



THE HIGHLANDS AND ISLANDS STRATEGIC TRANSPORT PARTNERSHIP

**REPORT TO HITRANS BOARD  
16 APRIL 2004**

**NEW REGIONAL PARTNERSHIP**

**THOUGHTS ON STRUCTURE AND FUNDING**

1. At the last HITRANS Board meeting on 13 February it was agreed that I would prepare a report on options for the future structure and budget of the new regional partnership, based on the various responses to the Executive's Consultation Document.

**RESPONSES**

2. HITRANS' and the Joint TRANS' responses were reported at the last meeting. In addition all members have responded separately. There is much in common in the responses which I have tried to summarise below:

**Principles**

- ? **Subsidiarity** is fundamental. The role of Local Authorities in delivering transport services for their local communities must not be diluted. Shetland argues for strengthening this level and is opposed to further statutory national or regional bodies, but others suggest that benefits could derive from a stronger regional partnership.
- ? **Democratic accountability** is a pre-requisite.
- ? **Economic Development Agencies** must be included in the regional body.
- ? **Core funding** for the regional level must be from national grant and not through GAE, although local authorities may contribute, by agreement, towards running costs of the regional organisation.
- ? **The regional body** must be lean and strategically focussed.
- ? **Existing skills** must be maintained at the local level not centralised.

**Functions at the Regional level**

- ? **Regional Transport Strategy** should be the primary function of the regional body.
- ? Transport services and infrastructures that **cross local authority boundaries** and which are currently administered at the national level should be transferred in part to the regional level. HIE argues strongly for a full transfer of responsibility for Calmac, Northlink, HIAL, Air PSOs, trunk roads, and

grants for public transport, piers and harbours. Others see the regional level taking over strategic planning for these services, and being responsible for route development through strategic project delivery. In this scenario the organisational control would remain at the centre for the time being, but could be transferred eventually in a gradualist way. Shetland argues for continuation of a voluntary regional body with a strong consultative role, but no authority for running or funding the development of these services.

- ? **Strategic research** should be a strong regional function.

### **Form of Regional body**

- ? There is little support for a Joint Board with powers of financial precept, and membership based on population share. Preference is for a community planning partnership under Section 19 of the 2003 Act, or for a body defined under new legislation. There is a strong argument for non standardisation so that each region of Scotland can design the form of partnership best suited to its geography. Legislation should protect current local transport services from predation by the Regional body.

### **STRUCTURE AND BUDGET OF THE NEW BODY**

3. Taking account of these responses, a possible regional organisation is outlined below. In terms of function the options range from the Shetland model of closer voluntary working, to the HIE model of a strong regional authority running the strategic services currently administered in Edinburgh. In terms of form there is clear preference for an organisation tailored to our circumstances rather than an “off the peg” national model.
4. **Functions** could be limited to those below (transport functions remaining with local authorities are listed in Annex A):
  - ? Preparation and regular updating of the **Regional Transport Strategy**. This will be more complex than our current strategy because it will need more stakeholder participation, a more formal process of approval from local authorities and the national agency, and more detailed environmental assessment and STAG appraisal. It will also need a monitoring system and regular review.
  - ? Undertaking a formal programme of **transport research** to help develop strategy, and to build up an authoritative body of knowledge of regional transport characteristics and issues.
  - ? For **mainland to island ferry services**, preparation of the development strategy and delivery of the port infrastructure. Funds for port infrastructure projects will be provided by Transport Scotland after agreement of the development strategy. The Regional Partnership will manage the projects in conjunction with the Port Authorities. Operation of the ferries and ownership of the vessels will remain with private companies. Grants and subsidies to these companies could remain with Transport Scotland for the time being subject to the regional partnership having a say in the specification of contracts. However there should be an understanding that full responsibility for these services will pass to the regional partnership within a set period.

Ferry user consultation arrangements will be the responsibility of the regional partnership.

- ? For **airports and air services**, preparation of the development strategy and delivery of the capital projects for airport improvements, and also responsibility for air service PSOs for services within Scotland on the Highlands and Islands network. Funding for the projects and the PSO subsidy to be provided by Transport Scotland after agreement of the development strategy. The existing arrangements for managing the airports in the region (HIAL and Local Authorities) will remain. The subsidy grant for day to day running of the airports will remain with Transport Scotland for the time being with responsibility passing to the regional partnership within a set period.
  - ? For the **strategic road network**, including the current trunk roads and other regionally important spinal routes, preparation of the development strategy and delivery of road improvement projects. Maintenance of the strategic road network and contract specification to be the responsibility of the regional partnership. Funding to be provided by Transport Scotland after agreement of the development strategy. Note the need for coordination of maintenance contracts for the strategic and local road systems.
  - ? For **bus, rail, and interchange public transport infrastructure**, the preparation of a development strategy and a programme of strategic projects. Funding to be provided by Transport Scotland after agreement of the development strategy.
  - ? For **harbours and freight grants and the integrated transport fund** for facilities in the region, administration of the grant schemes on behalf of Transport Scotland
5. The **Form** of the regional transport partnership should be similar to the current HITRANS Board. The Board should not be determined by population share so that each local authority has an equal position. The new Board should comprise one elected member from each local authority, a board member from HIE, and the chair of SCDI's Highlands and Islands Committee. A non voting officer's panel should be set up comprising the chief officer of the new regional partnership, the chief transport officer from each local authority, the head of transport from HIE, an officer from SCDI, and the chief officer responsible for the Highlands and Islands from Transport Scotland. This panel should take part in all Board meetings, and should assist the partnership's chief officer in developing strategy and managing projects. Board meetings should be held in public.
  6. **Stakeholder Groups** should be established, absorbing some current groups like the rail development partnership, covering functional themes such as rail, ferry, air and bus services, business, freight and strategic roads. Individual members may take responsibility for chairing such groups.
  7. **Staffing and administration** should be lean. Annex B contains an example of a first year staff establishment and a budget. Service agreements should be made with the local authority partners for maintenance and project design and supervision for strategic services. These costs should come from Transport Scotland through the section 70 or similar method. I have not included these costs in Annex B. Similarly, for the time being Transport Scotland will take the staff administering Calmac, Northlink, and HIAL, and these staff costs are not included.

## **NEXT STEPS**

This note is intended to stimulate discussion. Until the White Paper is published we do not know the Minister's intentions for regional partnerships. It may be of value to circulate this note, suitably amended, to all partners and perhaps call a special meeting once we have the White Paper.

Howard Brindley

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## **Annex A**

### **Transport functions remaining with Local Authorities**

**Local road improvement and maintenance** - This should also provide the maintenance of strategic roads and the design and supervision of strategic road improvements as a service agreement with the regional partnership.

**Traffic management, pedestrian treatment, bus lanes etc** – this should provide traffic management services, signage etc on the strategic roads.

**Parking, park and ride, traffic wardens**

**Bus subsidies and quality contracts**

**Local public transport infrastructure** – This should provide the design and supervision of strategic projects as a service agreement with the regional partnership.

**Internal ferry services and infrastructure** – note that CnES has transferred Sound of Harris and Barra ferries to Calmac and Argyll and Bute has suggested that its local ferries may be more efficiently operated as part of a larger organisation

**Internal air ports not owned by HIAL**

**School transport and safe routes to school**

**Cycling and walking**

**Road safety**

**Community transport**

**Preparation of community planning and transport plans**

**Concessionary fares schemes**

**Piers and harbours**

**Coast protection**

## Annex B

### Example of a staffing and administration budget for the regional partnership

#### Staff Establishment:

Chief Officer	
Administrator	
Finance/Grants officer	
Research officer	
Strategy development team	Air and Ferry development officer
	Rail development officer
	Public Transport development officer
Project management team (3)	
Technical/Clerical support (2)	

#### Budget:

12 staff (salaries/pensions etc)	£450,000
Expenses (travelling etc) (7 staff x £1500 per month)	£120,000
Consultants and studies	£200,000
Office costs (rent, rates, heat etc)	£50,000
IT (computers/phones/ communications)	£50,000
Publicity	£25,000
Admin (members costs, insurances, stakeholder groups)	£50,000
Contingency	£55,000
<b>Total</b>	<b>£ 1,000,000</b>

Contributions to this budget should be Transport Scotland and the partners. Transport Scotland should provide 50%. On the basis that SCDI and North Ayrshire will only provide token financial contributions the other partners would have an equal share of £71,500. The budget would not be a precept. Any growth over the agreed base budget each year would have to be approved by all funding partners.