

1. Introduction

The South East of Scotland Transport Partnership (SEStran) is the statutory Regional Transport Partnership of eight local authorities; City of Edinburgh, Clackmannanshire, East Lothian, Falkirk, Fife, Midlothian, Scottish Borders and West Lothian.

In March 2020, SEStran's Strategic [Demand Responsive Transport \(DRT\) Study](#) was completed by SYSTRA. It identified key areas and sectors in the region where the expansion of DRT would be useful. It noted that, although there are a number of community-based DRT operators in the region, there is currently no commercial, bus-based DRT presence, as there is increasingly in other parts of the UK.

Amongst other recommendations, the Study recognised the potential for commercial DRT services, to help improve public transport availability and develop existing DRT in the region. It recommended engagement with relevant stakeholders. This is ongoing. It also recommended 'best practice guidelines' as well as identification of a suitable trial of commercial DRT.

Bus patronage has been declining for the last ten years. With the advent of the Covid-19 pandemic, the need to drive forward work on DRT in the region has become more urgent. The SYSTRA study noted Covid-19 as a new factor, just as the study was nearing completion, without being able to predict its effect on the transport sector.

However, it is now clear that community transport providers are struggling to continue to provide services. Commercial, 'fixed-line,' bus operators are impacted by the dramatic falls in passenger numbers and in some instances have had to reduce or discontinue services. The challenge now is to minimise the impact on many individuals, groups and communities finding it even more difficult to access public transport services.

In parallel with this, it has become clear that developments in tech solutions offering booking capabilities (Mobility as a Service (MaaS)) as well as those using routing algorithms, are enabling operators elsewhere in the UK to adopt more responsive and innovative approaches to bus service, with positive results on passenger numbers and service efficiencies and costs. Tech solutions are of potential benefit to commercial bus as well as community transport operators.

This has led SEStran to believe that it needs to be much bolder in its approach to these issues. SEStran is looking to partner with several different sectoral interests including commercial bus operators providing, or interested in providing DRT, community transport providers and MaaS and DRT tech providers. The intention is initially to seek funding from Phase 2 of the Scottish Government's MaaS Investment Fund, but more generally to seek out other funding and engage with other SEStran partners with a view to rolling out a number of Demonstrator Projects throughout the region.

2. SEStran's Vision

SEStran, along with its local authority partners, aspires to create a publicly owned digital MaaS platform that can be used to expand the network and usage of demand responsive transport throughout the region, made available to both community transport and private sector bus operators. This in turn will create the opportunity for testing commercial DRT in the region.

A platform of this kind would, put simply, make getting a bus much easier. Booking a ticket, routing a bus to somewhere convenient for the passenger, and tailoring the journey to where the passenger wants to go, can all be done digitally. Buses can be used more efficiently. Drivers can respond to their customers' needs. Services can be redesigned to reflect where people want to go, and when.

A key part of SEStran's vision is to tackle inequality, whether that be for people with disabilities finding it difficult to access mainstream services, isolated young and elderly people struggling to reach fixed line bus routes, or people in rural areas and/or areas with high levels of multiple deprivation (SIMD), finding it hard to reach employment centres. MaaS/DRT projects of this nature have been proven to work as a means of increasing bus patronage during the initial lockdown phase of the current pandemic. What will be important is how simple – and cost-effective - it can become to make the journey happen.

Platforms of the kind described already exist. What's different, at least for Scotland, will be the potential for commercial DRT to help reinvigorate bus usage in the region. SEStran's role will be as enabler, bringing together commercial DRT providers, bus operators, local authorities and community transport operators and helping to manage those relationships, not just by connection to a common digital platform, but by means of a toolkit of options for how best such relationships can be structured legally.

There is clearly a link between the objective of increasing use of bus community and public service buses to the wider Mobility as a Service (MaaS) objectives. This is discussed in detail below.

3. Policy Context

The National Transport Strategy (NTS) – NTS2¹ sets out four priorities, namely reducing inequalities, taking climate action, helping to deliver inclusive growth, and improving health and wellbeing. The project would meet all four priorities, which tie in with the RTS themes set out below.

The project fits with key themes of SEStran's Regional Transport Strategy² (RTS):

- Good access to a wide labour market;
- Key connectivity on the transport networks;
- Improving public transport in terms of journey time, reliability, price, convenience, quality, availability, information and integration;
- 'Smarter Choices' – influencing travel behaviour at the level of the individual through personalised planning and information and the use of innovative technology;
- Improving accessibility for disadvantaged areas to health services, education and employment, as well as improving travel opportunities for those with mobility difficulties and improving public transport more generally in rural areas;
- Reduction of greenhouse gas emissions and improving local air quality, by both reducing car travel and potentially making use of public service vehicles more efficient.

The proposed project has also been discussed, and approved, as part of the region's co-ordinated approach to the pandemic at the Regional Transport Transition Group, which comprises Transport Scotland, SEStran, and the constituent local authorities. The project will form part of the Group's Transition Plan going forward.

4. Potential Funding Streams

It is unlikely that a project as ambitious as this would be entirely funded from a single stream. Project partners will be expected to work with SEStran to identify and secure sources of funding from, amongst others, Transport Scotland, local authorities, the NHS, trusts, foundations and the private sector.

The project will also aim to achieve greater value from the use of existing resources, especially where it can be demonstrated that the project adds value to the activities currently being funded. One example might be existing bus subsidies.

The project will also need to show long term sustainability. Revenue funding streams to maintain forward motion in the development and upkeep of the system should be considered.

Other sources of funding might include:

¹ <https://www.transport.gov.scot/publication/national-transport-strategy-2/>

² <https://sestran.gov.uk/publications/regional-transport-strategy-2015-2025-refresh/> - see also Main Issues Report: <https://sestran.gov.uk/wp-content/uploads/2020/06/SEStran-Main-Issues-Report.pdf>

- [Data Driven Innovation](#), which currently has a Project Open Call running through November/December 2020;
- Disability charity funds
- [CivTech](#)
- [Euro Space Agency](#) (e.g. use of satellite tech)

There is an immediate funding opportunity through the [Maas Investment Fund](#), provided by the Scottish Government.

5. MaaS Summary – brief background on PriMaaS project

SEStran has been involved in the European-funded³ [PriMaaS project](#) since August 2019. Its main vision is to ‘promote the integration of traditional collective transport modes with personal and innovative ones by creating equitable mobility services truly focused on citizens’ needs.’ This is now reflected in national policy.

In its 2018 Programme for Government, the Scottish Government committed to a £2 million investment fund, over three years, to support the testing of Mobility as a Service (MaaS) in Scotland.

A key MaaS concept is to provide people with easy, digital access to travel information so they can be better informed as to the different ways to undertake their journey. This includes solutions to gather personalised travel requirements into a single travel app, for example, or perhaps a service to allow unlimited access to multiple transport providers via a monthly user fee.

This supports the Scottish Government agenda for a healthier, more sustainable Scotland in that, through providing better and more comprehensive travel information, more people feel empowered to use alternative ways to travel, encouraging them out of cars and private car ownership, and so reducing carbon emissions.

6. MaaS Investment Fund

Use of commercial DRT fits with the overall Mobility as a Service (MaaS) ethos.

The Round 1 awards of the Scottish Government’s MaaS Investment Fund reflect this. Three of the Round 1 projects, two of which involve other Regional Transport Partnerships, are outlined below.

HITRANS

HITRANS are working in partnership with IBI planning and engineering consultants, and Arcadis MaaS design consultants on a project delivering MaaS across the Highlands & Islands.

³ PriMaaS is funded through the European Regional Development Fund (ERDF), Interreg Europe programme.

The project seeks to bring together journey planning, real time data, multi-modes of public, active and sharing transport, and ticket purchasing into one app, GO-HI, and reduce the reliance on private car trips. It uses the Mobbileo platform.

It has the potential to reach around 500,000 residents and 600,000 tourists across the region and was awarded £445,000 funding in December 2019. Project partners include Enterprise Car Club and Car Hire, Bewegen, Stagecoach Bus, West Coast Motors, Inverness Taxis, ScotRail, Loganair and SkedGo.

The project is now looking to develop its DRT element further.

Tactran

Tactran's project looks to run three pilots that bring together journey planning, real time data, multi-modes of public, active and sharing transport, facilities information, personalised booking and ticket purchasing with integrated rewards system in one app. It allows any transport operator with an online booking system to be accessible through it.

The project has pilot locations agreed with NHS Tayside, Loch Lomond and the Trossachs National Park (LLTNP) and Dundee and Angus College.

It has the potential to reach 120-140 patients of Perth Royal Infirmary per week, up to 4 million visitors to LLTNP per year and 23,000 college students and was awarded £550,000 funding in December 2019.

SEStran is currently exploring with Tactran the possibilities of a partnership approach which might involve using some elements of their successful bid in the SEStran region. If so, opportunities for developing DRT cross boundary may also be available.

Dundee City Council

This project seeks to support people attending events in the Dundee area and will provide better information about public, shared and active travel options to venues, as well as improving travel ticketing options at the point of purchasing event tickets.

Funding for this project is being allocated following a co-creative approach developed as part of Round One, and as such has not depleted the remaining £1.05 million funding for Round Two of the investment fund.

7. Building to the Next Level

Discussions with HiTrans and Tactran have shown that there are lessons to be learned from the existing projects in other regions. Indeed, it may be that some of the work already done can be shared cross-boundary to avoid duplicating the same lessons. SEStran would seek to develop a MaaS platform for operators, as has been done in the HiTrans and Tactran regions. However, SEStran's ambition is to take the development of MaaS a step further by rolling out DRT using MaaS tools across south east Scotland, whilst responding to the effects of Covid-19 on operators and passengers. Key features of the project include:

- Cross-boundary - implementation of DRT projects shouldn't stop at council boundaries, or even RTP boundaries;
- Building on success - Phase 2 funding gives an opportunity to use foundations put in place by others with Phase 1 funding; more than that, there are significant lessons to be learned from DRT projects worldwide now;
- Demonstrator not pilot projects - building bigger, scalable projects that can reach across boundaries rather than small discrete operations that may not be scalable;
- Flexible and adaptive - having an eye to any technological component or contractual arrangement being as flexible as possible to future-proof the model;
- Consultative – involving existing linkages and forums to involve, not just organisations, but interest groups of individuals to ensure the projects roots in addressing inequality and accessibility go deep.

8. Opportunities (regional)

Engagement with SEStran's eight constituent local authority partners has shown that, initially, outlying parts of the SEStran region would benefit from a centralised platform, governed by the public sector, but in partnership with the private sector.

Local authority partners who have asked specifically to be involved are:

- City of Edinburgh Council
- Clackmannanshire;
- East Lothian;
- Edinburgh;
- Falkirk;
- Fife;
- Scottish Borders; and
- West Lothian.

East Lothian Council are interested in developing DRT in their area, connecting it to a proposed mobility hub programme and initial pilot in Musselburgh. West Lothian Council has committed funding to the development of DRT in their area over the next two years. Fife, working with SEStran, have already run a simulation with a DRT tech provider which shows that bus patronage for existing DRT services in North East Fife could be doubled. Early discussions with the Workforce Mobility Project (part of the Edinburgh and South East

of Scotland City Region Deal) show there may be opportunities for synergy with access to employment, and discussions will continue.

In terms of bus operator partners, one of SEStran's stakeholder groups is a Bus Operator's Forum, which meets regularly and involves all the major operators in the region. The Forum has already been briefed on the development of DRT proposals by SEStran, and interest has been shown by some bus operators. Separate discussions are ongoing with community transport operators.

In addition, in its role as secretariat for the emerging Forth Valley Bus Alliance, SEStran, along with bus operators, local authorities and relevant stakeholders in the Forth Valley area, are looking at locality-based solutions to improving journey times and reliability, as well as accessing further Scottish Government funding (the Bus Partnership Fund, announced on 9th November). The Alliance agreed to include DRT as one of its workstreams. Other Bus Alliances in the SEStran area are currently being formed, and SEStran will retain linkages with them.

9. Next steps

The [Maas Investment Fund Round 2](#) is now open for pre-registration discussions. It will officially launch in January next year, closing in February with awards made in April 2021. Accordingly, time is of the essence in selecting a partner and submitting a bid. Accordingly, SEStran is keen to hear from:

- **Small to Medium Bus Operators**: particularly smaller bus operators currently providing fixed route services in areas with limited PT coverage that are keen to explore more sustainable business models and better use of fleet and willing to commit to a 3-year project.
- **Larger Bus Operators**: particularly larger operators (over 100 services per day) where some service redesign has been required due to impacts on demand from Covid-19 who are keen to explore additional service changes that can support longer term viability of services to smaller urban, semi-rural and/or rural areas and ready to commit to a 3-year project.
- **Community Transport Providers**: (or CT umbrella groups) particularly those keen to explore new ways to manage bookings, service routing, use of fleet and drivers more efficiently which are ready to commit to a 3-year project.

Commercial Bus and Community Transport providers within the SEStran region that are willing to participate should provide informal expressions of interest, by Friday 18th December. This should be followed up by a written expression of interest by Monday 4th January, indicating how the organisation would see its role in this project, (for example, leading a demonstrator of commercial DRT or incorporating MaaS based journey bookings into the service) and how the organisation, its services and passengers might benefit. For an informal discussion, in advance of submission of an expression of interest, please email andrew.ferguson@sestran.gov.uk or julie.vinders@sestran.gov.uk.

Although at this stage the project is focused on bus-based travel, SEStran would also be keen to speak to other transport and mobility providers in the region (for example bike hire) about how the project could benefit them.

- Commercial DRT and MaaS platform tech providers keen to play a key partner role in helping to develop and deliver the project proposal and business case(s) for the project or one of its demonstrators, should contact SEStran with their informal expression of interest no later than noon on Friday 18th December. This should be followed up by a written proposal by Monday 4th January. Proposals should be no more than 3000 words long and include:
 - An indication of whether the proposal relates to the MaaS platform, or the DRT element (separate proposals can be submitted by the same provider);
 - The proposed partner's track record in delivering similar projects;
 - Examples that show increased revenue or reduced operating costs as a result of the application of the proposed partner's platform and proposal;
 - Commentary on how the proposed partner would help develop a business case and project proposal to submit to the MaaS Investment Fund and other funding opportunities;
 - A summary of how the project would work in the SEStran region, taking account of the SYSTRA study;
 - An indication of the state of readiness of the proposed tech solution and details on set-up requirements and timescales;
 - Commentary on potential costs, and funding options including, but not limited to, the MaaS Investment Fund, for those costs;
 - An indication of any additional contributions, in kind or otherwise, that are offered for inclusion in the project;
 - Ideas for potential revenue streams for the project;
 - Proposals for how the bid for the MaaS Investment Fund should be structured.

Proposals and organisational suitability will be assessed by SEStran in consultation with local authority partners, and appropriate proposal(s) will be selected to take forward further discussions leading ultimately to a more formalised partnership arrangement.

Thereafter as a first step the successful proposer(s) will be expected to take a lead, or a joint lead role with SEStran in the initial partnership in preparing the MaaS bid, and actively participate in discussions and workshops with Transport Scotland, SEStran, and local authority partners on its development.