

REGIONAL GOVERNANCE RISKS AND OPPORTUNITIES

1 INTRODUCTION

- 1.1 This report arises from a discussion at the September Performance and Audit Committee about SEStran's Risk Register, and in particular discussion of the risks and opportunities around changes to regional governance that may impact on SEStran as an organisation.
- 1.2 The current Risk Register Risk R001 states: 'Regional Governance: Transport Scotland review of regional transport governance arrangements could result in changes to functions of RTPs. This could present either a risk or an opportunity to SEStran.'
- 1.3 The Committee asked for an outline of the main options for change going forward, and what actions SEStran might take to influence the discussion and to adapt to the changing regional governance landscape.

2 OPTIONS FOR REGIONAL GOVERNANCE GOING FORWARD

- 2.1 The current position as regards transport governance in the SEStran Region is that SEStran is a 'Model 1' RTP in terms of the somewhat outdated 2006 Guidance. As such, its main function is to produce a Regional Transport Strategy (RTS) and oversee its implementation by others. Most transport functions are carried out at local authority level or national level where Transport Scotland (TS) deliver such things as trunk roads and major projects like the Queensferry Crossing. In reality SEStran has delivered much more than its core statutory function, working with its constituent authorities and TS.
- 2.2 It is possible, if increasingly unlikely, that little or nothing will change in the governance landscape in the short to medium term. With the Holyrood elections in May next year, it may be that any new administration will take time to review the position and opt meantime for the status quo – or something like it. However, it seems more likely that going forward the status quo will no longer be seen as the best solution, and an enhanced role for regions – at the very least – will be increasingly seen as the way forward.
- 2.3 It is clear that in recent years an enhanced role for RTPs has been the direction of travel so far as TS has been concerned. This 'enhanced role', incidentally, has not seen any transfer of legal powers as such. SEStran, Tactran, HITRANS and Nestrans remain as 'Model 1' RTPs. Instead, RTPs have taken on functions that were previously carried out by TS, with a particular recent example being devolution of the People and Place budget to SEStran and its fellow RTPs.¹

¹ SPT, SWESTRANS, and ZETTRANS, are all 'Model 3' RTPs. Essentially means they have more operational powers: SPT has responsibility for many of the public transport functions in the Strathclyde area, whilst the two smaller RTPs have essentially taken over the role of transport authorities for the single council area they cover. Model 2 RTPs would be a blend of shared operational powers with local authorities and the strategic role, but none currently exist.

- 2.4 The other model for regional governance which has emerged over the past decade is the City Region Deal model, supported by both Scottish and UK Governments with funding. In the SEStran region, whilst the Joint Committee set up to manage the Edinburgh and South East Scotland City Region Deal does not have a formal role in transport governance, some of the projects funded under the Deal are transport related (Sheriffhall being the prime example). In recent years SEStran and the City Region Deal authority have worked well together under a Concordat, in particular carrying out joint development of the RTS Delivery Plan.
- 2.5 However, it is entirely possible that going forward an enhanced CRD arrangement would look to aggregate greater powers to plan and deliver transport at a regional level. This could lead to an incoming administration at Holyrood abolishing RTPs.
- 2.6 Another potential model for regional governance has been developing south of the border for around the same amount of time as CRDs. This is the mayoral style of City Region that has been put in place, in particular, in 'northern powerhouse' cities, with an elected mayor aggregating both functions and powers that were previously exercised at Westminster level. The prime example of this is Transport for Greater Manchester (TFGM) which was seen as a vital component of Greater Manchester's vision for its city region.
- 2.7 Having a strong connection between transport and other disciplines is key when considering what the future might look like. Transport does not exist in a vacuum. Nor should it. Effective transportation, at a regional level, is crucial to unlock economic opportunities region-wide, and needs to work closely with land use planning to ensure growth is managed and directed to the right areas in an equitable and sustainable way.

3 IMPLICATIONS FOR SESTRAN OF OPTIONS

- 3.1 SEStran has achieved a great deal in the twenty years of its existence with limited resources. It is this track record of delivery which, along with similar success stories in other areas of the country, has encouraged central government to increase roles and responsibilities at regional level. Indeed, the working group appointed to look at transport governance has consistently recommended greater use of RTPs, most recently in a 2019 TS report authored by Jacobs which recommended: 'our future transport governance arrangements should be on the basis of some form of regional model allowing for variations in approach between different geographic regions.'
- 3.2 With that in mind, the status quo seems less and less like the option that works best for the region. Greater tools at a regional level in relation, for example, to prioritising, and preferably, funding delivery of the RTS (i.e. any projects with a regional impact) would help to deliver benefits region-wide. This could include the evolving SEStran (mass transit) project. The Regional Bus Strategy may well indicate that issues like the co-ordination of cross-boundary services and roadworks, for example, could be better co-ordinated and managed at a regional level. For example, SEStran could act as the bus authority of last resort subject to the agreement of partner authorities.

- 3.3 These outcomes could be delivered by an enhanced City Region Deal authority. Consideration would need to be given to the arguments for and against having a stand alone transport authority.
- 3.4 The mayoral authority model in England is worthy of further study. Bringing in a similar solution in Scotland is not without its complications, given the existing devolution of powers to the Scottish Parliament. In that scenario, although the transport authority would remain a separate component of the governance model like TFGM, it would ultimately be answerable to an elected mayor.

4 SUGGESTED ACTIONS

- 4.1 In the past, the discussion around a greater role for SEStran has foundered as a result of undue focus on section 10 of the Transport (Scotland) Act, which allows RTPs to consult their constituent authorities and TS on whether they should move to a 'model 2,' or 'model 3,' type of organisation, with greater powers and functions. This has been understandably seen as a threat by constituent authorities.
- 4.2 In practice, however, SEStran has worked on a collaborative basis with both its councils and TS to carry out functions at a regional level by agreement – and the majority of additional functions, such as the administration of the People and Place Fund, can be devolved from TS without the need for anything other than an agreement to do so. This is in line with section 14 of the Act, which was put in place precisely to allow this less formal route of co-operation.
- 4.3 Ultimately how transport governance is dealt with at a regional level will be decided by politicians at Holyrood level. Whilst a gradual evolution of RTP roles can be accomplished without primary legislation, anything more radical would need an Act of the Scottish Parliament. That may mean that substantial change will take some time and will be subject to the political will of the incoming administration, but it also means that SEStran as an organisation – both officers and Members, working together – have time and the means to influence how the debate goes forward.
- 4.4 With this in mind, discussions have recently been held with a number of the transport spokespersons at Holyrood, including the Cabinet Secretary, to outline the type of vision SEStran and the other RTPs have for regional governance of transport going forward.

5 RECOMMENDATIONS

It is recommended that:

- 5.1 Members consider, and offer constructive comment on, the contents of this report, with a view to receiving further reports at future meetings as matters progress;
- 5.2 Members consider how they and officers of the constituent authorities can contribute to the ongoing debate on regional governance on SEStran's behalf;

5.3 The Board delegate the Partnership Director to act on SEStran's behalf in the current ongoing discussions on regional governance models to the fullest extent possible.

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Policy Implications	None at this stage
Financial Implications	None at this stage
Equalities Implications	None at this stage
Climate Change Implications	None at this stage