proposed%20Strategic%20Development%20Plan.pdf>

^{iv} <http://www.pathsforall.org.uk/scsp2015>

^v <http://www.ratransport.co.uk/images/MakingPTPworkResearch.pdf>

^{vi} <http://www.wymetro.com/wytpn/>

^{vii} https://www.sustrans.org.uk/sites/default/files/file_content_type/transport_poverty_in_scotland_report.pdf

Financial Planning 2018/19

1 Purpose of report

- 1.1 The purpose of this report is to present to the Partnership financial planning options for the 2018/19 revenue budget and to commence financial planning for future years.

2 Background

- 2.1 Section 3 of the Transport (Scotland) Act 2005 requires the constituent councils of each Regional Transport Partnership to meet the Partnership's net expenses after taking account of grant from the Scottish Government (£782,000 since 2011/12) and any other external funding.
- 2.2 The net expenses of the Partnership are shared between constituent councils based on population. The current share ranges from 33% for City of Edinburgh Council to 2% to Clackmannanshire Council. Since 2008, the Partnership has only received revenue support monies from Scottish Government and no capital investment funding. Regional Transport Partnership's originally received a total of £35 million of capital investment funding in 2006/07.

Scottish Government Draft Budget 2018-19

- 2.3 The provisional Local Government Finance Settlement for 2018/19 is due to be announced on 14th December 2017. Funding is expected to cover one year only. This provides a challenge to address the external audit report findings about the need for a longer-term budget for the Partnership, and therefore necessitates the use of economic forecasts of future funding.
- 2.4 While based on a range of projections and assumptions, the recently-published Fraser of Allander Institute report on Scotland's Budget 2017 indicated the total Scottish resource budget (grant and tax revenues) is forecast to fall by 2.3% in real terms between 2016/17 and 2020/21. Under alternative but equally realistic scenarios (an 'upside budget risk' and a 'downside budget risk'), the Scottish resource budget could decline by 1.2% or by up to 3.8% by 2020/21.
- 2.5 If certain areas of Government expenditure are protected, 'non-protected' areas will shoulder a greater share of the burden. As an illustration, protecting just four Scottish Government budget priorities – health, policing, childcare and educational attainment – could mean that 'non-protected' areas face real terms cuts of between 9% to 14% over the current parliamentary term (2016/17 to 2020/21). It is possible that the non-education elements of local government will be the largest part of the budget which could be categorised as "non-protected".

- 2.6 Once protected areas of the budget are considered e.g. teaching budgets, adult social care and demographic pressures, constituent councils are generally planning on incremental savings of up to 5% year-on-year.

SESTRAN – Financial Planning 2018/19

- 2.7 Revenue budget planning is being progressed for 2018/19. Planning assumptions are being updated for:
- 2.7.1 Implementation of Single Status;
 - 2.7.2 staff recharges to projects in 2018/19;
 - 2.7.3 pay award and increment provision;
 - 2.7.4 the outcome of the Lothian Pension Fund triennial actuarial valuation;
 - 2.7.5 Scottish Government grant funding assumptions;
 - 2.7.6 other budget planning assumptions, including the desire from several constituent councils for further information and scoping of shared capacity and resilience via City Deals for regional governance.
- 2.8 Scottish Government grant funding has remained fixed at £782,000 since 2011/12. Council requisitions were previously reduced voluntarily by the Partnership by 5% in 2017/18 to £190,000. Council requisitions were fixed at £200,000 between 2012/13 and 2015/16. Appendix 1 shows budgeted expenditure and income since 2011/12.
- 2.9 A recommendation made by the Partnership's External Auditor on the audit of the 2016/17 annual accounts was: "to ensure financial sustainability, the Partnership should develop medium to long term financial plans on a 3 to 5-year basis. This would assist the Partnership in highlighting risks to its sustainability and ensure funding is allocated in line with the long term strategic aims of the Regional Transport Strategy".

Financial Planning 2018/19 Options

- 2.10 Three financial planning scenarios have been identified for 2018-19, with the options being capable of implementation in financial years beyond 2018/19 to address the External Auditor's recommendation noted at paragraph 2.9.
- 2.11 Options assume Scottish Government grant remains fixed at £782,000. The Scottish Government has yet to confirm the level of grant funding for 2018/19.

Option 1 – 5% reduction in constituent council requisition

- 2.12 Recognising the financial pressures facing constituent councils, the Partnership could reduce its requisition to constituent councils by 5% (£9,500); this following the 5% reduction in the 2017/18 requisition.
- 2.13 The reduction for 2017/18 was anticipated to be achieved from a forecast underspend on core expenditure. Since approving the 2017/18 budget, the

findings of the Partnership's Pay/Grading Review showed historic pay/grading anomalies when implementing Single Status.

- 2.14 A 5% reduction (£10,000) in 2018/19 will increase budget pressure following implementation of the new pay structure and the proposed removal of the Pay Cap on public sector workers.
- 2.15 A 5% reduction in constituent council requisition will require a reduction in expenditure on projects. The likely area of reduction will be the Sustainable Transport Grants scheme, which provides match funding for councils and other stakeholders for Smarter Choices /Smarter Places and wider sustainable travel. This will impact on the Partnership's ability to deliver projects which are the primary method of addressing the long-term aims of the Regional Transport Strategy and will reduce funding towards the long-term aims of the Regional Transport Strategy.

Option 2 - 'Flat-cash' retain constituent council requisition

- 2.16 'Flat-cash' retain constituent council requisition would allow requisitions to be set at the 2017/18 level of £190,000. The Partnership would be required to absorb budget pressure arising from the new pay structure and the proposed removal of the Pay Cap on public sector workers. This option will also impact on the Partnership's ability to deliver projects which are the primary method of addressing the long-term aims of the Regional Transport Strategy.

Option 3 –increase constituent council requisition and progress “Intelligent Centralisation”

- 2.17 Investigate the opportunity to reduce costs to constituent councils from other sources of cost pressures within transportation services, by sharing services such as regional modelling or appraisal frameworks, sharing specialist skills or undertaking marketing/prevention measures for active travel/car use growth collectively. This would build on the success of the Trapeze software (Novus FX succeeding Routewise for bus service data) roll out across certain constituent councils where working through the Partnership has enabled costs to be reduced. This type of option represents savings by reforming current processes to be more efficient and cost effective for same/improved outcomes.
- 2.18 This would, in a small but initial step, examine opportunities councils wished to explore for a “Model 2” form of regional delivery, following the declination of Model 3 structures. The Partnership Director recognises that the greater headline budget through the Partnerships would be offset by a reduction in spending within councils on marketing or other shared outcomes, which would then be delivered at a regional level on a contractual basis with councils as clients for these shared services.
- 2.19 It is envisaged that the business case for an increase in constituent council requisition of any significant magnitude would be developed by reducing council spending on such marketing or other shared outcomes or prevention of negative outcomes and costly demand on services. This option is in line with the stated preferences of 5 of 8 councils in response to the Model 3

consultation, which advised of a position of wanting further discussions on the options for sharing resource and capacity.

- 2.20 This option would require scoping of the potential for regional working on key activities and the development of service level agreements. This would require to be progressed on a joint basis, with the intention of achieving greater spend through the Partnership, whilst making a compensating reduction in each constituent council's costs for the same activity.
- 2.21 Within the financial constraints currently facing Local Government and forecast to continue until at least 2020/21, the model of delivery for this option will require to be robustly developed, for it to be affordable to constituent councils. The lead time for such development may preclude implementation of many options for 2018/19, but it remains relevant to the development of future financial plans by the Partnership. The Chief Officers Group meeting on 9th November 2017 agreed to provide by the end of 2017, examples for 2018/19 of potential options for delivery by Summer 2018 of joint working across councils and through the Partnership, with the aim being to reduce cost pressures and improve outcomes for the statutory Regional Transport Strategy.

Risk Assessment

- 2.22 When approving the revenue budget in March 2018, the Partnership Board will be required to consider the risks inherent in the budget process and the arrangements in place to manage those risks. An initial risk assessment has been drafted and this is included at Appendix 2. An updated risk assessment will be reported to the Board in March 2018.

3 Review

- 3.1 The SEStran Chief Officers Group reviewed this report at its meeting on 9th November 2017 and concluded that for 2018/19, either Option 1 or 2 should be progressed, with the potential to deliver Intelligent Centralisation to be explored for specific options for 2018/19, if possible. Chief Officers also made a commitment, over the next 6-9 months, to look at future years budgets for 2019/20 and 2020/21 and the potential for joint resourcing and delivery through the Partnership.
- 3.2 Given the relative scale of the potential saving at Option1, Performance and Audit Committee expressed a view at its' meeting on 24th November 2017 towards Option 2 – Flat Cash - with the potential to deliver Intelligent Centralisation to be explored for specific options for 2018/19 and beyond.

4 Recommendation

The Partnership Board is recommended to note:

- 4.1 the financial planning assumptions currently being progressed for 2018/19;
- 4.2 the view of Chief Officers Group, noted at paragraph 3.1, on financial planning assumptions for 2018/19 and agree that a paper should be brought to the first two meetings of 2018 on "aggregation" proposals for 2019/20 and if possible 2018/19;

- 4.3 the view of Performance and Audit Committee, noted at paragraph 3.2, on financial planning assumptions for 2018/19;
- 4.4 the risk that Scottish Government funding allocations to Regional Transport Partnership's may be reduced;
- 4.5 a revenue budget for 2018/19 will be presented to the Partnership Board for approval in March 2018.

Hugh Dunn
Treasurer

Appendix	Appendix 1 – SEStran Budget 2011/12 - 2017/18 Appendix 2 – Risk Assessment
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Contact/tel/Email Iain Shaw
Telephone 0131 469 3117
iain.shaw@edinburgh.gov.uk

Policy Implications	There would be a further reduction in the implementation of the long-term aims of the RTS
Financial Implications	At this stage, there is no financial commitment arising from this report.
Equalities Implications	There are no equalities implications arising as a result of this report.
Climate Change Implications	Subject to the approval of the revenue budget in March 2018, there may be a reduction in spending on sustainable travel grant projects.

Appendix 1
SEStran Budget 2011/12 – 2017/18

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Core	467	461	463	465	550	551	478
Projects	791	709	504	1,076	2,384	725	510
RTPI	110	117	222	286	230	344	339
Total Budget	1,368	1,287	1,189	1,827	3,164	1,620	1,327
External Funding							
EU Grants	313	245	146	233	131	152	95
Other income	48	60	61	266	1,051	486	260
Bus Investment Fund				346	1,000	0	0
Total Ext. Funding	361	305	207	845	2,182	638	355
Scottish Government	782	782	782	782	782	782	782
Council Requisition	225	200	200	200	200	200	190
Total Funding	1,368	1,287	1,189	1,827	3,164	1,620	1,327

Appendix 2

Risk Assessment

Risk Description	Existing Controls
Pay awards. Each 1% uplift in pay provision equates to an increase of £3,300.	Alignment with Scottish Local Government pay policy.
Staff recharges – EU Projects. There is a risk that opportunities for additional funding through income for EU projects may reduce.	Any shortfall in employee cost recharges will be offset by a corresponding reduction in Projects Budget expenditure.
Inflation. There is a risk that there is an increase in price inflation.	Allowance will be made for specific price inflation and budgets adjusted in line with current cost forecasts.
Delays in payment of external grants results in additional short-term borrowing costs.	SEStran grant claims for projects are submitted in compliance with grant funding requirements to ensure minimal delay in payment. Ongoing monitoring of cash flow will be undertaken to manage exposure to additional short-term borrowing costs.
There is a risk that current levels of staffing cannot be maintained due to funding constraints and that the Partnership will incur staff release costs.	Recruitment control and additional sources of external funding will continue to be sought for activities aligned to the Partnership's objectives.
There is a risk that sources of additional income to the Partnership may become constrained in the current economic climate and/or due to changes in operating arrangements.	Develop revenue budget to take account of most likely level of external income in 2018/19.
Funding Reductions. Reduction in funding from Scottish Government and/or council requisitions.	Subject to decision by the Partnership Board, the draft budget will be prepared noting the risk of a 5% reduction in funding from council requisitions and Scottish Government grant. In the event of a reduction in funding in Scottish Government grant, a review will be undertaken of Project expenditure commitments, to re-align expenditure to financial resources. Continue to source and develop external funding.

FINANCE OFFICER'S REPORT

1. INTRODUCTION

- 1.1 The purpose of this report is to present the second update on financial performance of the core revenue budget of the Partnership for 2017/18, in accordance with the Financial Regulations of the Partnership. This report presents an analysis of financial performance to the end of October 2017.
- 1.2 This report includes details of the cash flow position of the Partnership in respect of its' net lending to and borrowing from the City of Edinburgh Council.

2. CORE REVENUE BUDGET 2017/2018

- 2.1 The Partnership's core revenue budget for 2017/18 was approved by the Partnership Board on 2nd March 2017. The core budget provides for the day-to-day running costs of the Partnership including employee costs, premises costs, supplies and services. The Board approved net expenditure of £478,000 on 2nd March 2017. Details of the Partnership's core budget are provided in **Appendix 1** to this report.
- 2.2 Cumulative expenditure for the seven months to 31st October 2017 was £273,000. This is within the core budget resources available for the period.
- 2.3 All expenditure estimates have been updated to reflect current expenditure commitments and it is projected that expenditure for the year will be within the budget for 2017/18. Following review of the Partnership's staffing structure, two posts will be directly funded through the Projects budget. Under the Partnership's Scheme of Delegation, a budget transfer of £10,000 from the Projects budget has been made to reflect this funding arrangement.

BALANCES

- 2.4 The Partnership holds a balance of £49,000 as a result of the underspend on the 2016/17 budget. The Partnership Board approved on 2nd March 2017 that this underspend should be utilised as funding for the Sustainable and Active Travel Grant Scheme. It is anticipated these funds will be fully spent in 2017/18.

CASH FLOW

- 2.5 As previously noted at Partnership Board meetings, the Partnership maintains its bank account as part of the City of Edinburgh Council's group of bank accounts. Cash balances are effectively lent to the Council, but are offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Partnership. Interest is given on month end net indebtedness balances between the Council and the Partnership.

An update of month-end balances is shown in the following table:

Date	Net Balance due to SESTran (+ve) /due by SESTran (-ve)
	£
30 April 2017	+177,001.86
31 May 2017	+204,157.32
30 June 2017	+328,878.40
31 July 2017	+353,669.27
31 August 2017	+454,246.87
30 September 2017	+441,639.82
31 October 2017	+473,123.77

- 2.6** Interest is charged/paid on the month end net indebtedness balances between the Council and the Board. Interest will be calculated in March 2018.
- 2.7** The positive cash flow in the first half of 2017/18 is attributable to funding received in advance, mainly from the Scottish Government grant, Councils requisitions and EU funding in respect of the Social Car project.

3. RECOMMENDATIONS

It is recommended that the Partnership Board notes:-

- 3.1** it is currently forecast that core expenditure in 2017/18 will under spend by £5,000 against the revenue budget of the Partnership and that this underspend will meet project costs in 2017/18;
- 3.2** all income and expenditure will continue to be monitored closely with updates reported to each Partnership meeting;
- 3.3** the month end balance of indebtedness between the Partnership and City of Edinburgh Council and the reason for these balances identified at paragraph 2.7.

HUGH DUNN
Treasurer
November 2017

Appendix Appendix 1 – Core Budget Statement at 31st October 2017

Contact/tel Craig Beattie, Tel: 0131 469 3222
(craig.beattie@edinburgh.gov.uk)

Policy Implications	There are no policy implications arising as a result of this report.
Financial Implications	There are no financial implications arising - the contents of this report point towards a small under spend on the core budget outturn for 2017/18.
Equalities Implications	There are no equalities implications arising as a result of this report.
Climate Change Implications	There are no climate change implications arising as a result of this report.

Core Budget 2017/18 – as at 31st October 2017

Appendix 1

	Annual Budget £'000	Period Budget £'000	Period Actual £'000	Annual Forecast £'000	Forecast Variance £'000
Employee Costs					
Salaries	304	177	186	327	23
National Insurance	31	18	19	34	3
Pension Fund	46	27	35	53	7
Recharges – Projects **	(127)	(62)	(74)	(147)	(20)
Training & Conferences	10	6	8	13	3
Interviews & Advertising	2	1	0	0	(2)
	266	167	174	280	14
Premises Costs					
Office Accommodation	16	8	8	16	0
	16	8	8	16	0
Transport					
Staff Travel	9	5	3	6	(3)
Supplies and Services					
Marketing	20	12	7	20	0
Communications & Computing	90	70	81	94	4
Printing, Stationery & General Office Supplies	10	6	2	4	(6)
Insurance	4	2	4	4	0
Equipment, Furniture & Materials	1	1	0	1	0
Miscellaneous Expenses	11	6	(6)	0	(11)
	136	97	88	123	(13)
Support Services					
Finance	25	0	0	25	0
Legal Services / HR	7	0	0	7	0
	32	0	0	32	0
Corporate & Democratic					
Clerks Fees	15	0	0	15	0
External Audit Fees	10	0	0	10	0
Members Allowances and Expenses	3	2	0	1	(2)
	28	2	0	26	(2)
Interest - Paid/ (Received)	1	0	0	0	(1)
Total Expenditure	488	279	273	483	(5)
Funding:					
Scottish Government Grant	(288)	(191)	(191)	(288)	0
Council Requisitions	(190)	(190)	(190)	(190)	0
Total Funding	(478)	(381)	(381)	(478)	0
Net Expenditure/ (Income)	10	(102)	(108)	5	(5)

** A budget transfer of £10,000 from the Projects budget has been made under the Partnership's Scheme of Delegation.

Mid Term Review - Treasury Management Activity

1. Introduction

- 1.1 The purpose of this report is to review the investment activity undertaken on behalf of the Partnership during the first half of the 2017/18 Financial Year.

2. Background

- 2.1 In accordance with Investment Regulations in Scotland the Partnership adopted the appropriate Codes of Practice and approved an Annual Investment Strategy at its meeting on the 2nd March 2017.

3. Mid Term Review - Annual Investment Strategy

- 3.1 As approved in the Partnership's Investment Strategy, the Partnership continues to maintain its bank account as part of the City of Edinburgh Council's group of bank accounts. Any cash balance is effectively lent to the Council, but is offset by expenditure undertaken by the City of Edinburgh Council on behalf of the Board. Interest is given (charged) on month end net indebtedness balances between the Council and the Board in accordance with the recently withdrawn Local Authority (Scotland) Accounts Advisory Committee's (LASAAC) Guidance Note 2 on Interest on Revenue Balances (IoRB). The methodology will continue to be used until new guidance on the treatment of interest charges is made available. In line with recent short term interest rates, the investment return/charge continues to be low, but the Board gains security from the counterparty exposure being to the City of Edinburgh Council. Net end of month balances for the first half of the year were:

Opening Balance	£159,905.84
April	£177,001.86
May	£204,157.32
June	£328,878.40
July	£353,669.27
August	£454,246.87
September	£441,639.82

- 3.2 Although interest is not calculated until March, in line with the withdrawn guidance note, the interest rate averaged 0.103% during the first half of the financial year. This is a projected rate on current interest rates, if the Bank of England change UK Bank Rate then the figure may change marginally.

4. Recommendation

- 4.1 It is recommended that the Board notes the investment activity undertaken on behalf of the Partnership.

Hugh Dunn
Treasurer

Appendix None

Contact/tel Iain Shaw, Tel: 0131 469 3117
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Policy Implications	None.
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None

A Healthier Future Consultation

1. INTRODUCTION

- 1.1 On the 26th of October, the Scottish Government released its consultation¹ on A healthier future- action and ambitions on diet, activity and healthy weight. This consultation describes the public health challenges Scotland faces in terms of our diet, activity, and weight.
- 1.2 Responses to this consultation will be used to inform the development of future policy and the development of a progressive plan of action. SEStran welcome the opportunity to respond to the consultation as active travel is inextricably linked to health benefits and will be vital in ensuring a healthier future for Scotland.

2. CONSULTATION

The consultation outlines the following proposals for consideration:

- Transforming the food environment
 - Living healthier and more active lives
 - Leadership and exemplary practice
- 2.1 The recently announced Programme for Government identified tackling obesity as a priority. Upon launching the consultation, the Government announced funding of £42 million over the next five years to address this. Subsequently, in a bid to create an Active Nation, the active travel budget was doubled from £40 million to £80 million per year from 2018 -19.
- 2.2 Scotland's obesity rates continue to be amongst the highest in the developed world. It is stated within the consultation that 70% of children's excess weight gain is achieved by age 5. The potential cost to our health services and the economy due to increasing ill-health and inactivity could be significant. The rates of obesity in children highlight how we should be encouraging children from an early age to travel actively and its benefits, not just physically, but mentally too. SEStran identified in its X-Route report that there are many barriers to young people choosing to travel actively therefore it is imperative that these issues are addressed if we want to encourage children and young people to be more active. Physical activity needs to be viewed as more than a recreational activity but as part of our daily lives including in how we travel.
- 2.3 The doubled active travel budget will go towards supporting new infrastructure and improvements, however behaviour change initiatives are crucial to encourage modal shift in conjunction with infrastructure. The Government recognises that advertising can be a powerful force for positive messaging on healthy eating but will it view active travel in the same regard? This is an opportunity for the Government to support and encourage schools to partake

¹ https://consult.gov.scot/health-and-social-care/a-healthier-future/user_uploads/00526543.pdf

in cycle training and bikeability, providing young people with the skills to make active travel the natural choice. Instilling active travel as a viable mode of transport from a young age will be crucial to ensure more young people stay active and can maintain and sustain healthier lives.

- 2.4** In November 2017, the Scottish Government published a Health and Social Care paper² highlighting obesity indicators. The report identified that in 2016, 65% of adults aged 16 and over were overweight, including 29% who were obese.
- 2.5** Under 'living healthier and more active lives' the consultation highlights the increased investment in active travel infrastructure to encourage more people to walk and cycle as part of everyday life. This will help to address weight management and encourage people to become more active in modern life where increasingly jobs become more sedentary, by providing infrastructure that will encourage non-cyclists or less confident cyclists to cycle. Making cycling more accessible to people of all levels. The consultation's mention of active travel and its link to a healthier future for all is progressive as the health benefits of active travel are often overlooked in favour of tangible outputs. The Programme for Government displays a commitment to deliver a new approach to weight management to address the increase in type 2 diabetes. SEStran would reiterate the importance of active travel and its links to improved health and wellbeing to take priority in any new plan from the Government.
- 2.6** The overarching aim of the Scottish Government is to create a fairer Scotland and reduce inequality. Active travel is a way to address this inequality, as already discussed in the active travel discussion paper, it can provide part of the solution of reducing inequalities. The socio-economic duty asks public authorities to do more to tackle the inequalities of outcome caused by socio-economic disadvantage. The consultation mentions leadership and exemplary practice and SEStran would encourage the Government to engage with the planning and transport sector to ensure the health benefits of active travel promoted through this partnership working.

3. CONCLUSIONS / RECOMMENDATIONS

- 3.1** The paper seeks to invite comment from the Board on the consultation, which will be incorporated into a response from SEStran and signed off by the Partnership Director, in consultation with the Chair under delegated powers. Please refer to the earlier 'active travel discussion paper' to inform debate.
- 3.2** It is requested that any comments are to be sent SEStran officers by the 15th of January for collation.

Moir Nelson
Active Travel Strategic Development Officer
30th November 2017

² <http://www.gov.scot/Resource/0052/00527553.pdf>

Policy Implications	None
Financial Implications	There is a potential for RTPs through the consultation to make a case for greater funding to deliver regional active travel infrastructure and marketing.
Equalities Implications	Potential impacts in terms of access to active travel infrastructure and service
Climate Change Implications	Potential to increase use of sustainable modes

Appendix 1 - A healthier future questions

A Healthier Future Consultation

Summary of Consultation Questions

Question 1

Are there any other types of price promotion that should be considered in addition to those listed above?

Please explain your answer.

Question 2

How do we most efficiently and effectively define the types of food and drink that we will target with these measures?

Please explain your answer.

Question 3

To what extent do you agree with the actions we propose on non-broadcast advertising of products high in fat, salt and sugar?

- ☐ Strongly agree
- ☐ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree

Please explain your answer.

Question 4

Do you think any further or different action is required for the out of home sector?

Yes ☐ No ☐ Don't know ☐

Please explain your answer.

Question 5

Do you think current labelling arrangements could be strengthened?

Yes ☐ No ☐ Don't know ☐

Please explain your answer.

Question 6

What specific support do Scottish food and drink SMEs need most to reformulate and innovate to make their products healthier?

Question 7

Do you think any further or different action is required to support a healthy weight from birth to adulthood?

Yes ☐ No ☐ Don't know ☐

Please explain your answer.

Question 8

How do you think a supported weight management service should be implemented for people with, or at risk of developing, type 2 diabetes - in particular the referral route to treatment?

Question 9

Do you think any further or different action on healthy living interventions is required?

Yes ☐ No ☐ Don't know ☐

Please explain your answer.

Question 10

How can our work to encourage physical activity contribute most effectively to tackling obesity?

Question 11

What do you think about the action we propose for making obesity a priority for everyone?

Question 12

How can we build a whole nation movement?

Question 13

What further steps, if any, should be taken to monitor change?

Question 14

Do you have any other comments about any of the issues raised in this consultation?

Low Emission Zones Consultation

1. INTRODUCTION

- 1.1** In November 2015, the Scottish Government published the Cleaner Air for Scotland (CAFS) Strategy¹. CAFS is a national strategy which sets out how the Scottish Government and its partner organisations propose to reduce air pollution to fulfil Scotland's ambitious carbon reduction targets. Amongst the policy areas that are outlined within CAFS, the National Low Emissions Framework² (NLEF) is cited as an important initiative, alongside the National Modelling Framework, adoption of World Health Organisation Guidelines, and proposals for a National Air Quality Awareness Campaign
- 1.2** CAFS also describes how the Scottish Government would enable local authorities to appraise, justify the business case for, and implement a range of air quality improvement options related to transport and associated land use. In addition, the Scottish Government's "A Plan for Scotland 2016 -17"³ is committed to, with the help of local authorities, identifying and putting in place the first Low Emission Zone(LEZ) by 2018. The concept of LEZs has been established for some years. An LEZ involves a city or local authority setting vehicle emissions limits in defined areas where poor air quality is an issue. Any vehicles which do not meet the required LEZ standard are restricted or deterred from entering the area concerned, either by exclusion (full or partial) or by charging.
- 1.3** Much work has already taken place on building the evidence for Low Emission Zones, with detailed work on the new National Modelling Framework (NMF) to provide key evidence, and strong progress on developing the NLEF, to deliver guidance on business case development and delivery. In addition, a wide range of consultation and engagement with key stakeholders on the delivery challenges of LEZs has taken place. Due to the complex nature of delivering LEZs, and some of the concerns that were raised by stakeholders in relation to this, Transport Scotland are taking forward a consultation to support the early adopters in their work, and to finalise a guidance document.

2. CONSULTATION

¹ <http://www.gov.scot/Resource/0048/00488493.pdf> - Cleaner Air for Scotland (CAFS)

² <http://www.gov.scot/Publications/2015/01/3287/10> - Low Emissions Framework

³ <http://www.gov.scot/Resource/0050/00505210.pdf> - A Plan for Scotland

- 2.1 The CAFS Strategy has seen the establishment of a Governance Group with wide ranging representation, to oversee its progress. The group consists of several subgroups focusing on specific topics, and now wishes to receive further input from other Stakeholders.
- 2.2 The 'Building Scotland's Low Emission Zones' consultation⁴ was launched on the 6th of September, and invites views on how the Scottish Government can, with the help of local authorities, identify and put in place the first new LEZ by 2018, creating a legacy upon which other areas can build.
- 2.3 With Local Authorities, the Scottish Government has committed to introduce LEZs into Scotland's four biggest cities between 2018 and 2020 and into all other Air Quality Management Areas by 2023

3. SESTRAN RESPONSE SUMMARY

- 3.1 SEStran supports the principle of implementing LEZs, if they are delivered as part of a wider local or Regional Transport Strategy. LEZs should not be viewed in isolation but be implemented alongside complementary measures that encourage the uptake of Active Travel and reduce the number of single occupancy vehicles. SEStran projects such as Tripshare and Surflough have been referenced as examples of such measures that could complement the introduction of LEZs.
- 3.2 SEStran recognises that the short timescales proposed for introduction of LEZs will be challenging and may lead fleet and bus operators to retrofit vehicles, rather than pursue a programmed purchase of newer cleaner vehicles once current vehicles are time expired. This, in the long run, could lead to extending the life of older, more polluting vehicles, rather than new low emission vehicles.
- 3.3 Any LEZ introduced would need to be supported financially by the Scottish Government, including the set-up costs, additional infrastructure (direct and indirect), enforcement regime and on-going running costs. Given the ongoing pressures on the Local Government settlement and the prioritisation of non-transport related services, and whilst SEStran recognises the positive impacts on local health outcomes, there is not currently no allowance for funding this from LG budgets. Additionally, expert personnel support, either through consultants or the provision of additional funding to employ staff, is required to support the development of a Business Case and other associated elements of the National Low Emission Framework process.

⁴ https://consult.scotland.gov.uk/transport-scotland/building-scotlands-low-emission-zones/user_uploads/low-emission-zones-consultation-2.pdf - Building Scotland's Low Emission Zones Consultation

- 3.4** It should be noted that although a LEZ is likely to be implemented within one local authority area, it will have influence on the population of a wider catchment, regionally and nationally, for private car drivers and commercial vehicles as well as bus operators. This development should therefore be informed by joint working with Regional Transport Partnerships.
- 3.5** Bus operators will also require significant financial assistance for low emission vehicles and additional/increased funding support and incentives, along the lines of the Green Bus Fund. This will be required from Government to encourage the early and increased uptake of cleaner private and commercial vehicles. The maintenance of existing levels of bus based accessibility to LEZ areas will be vital to address the concerns raised around socio-economic disadvantage.
- 3.6** LEZs are likely to have beneficial health effects on people who reside within LEZ zones, particularly the young and old benefiting from better air quality. However, there is concern that LEZs will impact disproportionately on the less affluent in society, as those more affluent are able to afford vehicles which meet LEZ Euro engine standards. Lower socio-economic groups may not be able to afford LEZ compliant vehicles and will therefore need alternative transport arrangements to access employment, health, social and leisure requirements. In general, in urban areas, buses provide this alternative. However, in many rural hinterlands, people who rely on access to cities do not have access (availability, frequency and possibly financial) to a suitable bus service to provide alternative transport and could therefore be excluded from accessing employment, training, health, social, leisure and other opportunities. Other measures such as park & ride/choose may need to be introduced and funded. This highlights the need to consider the wider geographical impacts of any urban focussed LEZ.

4. RECOMMENDATIONS

- 4.1** Due to the extension provided by Transport Scotland, Members are invited to discuss the contents of this paper.
- 4.2** SEStran Officers will submit the response by 5pm, 8th December 2017.

Lisa Freeman
Strategy and Projects Officer
17th November 2017

Appendix 1 – SEStran Response to ‘Building Scotland’s Low Emission Zones’ Consultation

Policy Implications	In line with the delivery of RTS policies. Including the reduction of single occupancy vehicle journeys, behaviour change and air quality improvements.
Financial Implications	There could be significant financial costs involved in the introduction of LEZs which could be offset by significant reductions in reactive spending on poor public health as a result of air quality impacts.
Equalities Implications	Some socio-economic groups may not be able to afford LEZ compliant vehicles and will therefore need alternative transport arrangements to access employment, health, social and leisure. However, certain groups may also benefit from improved air quality in their residential and transit areas.
Climate Change Implications	LEZs to be implemented in Scotland's four largest cities by 2020 and into all other air quality management areas by 2023

Appendix 1 – SEStran Response to ‘Building Scotland’s Low Emission Zones’ Consultation

Consultation Questions:

Number	Consultation Question
1	<p>Do you support the principle of LEZs to help improve Scottish air quality? Please be as specific as possible in your reasoning.</p> <p>SEStran supports the principle of implementing LEZs, if they are delivered as part of a wider local or regional sustainable transport strategy. However, LEZs should not be viewed in isolation, and be implemented alongside complementary measures that encourage the uptake of active travel and reduce the number of single occupancy vehicles. The Regional Transport Strategy (RTS) recognises that transport must play its part in the reduction of emissions and improvement of local air quality. Many of RTS measures are aimed at reducing car single occupancy travel, and encouraging sustainable travel behaviours.</p> <p>It is recognised that the timescale for introducing LEZ’s into Scotland’s four biggest cities by 2020 and into all other AQMAs by 2023 is extremely challenging given the requirements of National Modelling Framework (NMF) and associated National Low Emission Framework (NLEF), combined with regulatory/legislative requirements, funding needs and stakeholder involvement. It is important that due consideration is given to a realistic timescale for effective implementation, including consideration of the costs and impacts upon the bus industry and other providers of more sustainable transport options.</p> <p>The socio-economic duty asks particular public authorities to do more to tackle the inequalities of outcome caused by socio-economic disadvantage. The main outcome that the Scottish Government is looking for from the introduction of the duty is improved decision-making that genuinely leads to better outcomes for those experiencing disadvantage. This aligns with SEStran RTS policies on accessibility. SEStran seeks to support communities with poor access to employment by public transport and low car ownership/high deprivation and peripheral areas less well served by public transport</p> <p>As Prof Anable presented to the STEP Summer seminar. It was enlightening to see the most affluent commuters drive into Edinburgh and pollute those households living in poverty with lower levels of car ownership. The work of her colleague Dr Morton from Leeds University to the STAR conference this year went on to observe that LEZs may restrict the access of cars which are not compliant to certain emission</p>

	<p>standards form entering specified districts. If the owners of non-compliant cars tend to be from specific social cohorts, then the restrictions imposed by the LEZs may generate outcomes that are unevenly distributed across society. The challenge of the duty will be to back that up with assessment of impact around the use of this new policy measure.</p> <p>At the STEP Scotland Summer 2017 Seminar the work of Barnes and Chadderton was referenced regarding poverty and air quality. They conclude their paper by saying “This paper demonstrates that social inequalities with respect to air pollution are clearer and stronger than identified over a decade ago. It is uncertain the extent to which this is a reflection on the improved accuracy and relevance of the data we have used or whether the patterns of inequality have strengthened over the intervening decade. However, the fact that the environmental justice problems of a decade ago are still extant and potentially worsening should be of significant concern. This is particularly the case, with regards to greater exposure of very young children who are the most susceptible to health impacts from air pollution. Younger generations and those in poverty have less control over where they live, and whilst this may partially be the cause of the inequalities identified, it should not be the case that this is just taken to be a fact of life.”</p>
2	Do you agree that the primary objective of LEZs should be to support the achievement of Scottish Air Quality Objectives? If not, why not?
	The overall objective needs to balance several demands to deliver sustainable better “places” across Scotland. As per previous question the primary objective of any policy objective will need to demonstrate compliance and due regard to a number of statutory duties.
3a	Do you agree with the proposed minimum mandatory Euro emission criteria for Scottish LEZs?
	SEStran agrees that a minimum mandatory Euro emission criteria and that it should be applied consistently across all Scottish LEZs. However, it would also be acceptable for phased approach to the criteria and its implementation.
3b	Do you agree with the proposal to use the NMF modelling in tandem with the NLEF appraisal to identify the vehicle types for inclusion within a LEZ?
	In principle, there would be value in the NMF being used by all Local Authorities, as this would ensure a standard approach by all. However, as with any modelling, its purpose is to provide the decision makers with

	<p>enough information to make an informed decision. Therefore, although it is agreed that NMF modelling and NLEF appraisal should be used, there will be other factors that also need to be considered. Presumably there will need to be as per Question 1 a socio-economic impact assessment on the introduction of an LEZ in terms of the analysis of the vehicle stock for a regional area commuting to and from a smaller urban focussed LEZ.</p>
3c	<p>Should emission sources from construction machinery and/or large or small van refrigerated units be included in the LEZ scope, and if so should their inclusion be immediate or after a period of time?</p>
	<p>Recognising the importance of these types of vehicles in supporting economic growth and activity they should be exempt initially and phased in over time, where a need to do so has been identified. There may also be difficulties in enforcing these emission sources. This would give time to deliver “last mile” logistic hubs in tandem with LEZs as they develop.</p> <p>As an example, SEStran is currently addressing the issue of last mile logistics within the European funded project ‘SURFLOUGH’. SURFLOUGH aims to improve the role of logistics hubs in the network of urban logistics in the North Sea Region. As part of the project, SEStran will be trialling a last mile delivery solution in the Region either through electric vans or cargo delivery bikes.</p>
4	<p>What are your views on adopting a national road access restriction scheme for LEZs across different classes of vehicles?</p>
	<p>SEStran would initially agree that a national scheme for LEZs is consistent across all LEZs in Scotland should be introduced. However, it is also understood that local democracy may dictate the need for higher levels over time to fund schemes maintenance and to deter driver behaviour in certain areas of affluence.</p> <p>Care will need to be taken to ensure the driving public are aware of the need for an LEZ, to ensure the penalty scheme is not seen as another “road user tax”. This will require a consistent marketing campaign or campaign materials across Scotland ahead of implementation.</p>
5	<p>What are your views on the proposed LEZ hours of operation, in particular whether local authorities should be able to decide on LEZ hours of operation for their own LEZs?</p>
	<p>SEStran agrees with the Scottish Government’s preference for LEZs to operate continuously, 24 hours a day, seven days a week, all year round, throughout all Scottish LEZs for general consistency and public/road user familiarity. However, SEStran recognises that this might be subject to</p>

	challenge if it is deemed unreasonable on the basis of evidence for lack of emissions during certain parts of the day.
6	What are your views on Automatic Number Plate Recognition enforcement of LEZs?
	As ANPR is already used by a number of local authorities for enforcement of bus lanes, SEStran agrees with the Scottish Government preference for ANPR, as this will provide the most complete enforcement. However, there are cost implications in setting up and maintaining this facility that will require to be fully funded to relevant transport authorities. Other benefits in terms of traffic data collection could assist with the business case for such equipment.
7a	What exemptions should be applied to allow LEZ to operate robustly? Please be as specific as possible in your reasoning.
	<p>SEStran agrees that exemptions of the type identified within the document could be merited and will need careful consideration and only allowed where there is good reason and where it does not undermine the LEZ objectives.</p> <p>Mention is made of consideration of equality and socio-economic factors to ensure that LEZs do not create unintended consequences for society. One of the exemption examples regarding shift working states evidence will be required from the vehicle owner that no alternative public transport options exist. There is significant risk to equality in this regard not just for shift workers. In general, within city/urban areas, public transport is available, but in rural areas there is very often inadequate or no public transport option. Many rural hinterland areas surrounding cities have populations which have lower socio-economic demographics, but rely on access to the city to provide employment and other essential services and social needs. People, particularly those suffering from transport poverty, in these areas could suffer disproportionately as they may not be able to afford vehicles with the required Euro engine standard to access a LEZ, and there may be no public transport alternative available. Consideration would need to be given as to whether public transport options can be made available, for example Park & Ride/Choose, prior to a LEZ being introduced, with funding implications an additional consideration. Or whether existing “trip-sharing” social car schemes could be promoted to maintain accessibility without the occurrence of additional costs for certain workers.</p> <p>SEStran currently operates Tripshare (TripshareSEStran.com), South East Scotland’s Regional Car Share Portal. Set up in 2006, the scheme</p>

	now hosts over 8,000 car share members. The scheme is comprised of SEStran's eight constituent Local Authorities and four Health Board areas. Car sharing and other form of shared mobility (such as bike share schemes and Car Clubs) have great potential to address issues of forced car ownership and reducing emissions within AQMAs. Since its launch, Tripshare has saved over 2,438.00 tonnes of CO2 and 12,408,751 miles driven (taken from historic savings recorded by Liftshare UK since May 2007).
7b	Should exemptions be consistent across all Scottish local authorities?
	Exemptions should be consistent across all Scottish Local Authorities for general consistency and public/road user understanding and familiarity.
8	What are your views on LEZ lead-in times and sunset periods for vehicle types shown in Table 2?
	SEStran is supportive of LEZ lead-in times and sunset periods. As outlined within the document, Belgium and France as well as other UK LEZ's have adopted a 4 year lead in time. Given this experience Scotland should adopt a similar timeframe unless socio-economic impact assessment or other duties suggest that there would be specific issues identified for certain groups of society.
9	What are your views about retrofitting technology and an Engine Retrofitting Centre to upgrade commercial vehicles to cleaner engines, in order to meet the minimum mandatory Euro emission criteria for Scottish LEZs?
	<p>The short timescales proposed for introduction of LEZs will be challenging and lead fleet and bus operators to retrofit vehicles, rather than pursue a programmed purchase of newer cleaner vehicles once current vehicles are time expired. This in the long run could lead to extending the life of older, more polluting vehicles, rather than new low emission vehicles.</p> <p>The views and compliance capacity of fleet (freight and passenger transport) and local bus operators, regarding cost and timing of LEZ introduction and compliance, in both the short and longer-term, should be sought and considered before implementation.</p>
10	How can the Scottish Government best target any funding to support LEZ implementation?
	Any LEZ introduced would need to be fully funded by the Scottish Government, including the set-up costs, additional infrastructure (direct

	<p>and indirect), enforcement regime and on-going running costs. Given the ongoing pressures on the Local Government settlement and the prioritisation of non-transport related services. Whilst we recognise the positive impacts on local health outcomes, there is not currently a preventative form of funding this from LG budgets. Additionally, expert personnel support, either through consultants or the provision of additional funding to employ staff, is required to support the development of a Business Case and other associated elements of the National Low Emission Framework process.</p> <p>It should be noted that although a LEZ is likely to be implemented within one local authority area, it will have influence on the population of a wider catchment, regionally and nationally, for private car drivers and commercial vehicles as well as bus operators. This development should therefore be informed by joint working with the relevant Regional Transport Partnership.</p> <p>Bus operators will also require significant financial assistance for low emission vehicles and additional/increased funding support and incentives, along the lines of the Green Bus Fund, are likely to be required from Government to encourage the early and increased uptake of cleaner private and commercial vehicles. The maintenance of existing levels of bus based accessibility to LEZ areas will be vital to address the concerns raised in Question 1 around socio-economic disadvantage.</p>
11	What criteria should the Scottish Government use to measure and assess LEZ effectiveness?
	<p>SEStran agrees with the Scottish Government proposal to utilise the existing network of air quality sensors and diffusion tubes, in tandem with NMF model data points, to evaluate the effectiveness of LEZ actions.</p> <p>In addition, it is assumed that ANPR enforcement could provide valuable information on number of vehicles, vehicle km and vehicle types entering and moving within LEZ zones. This would allow further correlation between vehicle trips and air quality, to assess whether the LEZ is having the desired outcome or whether there are factors other than traffic emissions affecting air quality.</p> <p>There may also be a need to assess impact on city centre economic performance (either positive or negative) as part of this assessment.</p>
12	What information should the Scottish Government provide to vehicle owners before a LEZ is put in place, during a lead-in time and once LEZ enforcement starts?

	<p>SEStran is supportive of the Scottish Government proposal to use the Scottish Air Quality website as the central repository for information related to LEZ, with clear links to local authority and RTP websites.</p> <p>In addition to clear information on the LEZ locations and geographical boundaries, hours of operation, vehicles' applicability, etc., during lead-in times clear information on the objectives of LEZ, the alternatives considered and the full package of measures being put in place will be required to ensure buy-in and supportive compliance from the public.</p> <p>Once LEZ's are in place, vehicle owners must have very clear information as to whether their vehicle is suitable to enter the LEZ or if not, what the alternatives are. Again, clear links to local authority and RTP websites would be beneficial as they provide advice and information on sustainable and active travel and alternatives to car use and single occupancy car travel. As one of SEStran's policies state, the RTS will prioritise interventions in all types of area (city, town, local community) that promote the use of more sustainable modes of transport, in particular non-motorised modes for shorter journeys.</p>
13	What actions should local or central government consider in tandem with LEZs to address air pollution?
	<p>SEStran agrees that LEZs should operate in a complementary manner with existing and future transport and placemaking policies and action plans, in order to support delivery of the CAFS 2020 compliance target and achievement of other national, regional and local strategy/plan objectives and outcomes.</p> <p>This holistic approach will ensure the need for LEZs are considered alongside complementary measures such as freight consolidation centres, traffic management, parking policy, park & ride/choose, active travel, promotion of public transport etc. These need to be consistent with the relevant National, Regional and Local Transport Strategies, as well as Local and Strategic Development Plans, Economic and Health & Wellbeing Strategies etc.</p>
14	How can LEZs help to tackle climate change, by reducing CO2 emissions in tandem with air pollution emissions?
	<p>Within the RTS, SEStran policies outline support for measures that assist in the achievement of air quality targets. SEStran recognises that LEZs will also contribute towards reducing greenhouse gas emissions. However, there is a concern that by specifying a higher Euro engine standard for diesel compared to petrol engines, this may result in a</p>

	greater number of lower standard petrol engines vehicles being driven with consequences on greenhouse gas emissions. It is understood that although diesel engines have a more detrimental effect on air quality, petrol engines are more damaging to CO2 greenhouse gas. It is suggested that a more “equal” minimum standard of diesel and petrol engines, which recognise and reflect the relative climate change and air quality impacts of petrol and diesel engines should be set.
15	What measures (including LEZs) would make a difference in addressing both road congestion and air pollution emissions at the same time?
	<p>SEStran welcomes the Scottish Government’s proposal to incorporate congestion management into all stages of LEZ design and operation. As outlined in the document this encompasses technology solutions such as low carbon vehicles and demand management measures: road-user charging and workplace parking charges; to reduce congestion and increase urban traffic speeds. Promotion of public transport, active travel, reducing the need to travel, travel planning, car clubs and providing information on alternative to private car use all have a contribution to reducing emissions.</p> <p>The combination of alternative modes and promotion will be key to success. As an example of this, SEStran is a partner within ‘SocialCar’. The ‘SocialCar’ project (funded through Horizon 2020) aims to integrate public transport information, car-pooling and crowd sourced data to provide a single source of information for the traveller to compare multiple options/services. The project seeks to provide a ‘one-stop shop’ for planning multimodal and multi-service journeys, via web and a mobile app. The project responds to the challenge of matching travel requests with the integrated public-private transport supply. The SocialCar innovation incorporates two elements: technological (the potential of open data and Global Navigational Satellite Systems) and economic (new mobility service models, public-private partnerships in the passenger transport domain). As a site leader for the project, SEStran will be hosting three separate test phases of this research project.</p>
16	Do you have any other comments that you would like to add on the Scottish Government’s proposals for LEZs
	As part of monitoring LEZs it would be useful if research could be undertaken on the economic and social impact of introducing a LEZ. For example, for a city centre LEZ, will it be seen as an impediment to accessing the city centre or will the placemaking benefits of improved air

	quality be seen as an attraction? This relates to the issues raised in Question 1 around the links to socio-economic duty.
17	What impacts do you think LEZs may have on particular groups of people, with particular reference to the ‘protected characteristics’ listed in paragraph 5.2? Please be as specific as possible in your reasoning.
	<p>LEZs are likely to have beneficial health effects on people who reside within LEZ zones, particularly the young and old benefiting from better air quality. However, there is concern that LEZs will impact disproportionately on the less affluent in society, as those more affluent are able to afford vehicles which meet LEZ Euro engine standards.</p> <p>Lower socio-economic groups may not be able to afford LEZ compliant vehicles and will therefore need alternative transport arrangements to access employment, health, social and leisure requirements. In general, in urban areas buses provide this alternative. However, in many rural hinterlands, people who rely on access to cities do not have access (availability, frequency and possibly financial) to a suitable bus service to provide alternative transport and could therefore be excluded from accessing employment, training, health, social, leisure and other opportunities. Other measures such as park & ride/choose may need to be introduced and funded. This highlights the need to consider the wider geographical impacts of any urban focussed LEZ.</p> <p>There has been recent evidence from the Glasgow Centre for Population Health of “forced car ownership” amongst lower socio-economic groups and suggests in our discussions with them about this issue existing in other urban areas http://www.sciencedirect.com/science/article/pii/S0967070X17300100</p>
18	Do you think the LEZ proposals contained in this consultation are likely to increase or reduce the costs and burdens placed on any sector? Please be as specific as possible in your reasoning.
	<p>The proposals have the potential to increase cost burdens on bus operators, fleet owners and the general public by requirement for upgraded vehicles. There is a concern that additional cost burdens on bus operators must not lead to the “unintended consequence” of contraction/withdrawals in the overall bus network, with wider socio-economic and environmental impacts in communities which are directly and indirectly affected/covered by LEZs.</p>

	There will be an additional and ongoing cost burden on Local and Scottish Government for implementation, maintenance and enforcement of LEZs, including the introduction and maintenance of complementary measures such as ongoing monitoring and delivery and ongoing operation of measures such as park and ride/choose.
19	What impacts do you think LEZs may have on the privacy of individuals? Please be as specific as possible in your reasoning.
	There could be concerns expressed to local authorities over the number plate based recognition enforcement and there will needed to be proactively addressed.
20	Are there any likely impacts the proposals contained in this consultation may have upon the environment? Please be as specific as possible in your reasoning.
	There may be pollution, noise and road safety implications in areas surrounding LEZs as a result of traffic and parking displacement.

Local Bus Services and Smart Ticketing Consultations

1. INTRODUCTION

- 1.1 This report provides the Board with proposed consultation responses to the two consultations: 'Local Bus Services in Scotland – Improving the Framework for Delivery'¹ and: 'The Future of Smart Ticketing in Scotland'². Transport Scotland has agreed to a short extension to both consultations for SEStran to consider these matters at this Board meeting. The consultation closes on 5th December.

2. CONSULTATION

- 2.1 The Local Bus Services in Scotland Consultation recognises that bus patronage is declining in Scotland. The consultation proposes the following:
- Existing sQPs (statutory Quality Partnerships) are not as flexible as they should be and future needs for bus services should be developed with operators. Proposals for more integrated, genuine partnership-focused 'Service Improvement Partnerships' (SIP) are proposed based on a joint review of the local bus service network;
 - QCs (Quality Contracts), as a form of franchising, are considered over complex and resource intensive. A more flexible, simpler and more customised approach to franchising which can be used for smaller scale scenarios such as routes and small networks is considered. One possible process highlighted is based on the principles of an Outline Business Case (OBC) to identify a preferred option which evidence regarding the costs and benefits. Approval for a local franchise is then carried out by an independent panel, by Scottish Ministers or by another individual such as the Traffic Commissioner.
 - In order to clarify the powers of transport authorities who wish to run bus services, it is proposed to legislate to enable them to be able to run bus services directly and/or to be able to set arms-length companies (i.e. Lothian Buses).
 - Clear, high quality and up to date information is essential for the smooth running of bus services. The consultation paper proposes to make provision to require the operators of local services to provide information on routes, timetables, punctuality and fares for public access, in order to ensure consistency of approach and opportunities

¹ <https://consult.scotland.gov.uk/transport-scotland/improving-bus-services>

² <https://consult.scotland.gov.uk/transport-scotland/smart-ticketing-in-scotland>

for innovative developments in both use of and access to information. A central data hub or 'one-stop-shop', available to third parties is proposed along with legislation to ensure that authorities have the power to obtain the information about revenue and patronage of services being deregistered where required.

SEStran's proposed consultation response is available in **Annex 1**.

2.2 The Future of Smart Ticketing in Scotland Consultation is based on the assumption that legislation may be necessary to achieve full operator participation in national and regional smart ticketing schemes and that some form of recognised and formalised governance may be necessary to support this on an on-going basis. In line with Transport Scotland's Smart Ticketing Delivery Strategy (2012), it is proposed that:

- there is an agreed common infrastructure in place, adopted by all participating operators and, secondly, a consistent, simple and easy to use customer offering;
- there then needs to be a means of ensuring that integrity and relevance of national and key regional smart ticketing schemes is maintained and an orderly and planned migration in due course to more advanced technologies as these emerge;

SEStran's proposed consultation response is available in **Annex 2**.

3. CONCLUSIONS/RECOMMENDATIONS

3.1 Members are asked to approve the proposed consultation responses in Annex 1 and Annex 2 for submission.

Catriona Macdonald

Projects Officer

16th November 2017

Annex 1 – Consultant Questions – Local Bus Services in Scotland

Annex 2 – Consultant Questions – The Future of Smart Ticketing in Scotland

Policy Implications	Significant potential implications for both Local Bus Services and Smart Ticketing legislation.
Financial Implications	There will likely be cost implications for both the public sector and bus operators. Many of the proposals would however require a full assessment of the likely costs and benefits before implementation.
Equalities Implications	If any of the proposals impact on the viability of local bus services then this has the potential to impact on all protected characteristics. Conversely, if the proposals result in improvements to local bus services then there would be resulting benefits across the range of protected characteristics.
Climate Change Implications	The proposals should have a positive environmental impact if they result in improvements to local bus services, resulting in modal shift away from the private car.

Annex 1 – Consultant Questions – Local Bus Services in Scotland

Partnerships

Question 1 - Do you think that legislation (either via the existing sQP model or another) is required to secure the benefits of partnership working?

Yes ☐

Please explain your answer to this question:-

Voluntary partnerships have not delivered sustainable change and there are concerns that SQPs have not driven up standards as effectively as they could have. Statutory change as proposed in the consultation document is important to transfer greater powers to transport authorities, ensuring that tangible and sustainable outcomes are proposed and fully delivered through the partnerships.

Question 2 - Do you feel that statutory Quality Partnerships as defined in the Transport (Scotland) Act 2001 provide the right framework for partnership working? Please answer

No ☐

Please explain your answer to this question:-

The current sQPs are inflexible, onerous, unclear and difficult to implement, as evidenced by the very few SQPs that have been implemented.

Question 3 – Do you agree with our proposals for Service Improvement Partnerships as outlined in pages 32-35?

Yes ☐

Please explain your answer to this question:-

The proposed Bus Service Improvement Partnership (BSIPs) are an improvement and offer greater levels of flexibility, particularly in terms of the potential outcomes from the partnerships.

However, SEStran has concerns that in a multi-operator environment, there are a number of 'veto' opportunities for operators and the balance of powers should be more towards the transport operators than is currently suggested. The role of Regional Transport Partnerships in this mechanism should be looked at in greater depth.

SEStran also advocates for a greater degree of community engagement within the proposals, enabling passengers to be listened to and supporting community engagement within the partnership process.

Question 4 – If a new form of statutory Partnership is introduced, do you agree that statutory Quality Partnerships as defined in the Transport (Scotland) Act 2001 should be replaced (i.e. they would no longer be available as a tool for LTAs)?

Yes ☐

Please explain your answer to this question:-

The SIP proposals seem to provide an adequate replacement and improvement to sQPs. However, if SIPs replaced sQPs, there would need to be a time limited saving provision for existing sQPs, in order to stop existing good work being removed by any change.

Local Franchising

Question 5 – Do you think that local authorities should have the power to franchise bus services (either via Quality Contract or another system)?

Yes ☐

Please explain your answer to this question:-

Franchising will not be the right option for every authority, but as part of a broad framework of options, it can be considered.

SEStran advocate that Regional Transport Partnerships should have the opportunity to have regional franchising powers to add to the 2005 Act list of powers under Section 10 (5)³ which includes sQPs.

Question 6 – Do you think that the existing Quality Contracts require change to make franchising a more viable option?

Yes ☐

Please explain your answer to this question:-

As no authority has attempted a QC, this demonstrates that it is not an attractive option for Transport Authorities. Existing QCs are too onerous for implementation, however

³ <http://www.legislation.gov.uk/asp/2005/12/section/10>

providing a Business Case for franchising is an essential step in demonstrating why franchising is necessary and why outcomes cannot be achieved through partnership working in the form of a SIP.

Question 7(a) – Do you think that there should be any consent mechanism for an authority to begin the process of assessment for franchising?

No ☐

Please explain your answer to this question:-

It should be up to the local authority partners to decide whether it is worthy of assessment and up to them to prove the case. One of the biggest challenges will be in demonstrating that other mechanisms, such as a SIP, will not work.

Question 7(b) – Do you think that there should be a requirement for independent audit of the business case for franchising?

Yes ☐

Please explain your answer to this question:-

The business case is the most critical element in the process toward a possible franchise. This document must have a clear and transparent rationale that is fully auditable to ensure that the preferred option is value for money and meets the various legislative requirements. An independent audit would provide the necessary assurance and accountability.

Question 7(c) – Do you think that there should be an approval process beyond that of the local authority itself, before franchising can take place?

Yes ☐

Please explain your answer to this question including (if yes) what kind of approval process:-

There should be appropriate checks and balances within the process as franchising will potentially remove business from commercial companies

Transport Authority Run Bus Services

Question 8(a) – Do you think that transport authorities (including ‘model III’ RTPs) should be able to directly run bus services?

Yes ☐

Please explain your answer to this question:-

A Transport Authority should be able to consider directly running a bus service. Offering this as an option with a framework of options offers flexibility to Transport Authorities.

Question 8(b) – Please describe the circumstances in which this might be appropriate:-

A Transport Authority should be able to consider directly running a bus service to fill a gap in the market or to apply pressure in the market, for example in the instance of a monopoly in the market. However, the proposals must not suppress commercial activity and safeguards should be put in place to ensure no unfair advantage.

Question 8(c) – What, if any, safeguards do you think should be put in place to ensure that no operator has an unfair advantage in a deregulated market? Please explain your answer to this question:-

Full and transparent costings should be required which could be subject to scrutiny to ensure there is no unfair advantage gained from its public sector status.

Question 9(a) – Do you think that transport authorities (including ‘model III’ RTPs) should be able to set up arm’s length bus companies to operate local bus services?

Yes ☐

Please explain your answer to this question:-

As noted in 8(a), offering this as an option with a framework of options again offers flexibility to Transport Authorities.

Question 9(b) – Please describe the circumstances in which this might be appropriate:-

A Transport Authority should be able to consider setting up arm’s length bus companies to fill a gap in the market or to apply pressure in the market, for example in the instance of a monopoly in the market. However, the proposals must not suppress commercial activity and safeguards will be put in place to ensure no unfair advantage.

Question 9(c) – What if any safeguards do you think should be put in place to ensure that no operator has an unfair advantage in a deregulated market?

Full and transparent costings should be required which could be subject to scrutiny to ensure there is no unfair advantage gained from its public sector status.

Question 9(d) – What, if any, checks and balances do you think should be put in place for a transport authority looking to set up an arms’ length company to run buses? Please explain your answer to this question.

Each authority should be required to present a business case through its own governance structure to ensure that it is the preferred option to address the needs in its area. This business case must have a clear and transparent rationale that is fully auditable to ensure that the preferred option is value for money, meets the various legislative requirements and does not undermine the commercial sector.

Open Data

Question 10 – Do you agree with our proposals to require the operators of local services to release open data on routes, timetables, punctuality and fares in a specified format?

Yes ☐

Please explain your answer to this question:-

Access to open data is essential in terms of improving bus patronage, offering innovative solutions to digital data and improving access to up to date and relevant information. There is an ever increasing expectation for digital information and for information to be made available in greater depths, in order to make journey planning easier.

However, it must be noted that paper formats must remain for those who do not have a skillset to access digital information and who rely on paper information to access public transport.

Question 11 (a) – Do you think that data provided by operators should be stored in a central data hub?

Yes ☐

Please explain your answer to this question:-

A central data hub ensures consistency of quality and format.

Question 11(b) – if you do not support the use of a central data hub how do you think data should be stored/ made available? :-

Question 12 – Do you support proposals for transport authorities to have the power to obtain, information about revenue and patronage of services being deregistered, and where appropriate disclose this as part of a tendering process? Please answer Yes ☐, or No ☐. Please explain your answer to this question:-

SEStran supports the proposals to obtain information about revenue and patronage of services being deregistered in order for a Transport Authority to provide the necessary replacement services and ensure fair competition.

Other

Question 13 – Please provide any other comments or proposals around the regulation of bus services in Scotland that were not covered in the above questions.

The Socio-Economic Duty (SED) asks particular public authorities (Transport Scotland and Scottish Government; local authorities) to do more to tackle the inequalities of outcome caused by socio-economic disadvantage. The duty aims to make sure that strategic decisions (this is a strategic decision of significance – as the recent consultation on the duty highlighted annual budgetary choices as an example of a strategic decision) about the most important issues are carefully thought through so that they are as effective as they can be in tackling socio-economic disadvantage and reducing inequalities of outcome. Certainly, the original UK Government 2008 consultation on the Equality Bill and 2010 guide on the proposed duty to reduce socio-economic inequalities both clearly seek to include access to transport as a key matter of equality and equity. It would seem reasonable to include legislative change on local bus services as a strategic decision of significance.

The SED and the wider impact assessment approach to strategic matters is seen as a vital part of the Fairer Scotland Action Plan and also the inclusive growth agenda of Scotland's Economic Strategy. The main outcome that the Scottish Government is looking for from the introduction of the duty is improved decision-making that genuinely leads to better outcomes for those experiencing disadvantage. Therefore, we would request the production of a wider impact assessment for the changes proposed and we believe this would demonstrate that Transport Scotland has taken the opportunity to show that they both understand the key socio-economic inequality gaps and have taken account of them in the decisions given the proposal to introduce the SED prior to the end of 2017.

Indeed, Scottish Ministers own consultation on the SED states that there is nothing preventing any public sector body not covered by the duty from starting to act as if it were covered and for example impact assessing strategic decision making for socio-economic impact. It would therefore seem that those covered by the duty could start

planning as if they were as well in consulting upon choices that will be implemented when the SED is in effect and how local transport and potentially regional authorities would use the new proposed powers/duties on local bus services to address their forthcoming duty on socio-economic matters.

The Royal Society of the Arts (RSA) Inclusive Growth Commission final report highlights the need for an integrated economic and social policy emphasising the need for place-based strategies to deliver inclusive growth across the UK. The Royal Town Planning Institute comment in their 2016 “Poverty, Place and Inequality” policy paper highlighting the significant severance effect of area-based disadvantage for individuals. Those living in certain less affluent areas are from evidence less mobile, more reliant on public transport and less able to commute to job opportunities given expensive and/or fragmented transport networks. Previous studies have highlighted that those who are least skilled or most remote from the labour market have the least locational flexibility in seeking new job or training opportunities and that this spatial deficiency rather than lack of skills or training has particularly afflicted some communities and individuals within them in terms of receipt of positive outcome. It is therefore vital that any new policies/duties/powers for local bus services recognising these wider outcomes in any re-design of legislative responsibilities.

Question 14 - Are there any likely impacts the proposals contained within this consultation may have on particular groups of people, with reference to the ‘protected characteristics’ listed above? Please answer Yes ☐, No ☐. Please be as specific as possible:-

If any of the proposals impact on the viability of local bus services then this has the potential to impact on all protected characteristics. Conversely, if the proposals result in improvements to local bus services then there would be resulting benefits across the range of protected characteristics.

Question 15 - Do you think the proposals contained within this consultation may have any additional implications on the safety of children and young people? If yes, what would these implications be? Please answer Yes ☐, No ☐. Please be as specific as possible:-

As with the response above, young people, without access to a car are often more dependent on local bus services and so any proposals emerging from this consultation will have implications for the safety of young people.

Question 16 - Do you think the proposals contained in this consultation are likely to increase or reduce the costs and burdens placed on any sector? Please answer Yes ☐, No ☐. Please be as specific as possible:-

There will likely be cost implications for both the public sector and bus operators. Many of the proposals would however require a full assessment of the likely costs and benefits before implementation. Proposals around Open Data could add an additional burden on operators with cost implications if they are required to amend and enhance their current practices, however there may also be opportunities for increase efficiency and reducing duplication of effort which may balance this out. Appropriate use of the tools these proposals provide with their accompanying built in robust check processes should reduce some of this risk.

Question 17 - Are there any likely impacts the proposals contained in this consultation may have upon the privacy of individuals? Please answer Yes ☐, No ☐. Please be as specific as possible:-

No

Question 18 - Are there any likely impacts the proposals contained in this consultation may have upon the environment? Please answer Yes ☐, No ☐. Please be as specific as possible:-

The proposals should have a positive environmental impact if they result in improvements to local bus services, resulting in modal shift away from the private car. If they also result in an increased number of voluntary, statutory or Service Improvement Partnerships that involve commitments to improving the quality of the bus fleet this will also have a positive impact on improving local air quality.

Annex 2 – Consultant Questions – The Future of Smart Ticketing in Scotland

Do you think our intention to have a consistent smart payment option available across Scotland and on all main public transport modes would promote use of public transport in Scotland?

Yes ☐

Please explain your answer.

There has to be consistency across the country both within and between modes. A recognised brand would help to increase customer awareness and confidence in the product.

However, paper formats must remain for those who do not have a skillset to access digital information and who rely on paper information to access public transport.

Question 2 - Do you agree that the scope of smart ticketing should – for now – be limited to the modes and services outlined above?

Yes ☐

Please explain your answer.

The initial focus should be on bus, rail ferry, subway and tram and the integration between them, as these are the main modes across Scotland.

However, moving forward, any smart ticketing scheme should recognise new modes such as Mobility as a Service (MAAS). MaaS and the Collaborative Economy have great potential to unlock underused capacity. The transport network of the South East of Scotland can at peak times be close to capacity and a lot of this is comprised of underutilised individualised vehicles travelling on the network, imposing social, economic and environmental detriment on communities. The value of the collaborative economy is to use underutilised assets, such as under-occupied cars relative to their capacity, to reduce congestion on road networks and to offset the need for further capacity expansion of network based on non-collective motorised modes of transportation. This could reduce the need for the introduction of demand restraint policies such as workplace parking charges and also reduce negative outcomes from irresponsible parking of vehicles if the overall number within an area could be managed through collaborative measures.

Question 3 - epurse

a) Are you in favour of a clearly defined national epurse scheme?

Yes ☐

b) Should all relevant bus, rail, ferry, tram and subway operators be expected to participate in a national e-purse scheme?

Yes ☐

c) Should participation in a national e-purse scheme be monitored and controlled?

Yes ☐

d) Should sanctions be imposed for non-compliance in a national e-purse scheme?

Yes ☐

Please explain your answers.

Significant investment has already been made in smart infrastructure and further investment made in ensuring operators across the country can accept smart tickets and it is right that these benefits should be maximised. For example, SEStran has been successful in two rounds of the ERDF Smart Ticketing Challenge Fund and has kitted out 10 operators with smart ticketing enabled ticket machines for tendered bus services. There needs to be consistency across the country in order to maximise this success.

The success of any scheme will rely on it being clearly defined, including all operators and having robust governance processes, including those for non-compliance.

Question 4

a) Are you in favour of a clearly defined multi-modal, multi operator regional smart ticketing scheme?

Yes ☐

b) Should all relevant bus, rail, ferry, tram and subway operators be expected to participate in a multimodal, multi operator regional smart ticketing scheme?

Yes ☐

c) Should participation in a multimodal, multi operator regional smart ticketing scheme be monitored and controlled?

Yes ☐

e) Should sanctions be imposed for non-compliance in a multi-modal, multi operator regional smart ticketing scheme?

Yes ☐

Please explain your answers.

A partnership approach would work best in ensuring that operators willingly participate in such a scheme and to ensure the success and use of any smart products introduced as a result. However, instances where a partnership approach does not work then, there should be some way of addressing non-compliance. A multi-modal, multi-operator smart ticketing scheme should be a priority for all regions therefore it is right that compliance is monitored and ensured nationally to avoid inconsistencies across modes and operators and to ensure equal access across the country.

Question 5

Are you in favour of new legislation that requires transport operators to participate in national and regional smart ticketing schemes?

Yes ☐

Please explain your answer.

The current fragmented nature of modes and large variation of operators involved will require an appropriate legislative framework to ensure participation and therefore success of any national scheme.

There should however be continued financial assistance available to smaller operators to assist in the purchase of any new ticket machines, particularly, if participation is going to be mandatory.

Question 6

To ensure delivery of a consistent approach to meet the expectations of passengers now and in the future, should we establish a single governance group so that the technology implemented across Scotland for smart ticketing schemes is controlled?

Yes ☐

Should such a governance group be established formally and supported by legislation?

Yes ☐

Should such a governance group have a role in advising on development, implementation or administration of smart ticketing schemes?

Yes ☐

Are there any other areas that a governance group should have a role in?

Yes ☐

Please explain your answers.

A single governance group covering all modes will be essential for success. If participation is going to be mandatory and requires new legislation, then the governance and monitoring of this should also be formalised.

Any national smart ticketing scheme should aim to provide contactless payment systems. Integrated Ticketing through contactless payments systems should be the end objective of the national scheme. Any approach to a national smart ticketing scheme needs to facilitate, not stifle, this kind of development led by operators, or otherwise. However, contactless systems do offer other barriers in terms of market perception of transparency and clarity of pricing, and therefore these issues need to be looked in to in greater depth.

Question 7

Do you have any other comments about any of the issues raised in this consultation?

No ☐

If so, please use the box below to provide details.

Question – Equality Impacts

Are there any likely impacts the proposals contained within this Consultation may have on particular groups of people, with reference to the ‘protected characteristics’ listed above? Please be as specific as possible.

If any of these proposals are likely to have an impact on the viability of local bus services, particularly those run by smaller operators who may find it difficult to cover

any increased costs associated with participating in either an e-purse or regional smart ticketing scheme, then this could have a negative impact if it results in the withdrawal of services. This could potentially impact on all protected characteristics, as well as people in living in more rural areas.

Additionally, paper formats must remain as an option to the public for those who don't have digital participation skills.

Question – Children and young people

Do you think the proposals contained within this Consultation may have any additional implications on the safety of children and young people?

See response above.

Question – Business impacts

Do you think the proposals contained in this Consultation are likely to increase or reduce the costs and burdens placed on any sector? Please be as specific as possible.

This very much depends on how the proposals are introduced and whether there are any costs to operators relating to participation in an e-purse or regional smart ticketing scheme. Any costs associated with the purchase of new infrastructure will likely be more difficult for smaller operators to absorb and could therefore have a negative impact on the viability of their operations.

Question – Privacy impacts

Are there any likely impacts the proposals contained in this Consultation may have upon the privacy of individuals? Please be as specific as possible.

No

Item 7(d) Financial Accounting Arrangements Consultation

Consultation on the financial accounting arrangements for Regional Transport Partnerships

1. INTRODUCTION

- 1.1** On the 20th October, the Scottish Government released a consultation on the financial accounting arrangements for Regional Transport Partnerships.
- 1.2** Responses to this consultation will be used to inform the development of future rules and guidance on the operation of financial accounting arrangements for the seven Regional Transport Partnerships in Scotland.

2. CONSULTATION

- 2.1** The consultation seeks views on:
- whether it is necessary to clarify the extent to which RTPs are able to retain a financial reserve;
 - whether any surplus or deficit carried forward from one financial year to the next should be subject to any limit;
 - what safeguards local authorities ought to have in limiting their contribution towards the expenses of a RTP.
- 2.2** An effective and efficient transport system is vital for Scotland's economy and necessary for its people to go about their daily lives. The Regional Transport Partnerships ("RTPs") strengthen the planning and delivery of regional transport developments, and in doing so regularly invest in projects. For financial planning purposes, there is a need to ensure RTPs have the ability to have a surplus or deficit on their Income and Expenditure accounts, and hence the ability to have a General Fund balance to create a reserve.
- 2.3** The Transport (Scotland) Act 2005 ("the 2005 Act") places a duty on the Scottish Ministers to create RTPs. The duty placed on RTPs, directly by the Act, is to devise a Transport Strategy for their region, and carry out any statutory functions conferred on them by order. Such functions may relate to, for example, entering into quality partnership schemes, or entering into public services contracts etc. A list of further examples is set out in Section 10(5) of the 2005 Act.
- 2.4** The funding of RTPs is covered in section 3 of the 2005 Act. This prescribes that the net expenses of an RTP in each financial year are to be paid by constituent councils. The "net expenses" are expenses in each financial year that are not met through grants or any other income.
- 2.5** Experience of the operation of RTPs suggests that section 3 of the 2005 Act requires further clarification to make it clear that RTPs are able to record an annual surplus or a deficit, and to manage reserves. The wording of section 3 has allowed different views to emerge as to whether RTPs may build up any reserve, however that reserve has been funded. Ministers would wish to put

beyond doubt the ability of RTPs to have sufficient financial powers to enable the financing of capital infrastructure investments.

- 2.6** This issue is particularly acute for the Strathclyde Partnership for Transport (“SPT”), which operates a significant multi-year capital programme.
- 2.7** SPT stands out as being different from all of the other RTPs as it regularly involved in delivering significant transport functions and services such as the operation and maintenance of the Glasgow Subway and four major bus stations in its area.
- 2.8** The other RTPs were created along with a legal framework to allow certain functions to be transferred over to them over time from their constituent local authorities. In doing so the other RTPs would become more like the SPT model. Generally speaking, this transfer of functions has not taken place. The main exception to this remain SPT and, to a lesser extent Swestrans and ZetTrans, where certain functions were also transferred from Dumfries and Galloway and Shetland Islands Councils respectively. However, there remains the scope for any of the RTPs to request additional functions to be transferred to them.
- 2.9** The 2005 Act provides for the transfer of (transport related) functions from local authorities to RTPs to facilitate a regional approach to the planning and delivery of transport. This regional approach could include involvement in major transport infrastructure projects. Such projects may fall to be delivered over a number of years. Given this multi-year aspect of their work, it is sensible to provide RTPs with the necessary tools to ensure that there is sufficient flexibility in their finances as they move from one accounting year to another; and to be able to utilise in-year surpluses to create reserves to support future funding requirements.
- 2.10** For example, SPT is involved in the delivery of major transport infrastructure projects, such as the Glasgow Subway modernisation programme. The lack of clarity around SPT’s ability to build up and retain a financial reserve presents accounting difficulties in planning and reacting to incidents.
- 2.11** Other than the specific finance provisions applied to the RTPs under the 2005 Act, no other local government finance legislation applies to the RTPs. This includes the powers in the Local Government (Scotland) Act 1975 in relation to allowing local authorities to set up capital, repairs and renewals, and insurance funds. This consultation will, therefore, also seek views on the merits of extending this and any other local government finance provisions to the RTPs which are not already expressly applied to them through the 2005 Act.
- 2.12** The Programme for Government, published on 5 September 2017, contains a commitment to a Transport Bill. This presents an opportunity to include a provision to clarify the extent to which RTPs are able to keep a financial reserve.

2.13 An initial view from officers is that Clarification is necessary because:

- Short term, i.e. annual, funding commitments from TS and LAs provides a challenge to RTPs to spend, but not over-spend funds, within 1 year, on the most worthy projects.
- Procurement processes, consultations, mobilisation and contract delays can be very time consuming and again challenge completion of projects within 1 financial year.
- Projects of any substance will take longer than 1 year to deliver, regardless of peripheral activities.
- RTSs generally have a life of around 10 years and flexibility is necessary to enable an achievable delivery programme and associated spend profile.
- Aligning funds to fit with available external match funding bidding opportunities, which are often presented randomly, requires flexibility.
- Most RTPs are currently operating in an environment of very restricted funding and it is essential that any under-spend in a year is not lost but carried over into the following year to be spent as the RTP determines.
- No guidance exists at present.

2.14 The Treasurer proposes that RTP's are permitted to carry forward 4% of the total of the money paid by constituent councils and 4% of Scottish Government grant in respect of any financial year, from one year to the next. Cumulatively (year-on-year) the total carry forward be subject to a limit of 7% of total revenue budget. This position would be consistent with the position agreed between COSLA and the Scottish Government in 2011 for former regional police and fire authorities. The level of reserves would be subject to regular review and reporting to the Board by the Treasurer, in line with professional guidance and taking account of an assessment of the particular circumstances of each RTP.

2.15 To ensure safeguards are in place to limit the financial liability of local authorities towards RPR expenses, there are existing requirements to set a balanced annual budget and to regularly monitor and report to the RTP. No RTP should incur expenditure in excess of the annual revenue and capital budget approved by the RTP, without seeking prior agreement of all its constituent councils.

2.16 In regard to the equality/equity impacts there could be opportunities missed, as a result of no facility for reserves and carry-over, particularly in respect of equalities, active travel and road safety schemes, could certainly have implications for those with protected characteristics and children and young people.

3. CONCLUSIONS / RECOMMENDATIONS

3.1 The paper seeks to invite comment from the Board on the consultation, which will be incorporated into a response from SEStran and signed off by the

Partnership Director, in consultation with the Treasurer and Chair under delegated powers.

- 3.2** It is requested that any comments are sent SEStran officers by the 5th of January for collation.

Hugh Dunn
Treasurer
8th December 2017

Appendix 1	Appendix 1 – Consultation on the financial accounting arrangements for Regional Transport Partnerships
Contact/tel/Email	Iain Shaw Telephone 0131 469 3117 iain.shaw@edinburgh.gov.uk
Background Papers	Scottish Government Consultation on the financial accounting arrangements for Regional Transport Partnerships

Policy Implications	Implementing the proposed responses would result in greater capacity to implement the Regional Transport Strategy.
Financial Implications	At this stage, there is no financial commitment arising from this report.
Equalities Implications	There are no equality implications arising as a result of this report.
Climate Change Implications	There are no equality implications arising as a result of this report.

Appendix 1 - Consultation on the financial accounting arrangements for Regional Transport Partnerships

Questions

Appendix 1 - Consultation Questions

- 1) Do you think that it is necessary to clarify whether a Regional Transport Partnership is able to build up, and carryover, a financial reserve from one financial year to the next?
- 2) Should there be a limit to the amount of surplus that an RTP may carry forward into the next financial year?
- 3) Should safeguards be provided to limit the financial liability of local authorities towards RTP expenses
- 4) The Transport (Scotland) Act 2005 applies only specific local government finance provisions to Regional Transport Partnerships. Are there any other local government finance provisions which could usefully be applied to the RTPs?
- 5) Are there any likely impacts the proposals contained within this Consultation may have on particular groups of people, with reference to the 'protected characteristics' listed above? Please be as specific as possible.
- 6) Do you think the proposals contained within this Consultation may have any additional implications on the safety of children and young people?
- 7) Do you think the proposals contained in this Consultation are likely to increase or reduce the costs and burdens placed on any sector? Please be as specific as possible.
- 8) Are there any likely impacts the proposals contained in this Consultation may have upon the privacy of individuals? Please be as specific as possible.

Projects, Delivery Plan & EU Exit Update

1. Introduction

- 1.1** The report provides the Board with an update on key aspects of projects and initiatives progressed in the last quarter and covers the latest position on the process for the UK leaving the EU.
The report also includes an update on the RTS “Delivery Plan”.
Projects expenditure to date is shown in **Appendix 1**.

2. Real Time Passenger Information

- 2.1** 80% of the TV display equipment has now been distributed to both public and private premises throughout the region. Efforts are on-going to find locations for the remaining 57 screens.
- 2.2** RTPI enabled “Ticketer” ticket machines, funded jointly by SEStran and the Smart Ticketing Challenge Fund, are now installed in 5 more operators’ vehicles. SEStran’s system supplier, Ineo Systans, has now developed an interface with the “Ticketer” system and has successfully now brought in services operated by Prentice Coaches and Borders Buses into Bustracker SEStran. Work is now underway to bring in all of the other operators in the region, who are equipped with the Ticketer facility, into the system.

3. SEStran Thistle Assistance Card

- 3.1** The Card and App have now been expanded into all of the areas covered by the Regional Transport Partnership (RTP) areas, following agreement of each of the partnerships to adopt, promote and contribute to the costs of the Thistle Assistance Card initiative.
- 3.2** To further promote both the Thistle Assistance Card and Tripshare SEStran, an advertising campaign, through the STV television channel started in mid-September. This has encouraged both an increase in number of enquiries for the card and an increased number of Tripshare journeys recorded on the system.

4. Sustainable and Active Travel Grant Scheme

- 4.1** Work continues to progress the projects funded by the above. Because both EU projects ShareNorth and Regiomob are complimentary to the electric Bike project, a contribution from each; €40000 and €14500, respectively is supporting the fund and enabling deliverables within both the EU projects to be realised.
- 4.2** A requirement of the Regiomob project is to select and trial a Best Practice promoted by another partner country. A Best Practice from the Italian partner, based in Rome, entitled PASTA (Physical Activity Through

Sustainable Transport Approach) has been selected for implementation in the SEStran region. PASTA “aims to show how promoting active mobility (i.e. walking and cycling) can lead to a healthier, more physically active population....” and provides a match to the electric bike project and a clear opportunity to progress the projects jointly, making the best use of available resources and sharing knowledge, which is what underpins the Regiomob project.

5. Regional Cycle Network Grant Scheme (RCNGS)

- 5.1** The £100,000 funding provided by Sustrans Scotland has been allocated for this financial year. With awards going to East Lothian Council, Edinburgh bioQuarter group, and Musselburgh Area Partnership.

6. European Projects Update

- 6.1** ‘**SocialCar**’ aims to integrate public transport information, car-pooling and crowd sourced data in order to provide a single source of information for the traveller to compare multiple options/services.
- 6.2** The latest SocialCar meeting was held on 7th– 9th November. Sessions on innovation management, data governance and target groups were held. Members focused discussions around each of the app test phases. Test C to be conducted throughout November. Recruitment of Test users will be conducted in partnership with Queen Margaret University. Test users will be asked to test the app over a three-week period, and invited to return their feedback in December.
- 6.4** ‘**SHARE-North**’ addresses the concept of ‘Shared Mobility’ and looks at the development, implementation and promotion of Car Clubs, Bike Sharing and Car Sharing. The planned living labs will integrate modern technology with activities to support changes in mobility behaviour. The objectives are: resource efficiency, improving accessibility (incl. non-traditional target groups), increased efficiency in the use of transport infrastructure, reduction of space consumption for transport, improving quality of life and low carbon transport.
 - 6.4.1** An element of the SHARE-North budget was earmarked for shared electric vehicles and their monitoring, in partnership with Edinburgh College. It is intended, therefore, to award a grant of £18,000 to the College as part of the project.
- 6.5** **REGIO-MOB** aims to promote “learning, sharing of knowledge and transferring best practices between the participating regional and local authorities to design and implement regional mobility plans (or Regional Transport Strategies) bearing in mind the stakeholders with regional relevance and contributing to the sustainable growth of Europe.”. The project attracts 85% funding from Europe.

6.5.1 SEStran Officers attended a REGIO MOB partnership meeting in Brussels, in October. This coincided with the European Week of Regions and Cities. The next stage of the project will be implementing the PASTA project in the SEStran region. SEStran will begin this process by tendering for Active Travel Audits at key sites to set a baseline for the project.

6.6 **SURFLOGH** aims to improve the role of logistics hubs in the network of urban logistics in the North Sea Region.

6.6.1 The Kick-Off Meeting was held in Amsterdam in September with all partners of the SURFLOGH project. The lead partner is currently working to complete all project formalities including completion of the necessary Partnership Agreement. SEStran will be leading on a work package with Napier TRI creating business models for urban freight hubs. SEStran will also be trialling a last mile delivery solution in the region.

7 Opportunities for New European Projects

7.1 Interreg, North West Europe

7.1.1 **SCRIPT** (Sustainable Carbon Reduction in Port Transport)

7.1.2 SEStran was advised in October that the partnership bid for the above was unsuccessful.

7.2 Horizon 2020

7.2.1 INSTINCT

7.2.2 This project will seek to address environmental, socio-cultural and spatial impacts of planning in large metropolitan regions, whilst also enhancing connectivity; governance and institutional. It will involve comprehensive planning for the entire functional area (defined as an area of intensive commuter movements and/or freight distribution), adapting, further developing and extending the Sustainable Urban Mobility Plan (SUMP) concept, considering specific needs of metropolitan regions, new operating models in collective public and private transport, overcoming social segregation and inequalities, including gender inequalities, in access to education, jobs, health and leisure.

7.2.3 SEStran has again been invited by Napier TRI to be part of a second bid for this project. A bid into the last call was unsuccessful (a borderline failure) and note will be taken of the reasons for falling below the line in the new bid.

8 Further Initiatives

8.1 Borders Corridor Study

- 8.1.1** In the Scottish Government's Programme for Government a commitment was given to examine the case for an extension of the Borders railway along with improvements to the A1, A7 and A68. Transport Scotland and its consultants are now considering a number of issues including accessibility in the Borders and links between its communities and the key markets of Edinburgh, Carlisle and Newcastle. The study will identify issues and opportunities on transport routes and identify where improvements can be made.

SEStran has been represented throughout the series of progress meetings, held to steer the strategy. At the last meeting, held on 12 October, a range of emerging options along with a project Risk Register and Programme was discussed. The consultants have employed a GIS tool called "Storymap" to assist with the compilation and presentation of the significant amount of data gathered and this will be fed back to the stakeholders consulted initially on the study. The latest meeting, on 16 November, discussed the emerging draft study document, further stakeholder meetings (to feed back the draft findings), the programme, risk register and next steps towards completing the study.

8.2 East Coast Mainline Authorities Consortium (ECMA)

- 8.2.1** SEStran, along with TACtran, Hitrans and NEStrans has continued its membership of the association for 2017/18 and will take part in ensuing discussions which will include views on the latest HS2 announcements and their implications for the east of Scotland.

SEStran's Chair, accompanied by the Head of Programmes attended the last meeting, held in York on 3 October. In summary, there was discussion on the group's leadership, an approach from the HS2 project on possible joint working, political lobbying (possible all-party group), focussing on East Coast Main Line (as distinct from the wider transport corridor) and agreement that ECMA remains a worthwhile forum and needs to push on.

8.3 Can Do Innovation Challenge Fund

- 8.3.1** SEStran submitted two Expressions of Interest (further development of the Thistle card and reporting defects whilst on the daily commute) to the above, which is sponsored by Scottish Enterprise, but both were unsuccessful.

8.4 Hate Crime

- 8.4.1** West Lothian, Clackmannanshire and Fife Councils have agreed to pilot the regional hate crime transport charter. A questionnaire will soon be sent to operators to gauge their current levels of training with regard to hate crime on their network and their willingness to participate in the charter.

8.5 yTravel

- 8.5.1** SEStran awarded a grant of £60,000 to Young Scot in October 2017. SEStran is working with Young Scot to formally launch the yTravel project in January 2018.

8.6 X-Route: Star Paths

- 8.6.1** The trial of the 'star paths', as funded through the Scottish Road Research Board, was installed in Knightsbridge, West Lothian in early October and will be officially launched in partnership with Young Scot in November.
- 8.6.2** The application to the Regeneration Capital Grant Fund, to create an 800m stretch of glowing path as an extension of the trial, was unfortunately unsuccessful.

9 EU Exit

- 9.1** The negotiation process continues with press coverage that regularly relies on speculation rather than factual detail. The Prime Minister recently proposed setting a date of exit of 29 March 2019, in association with the EU (Withdrawal) Bill. However, others have suggested that to set a firm date which would take effect regardless of having an appropriate deal in place is perhaps not tactically sound but this appears to have faded into the background. The latest piece of speculation is about a sum of money, potentially around £40-50bn, that the UK will be required to pay on exit and this must be agreed before any post-brexite trade deal is discussed.

10 RTS Delivery Plan

- 10.1** As reported previously, the Delivery Plan was refreshed and approved by the Scottish Ministers in 2015 and now covers the period 2015 to 2025. Albeit that future funding streams for SEStran continue to be highly unpredictable, as explained in the refresh, there are clear strategic priorities for transport on which SEStran should focus that emerge from the RTS, based on national policy, the Strategic Development Planning process and from Local Authorities, upon which SEStran should focus.

Based on these, the Delivery Plan seeks to provide a framework for SEStran's ongoing work programme, set out in the annual Business Plans.

- 10.2** In terms of project delivery, other than those discussed above, no additional funds have been made available to SEStran since the Delivery Plan was refreshed.
- 10.3** It is also now clear that, in respect of transport infrastructure investment, that the award of the Edinburgh & South East Scotland City region Deal will

focus only on the grade separation of the Sheriffhall junction on the A720 city bypass and on west Edinburgh transport improvements.

11 Recommendations

The Board is invited to:

11.1 Note the content of the report.

11.2 As referred to in Paragraph 6.4.1, approve the SHARE-North related grant offer of £18,000 for the Edinburgh College Electric Vehicle Project.

Jim Grieve

Head of Programmes

30th November 2017

Appendix 1: Projects Expenditure to Date

Policy Implications	None
Financial Implications	As described in the report
Equalities Implications	A number of the projects will address the agreed actions of our Equality Outcomes 2017-2021.
Climate Change Implications	A number of the projects seek to promote and pilot a number of innovative actions to increase use of sustainable mobility.

Appendix 1: Projects Expenditure to Date

EXPENDITURE

	Description	Budget	Actuals @ 6/11/17
	R15 PARK & CHOOSE STH TAY BRIDGE	10,000	0
	R17 SUSTAINABLE TRAVEL AWARENESS	190,000	733
	URBAN CYCLE NETWORKS	120,000	19,883
	RTPI - REVENUE CONTRIBUTION	339,000	31,458
	RESEARCH - DEVELOPMENT	50,000	0
	EU SOCIAL CAR	47,000	31,214

	EQUALITIES FORUM ACTIONS	10,000	5,793
	SHARE - NORTH	40,000	19,774
	REGIO - MOB	33,000	37,453
	SURFLOUGH	0	1,565

839,000 147,872

INCOME

	R15 PARK & CHOOSE STH TAY BRIDGE	0	-10,000
	URBAN CYCLE NETWORKS	-100,000	-18,812
	RTPI - REVENUE CONTRIBUTION	-160,000	-139,018
	REVENUE PROJECTS GRANT	-494,000	-326,883
	EU SOCIAL CAR	-47,000	-58,815
	EQUALITIES FORUM ACTIONS	0	-3,600
	EU CHUMS	0	55
	SHARE - NORTH	-20,000	1,536
	REGIO - MOB	-28,000	-720

-849,000 -556,256

NET EXPENDITURE/ (INCOME)

-10,000 -408,383

MODEL 3 CONSULTATION – PROCESS UPDATE

1. INTRODUCTION

- 1.1** The report provides the Board with an update on the progress with “Model 3” discussions undertaken by Partnership Director since the December 2016 Board meeting and in light of the responses and subsequent parallel discussions seeks to close formally the consultation. In turn, it is proposed that the Partnership does not progress a request to Scottish Ministers for a consultation on further powers or change in status at this time.

2. PROF. RYE’S RESEARCH REPORT

- 2.1** The Board at their December 2016 meeting received from Professor Rye an independent research reportⁱ to test at a high-level all potential impacts/risks arising from such a change of status from a Model 1 to Model 3 RTP.

3. MODEL 3 CONSULTATIVE PROCESS

- 3.1** The Leaders and Chief Executives of the 8 constituent councils within the Partnership received a letter and a copy of the report in early December seeking their views on the proposed change in “Model” status for the Partnerships. Over the course of January-May 2017 all councils either discussed corporately or tabled a paper to a relevant committee/council. The majority of the responses sought further information on the proposed change and gave no commitment at this time. Some authorities replied rejecting the proposal for transfer of powers/functions from councils to the partnership completely.
- 3.2** The Partnership Director then engaged in two meetings in early 2017 with Edinburgh City Deal Authority Directors/Heads of Service to see if there was still appetite for change in partnership structures. The Partnership Director had produced a paper for discussion at the second meeting which we have been informed has been developed further and considered by Chief Executives in terms of wider City Deal governance proposals, over the Summer, alongside informal ongoing engagement with officers. The paper remains active within the City Deal governance structures and has assisted the development of a governance paper for City Deal Council Leaders. There is also a Programme Management office paper for the next phase of the Edinburgh City Region Deal in development and which will pick up aspects of the collaboration paper developed and contributed to by the Partnership. Further papers on the Edinburgh City Region and Tay Cities have been tabled to relevant councils, for example to Fife Council in Octoberⁱⁱ, and discussions have taken place with officers from the Stirling/Clackmannshire City Dealⁱⁱⁱ and offered our support. We continue to have discussions on the transfer of functions to the Tay Cities Joint Committee with Tactran.

3.3 On this basis, with the previously advised reviews of national transport, planning skills and enterprise structures currently ongoing, it is concluded that it is in the best interests of the Partnership to formally postpone the consultation, pending the outcome of the related reviews that are currently underway. To some extent, the Model 3 consultation has now been overtaken by the review of transport governance part of the new National Transport Strategy. This review of governance is being taken forward with consultant support by a Roles and Responsibilities Working Group. The aim is to report in Spring 2018 for inclusion in the wider public consultative exercises planned from Summer 2018 through to publication in Summer 2019.

3.4 In conclusion, it is for the Members of the SEStran Partnership Board, acting in its best interests, to decide whether to proceed with a request for an order under section 10 of the Transport (Scotland) Act 2005. However, in light of the consultative responses and papers tabled to committees in the constituent councils, the strong officer advice is for the Board to postpone the consultation and not to seek Scottish Ministers support for an Order at this time, due to the ongoing review and present lack of support from constituent councils for a change of powers and functions for the Partnership. However, as outlined in the 2018/19 Budget Planning paper we are seeking to identify further joint working/intelligent centralisation options.

4. RECOMMENDATION

4.1 The Board are invited to:

- Note that all 8 constituent councils have been formally consulted on the proposal for SESTRAN to change to a “Model 3” authority by means of an order under section 10 of the Transport (Scotland) Act 2005, (“the Act”);
- Agree to formally close the consultation opened in December 2016 and, in light of the responses received, not to progress any request for consent from Scottish Ministers to support an order under Section 10 of the Act, at this time.
- Note the updates provided on the Tay Cities, Edinburgh Region and Stirling/Clackmannshire City Deals;

George Eckton
Partnership Director
30th November 2017

Policy Implications	None
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None

ⁱ <http://sestran.gov.uk/wp-content/uploads/2017/02/1482242589.pdf>

ⁱⁱ http://publications.fifedirect.org.uk/c64_FCAgendaPapers.pdf

ⁱⁱⁱ <http://www.clacks.gov.uk/document/meeting/1/785/5706.pdf>

Board Appointments

1. INTRODUCTION

- 1.1** This paper provides an update to the Board on the panel for the appointment of the current Non-Councillor member vacancies

2. SELECTION PANEL

- 2.1** The Board are advised that Cllr Davidson has had to step down from the Non-Councillor Member appointments panel due to other commitments and to keep broadly to the timescale advertised, the Partnership Director has asked Dr Steele to join the panel. The Partnership Director in making this proposal consulted with the Chair, in line with his role responsibilities for Board Succession Planning and the Secretary. It was agreed to include someone with clear skills in this area professionally, and within other public bodies. The Partnership Director, also in consultation with the Chair and Secretary, concluded this to be a matter of urgency at the time.

3. CONCLUSION / RECOMMENDATIONS

- 3.1** The Board is asked to note the Partnership Director's Item of Urgency actions and that this report fulfils the reporting requirements under Section 40 of SEStran's Standing Orders, as an Item of Urgency.

George Eckton
Partnership Director
30th November 2017

Gavin King
Secretary

Policy Implications	N/A
Financial Implications	N/A
Equalities Implications	N/A
Climate Change Implications	N/A

Dates of Future Meetings

1. INTRODUCTION

- 1.1 This report outlines the proposed calendar of SEStran Partnership Board, Performance and Audit Committee and Chief Officer Liaison Group meetings in 2018.
- 1.2 The schedule has been drafted in line with previous meeting cycles and complies with audit reporting requirements.

2 PROVISIONAL DATES 2018

- 2.1 The proposed dates for the **Partnership Board** are:
 - Friday 16th March – 10:00am in Conference Room 1, Victoria Quay
 - Friday 22nd June – 10:00am in Conference Room 1, Victoria Quay
 - Friday 21nd September – 10:00am in Conference Room 1, Victoria Quay
 - Friday 7th December – 10:00am in Conference Room 1, Victoria Quay
- 2.2 The proposed dates for the **Performance and Audit Committee** are:
 - Friday 2nd March – 10:00am in Conference Room 2, Victoria Quay
 - Friday 8th June – 10:00am in Conference Room 2, Victoria Quay
 - Friday 7th September – 10:00am in Conference Room 2, Victoria Quay
 - Friday 23rd November – 10:00am in Conference Room 2, Victoria Quay
- 2.3 The proposed dates for the **Chief Officer Liaison Group** meetings are:
 - Thursday 15th February – 10:00am in Conference Room 3, Victoria Quay
 - Thursday 24th May – 10:00am in Conference Room 2, Victoria Quay
 - Thursday 23th August – 10:00am in Conference Room 3, Victoria Quay
 - Thursday 8th November – 10:00am in Conference Room 3, Victoria Quay
- 2.4 Dates for the Forums are being arranged and will be confirmed at a later date.
- 2.5 Members should note that with the Transport Bill approaching, there is a potential requirement to invite the Minister to attend Partnership Board meetings in 2018. In order to accommodate his diary, it is likely that selected meetings will be rescheduled from Friday's to Thursday's.

3. RECOMMENDATION

- 3.1 It is recommended that the Board approves the proposed programme of meetings for 2018; and
- 3.2 Notes that dates of the Forums will be confirmed at a later date; and
- 3.3 Notes the potential need to reschedule a Partnership Board meeting to accommodate the Minister's diary.

Elizabeth Forbes
Business Support Officer
25th November 2017

Policy Implications	None.
Financial Implications	None
Equalities Implications	None
Climate Change Implications	None