

Item:

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Report to Partnership Meeting 23 April 2021

RESEARCH AND STRATEGY DELIVERY

Rural Bus Service Support and Funding

Purpose of Report

To update Board Members and Advisors of the finalised version of the Rural Bus Service Support and Funding Case for Change report which was published on the HITRANS website on 24 March at the following link:

https://hitrans.org.uk/documents/Rural_Bus_Service_Support_and_Funding_Case_for_Change.pdf

Background

The February Partnership meeting included consideration of a report prepared by HITRANS setting out a range of challenges facing local transport authorities in rural areas with specific reference to the Highlands and Islands. The report set out a number of recommendations which were broadly supported by the Partnership Board who tasked officers with finalising the report by building in a number of areas suggested during the meeting discussion.

The final report was published on the HITRANS website on 24 March at the following link:

https://hitrans.org.uk/documents/Rural_Bus_Service_Support_and_Funding_Case_for_Change.pdf

Summary of Report

National Transport Strategy 2 has set out a positive Vision that commits to be a Transport Strategy for all of Scotland recognising the different needs and challenges the country faces, reaching out beyond the silos that exist in terms of responsibility of Scotland's transport infrastructure, services and assets. Local bus service across Scotland have been in sharp decline for the last 15 years.

Since the Concordat agreement of 2007, ring-fencing of Local Authority General Revenue Grant (GRG) has been removed, revenue funding has been reducing (Audit Commission estimated a real terms reduction of 7.6% since 2013/14) and focus has therefore been placed on broader statutory functions, of which, local bus services are not. Consequently, funding for local bus services has reduced significantly across Scotland and continues to do so. Rural Scotland has borne the brunt of this decline. Between 2010 and 2019 there was loss of more than one in five subsidised bus services in Scotland, a loss of around 60 routes, which are far more likely to impact rural and remote areas.

A number of nationally set funding schemes where the one Scotland approach has meant the benefit received is disproportionately favouring urban areas with rural bus services and passengers being left behind. This does not need to be the case and the paper prepared by HITRANS has set out a range of steps that could be taken to transform outcomes for rural bus users. This would complement the Bus Partnership Fund ensuring transformational change can be delivered for bus and community transport in every part of Scotland.

The report sets out a number of recommended actions that Scottish Government could take that would allow Transport Scotland, RTPs, Local Authorities and Community Transport groups to work

together to deliver a pipeline approach that would make a real and lasting difference for sustainable travel in rural areas. The recommendations are listed below:

- a) Recognition that the national concessionary fare scheme has an in-built unfairness for rural areas. Consider utilising the Bus Service Operator Grant as a mechanism to deliver equity for rural bus services.
- b) Introduce a Rural Transport Fund delivered at RTP level
- c) Introduce RTP capital passenger transport grant. In the past HITRANS received £3.5m each year to deliver these types of improvements and this level of support would allow us to make a real difference to the infrastructure, interchange and travel information experience offered to passengers.
- d) Introducing an Enhanced DRT funding stream administered at RTP level and developed collaboratively with local authorities and community anchor groups.
- e) Work with bus manufacturers to develop an affordable multi-purpose accessible bus design that is fit for purpose for rural bus service.
- f) Investigate the potential for more regional collaboration on Public Transport and DRT management and operations.

The report was shared with the Cabinet Secretary for Transport, Infrastructure and Connectivity before the dissolution of Parliament ahead of the Scottish Parliament elections. A response was received on 8 April which noted that Mr Matheson was very interested to read the paper about the issues facing rural bus and community transport operations and the ideas set out around potential future funding options specifically targeting rural areas. He has asked Transport Scotland officials to take this forward by meeting with the Chair and Partnership Director at our convenience.

Risk Register

RTS Delivery

Impact - Positive

Comment – The report sets out the case for change in support for rural passenger transport ensuring this offers a fairness in support to rural areas when compared to interventions in urban areas.

Policy

Impact - Positive

Financial

Impact – Positive

Budget line and value – This item sets out the case for increased support of rural passenger transport services recognising that this must fit within a constrained budget environment but that it would strongly fit with the NTS 2 Vision and priorities.

Equality

Impact – Positive

RECOMMENDATIONS

1. Members are asked to note the report.

Report by: Ranald Robertson
Designation: Partnership Director
Date: 13th April 2021