

IMPLEMENTING TRANSFORMATION - PUBLIC TRANSPORT AND TRAVEL

1. Purpose of Report

This report provides Members with an update on progress with the public transport elements of the Transformation work programme and an opportunity to review and agree to further develop a sustainable public transport delivery framework for Dumfries and Galloway.

2. Recommendations

Members are asked to:-

2.1 note the progress on concluding the public transport bus related workstreams within the Public Transport and Travel Transformation Programme;

2.2 note the papers presented on 'Future opportunities for DGC Buses' and 'Sustainable Public Transport Model' (**Appendices 1 and 2**);

2.3 agree the recommendation of the 'Future opportunities for DGC Buses' paper (paragraph 3.21) that a partnership approach is the only realistic option available at this time and that where the private sector bus industry does things best, and in the most cost-effective way, they should continue. Where other bus assets (DGC Buses or operators) are being underutilised, a coordinated partnership approach to service delivery should be developed to maximise usage whilst working alongside commercial services to deliver a more sustainable network. Where no service exists, demand responsive solutions should be developed and operated by third sector community transport operators, DGC Buses and the community; and

2.4 agree the recommendations of the 'Sustainable Public Transport Model' paper (paragraph 3.32), that given its public transport function the agreement of the SWestrans is sought to being the lead community planning partner in the development of the new public transport model, the transition from current delivery to the new public transport model is phased over two years from April 2022 to March 2024 and that regular reports are presented to both Dumfries and Galloway Council and the SWestrans Board.

3. Considerations

Public Transport

3.1 Transport is a derived demand and highly dependent on how and where we live, learn, work and access services. Our public transport network is driven by the needs of residents and visitors to access work, health services, education, key amenities and social activities. A sustainable and connected network which is reliable, safe, accessible and affordable is critical to the success of our economy by enabling businesses to grow and prosper in our communities as well as assisting to meet our ambitious climate targets.

3.2 Public transport is currently a complex mixture of commercially provided and public funded services with each intrinsically linked to the other. This has created a model that provides essential journeys to those who need it most, but is disjointed, inefficient, costly and difficult to navigate for individuals.

3.3 The Council Plan 2017-22 has a commitment to ‘Campaign for the retention of rural bus routes and for appropriate funding, regulation of bus services and, using the provisions of the forthcoming Transport Bill (now the Transport (Scotland) Act 2019), to enable the Council to run its own bus services, particularly in remote rural areas. Give communities more influence over decisions on bus services, by launching community passenger forums’.

3.4 On 4 March 2021, Full Council agreed its budget for 2021/22. The budget included commitments to look at specific areas of challenge and opportunity with one of these areas being the Public Transport Network, stating:-

- Like most of rural Scotland our bus network was at severe risk before the COVID-19 pandemic, during the pandemic bus patronage has reduced further still in line with restrictions. A strong public transport network supports local citizens access employment, supports health care services and travel for leisure purposes while reducing carbon emissions. Working with SWestrans, and other partners our Council will look at new powers in the Transport (Scotland) Act 2019 and strengthen our community transport network to protect provision for the long-term.

Transformation

3.5 At Full Council on 26 June 2018, Members agreed a Transformation Programme to address the challenges of providing high-quality service across dispersed rural communities to an ageing population. This was set against a backdrop of a significant funding gap projected in future years.

3.6 Public Transport and Travel is one of the Transformation Programmes with its work programme agreed at the Finance, Procurement and Transformation Committee on 3 March 2020. Updates have been provided throughout the process with the most recent provided to the Finance, Procurement and Transformation Committee on 17 June 2021.

3.7 The 4 public transport bus related workstreams within the work programme and their intended outputs are highlighted below:-

- Community Use of Council owned vehicles - Reduction in downtime of Council owned passenger vehicles, better use of assets, community empowerment, reduction in vehicle emissions. Through a full review of all assets, their utilisation, the legal and insurance implications for sharing use.
- Review of public transport fares and income streams - Creation of a more accessible fare system for public transport.
- Develop a new transport model - A new transport model is required to be sustainable in the future, mitigating the consequences of potentially less private operated bus networks operating across the region. A needs and evidenced based and sustainable public transport delivery model for Dumfries and Galloway, providing improved services for customers. Through a review of similar models, utilisation analysis of current public transport, mapping of demand “drivers” (e.g., work, health and education locations) and development of area-based solutions including options for a bus station in Dumfries. It is intended that the new model will also bring together the learning from the pilot schemes operated under the Social and Community Transport Public Social Partnership which has been developed locally in partnership with Third Sector Dumfries and Galloway and community transport operators.

- Future opportunities for DGC Buses - The Council's bus fleet (DGC Buses) is a key element of future public transport delivery. Through a full review of our bus assets, their utilisation, opportunities from the Transport (Scotland) Act 2019, mapping of demand/need in conjunction with the work package on developing a new model.

Local Bus Functions

3.8 Local bus functions were transferred from Dumfries and Galloway Council to the South-West of Scotland Transport Partnership (SWestrans) through a "Transfer of Functions to the South-West of Scotland Transport Partnership Order" made on 6 November 2006.

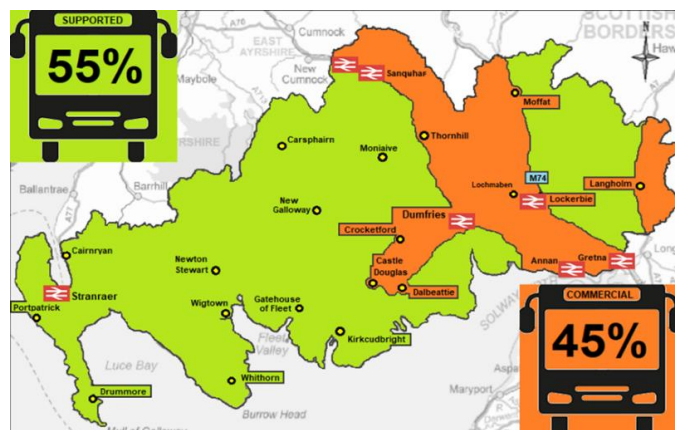
3.9 Therefore, responsibility for the policy and delivery of local bus services rests with SWestrans. Given the content of this paper, its publication prior to the SWestrans Board meeting and implications for local bus contracts terminating in 2022, the SWestrans Board received a confidential update on the subject matter at its meeting on 25 June 2021.

3.10 Communities Committee is responsible for the budget and delivery of school transport (including DGC Buses) and the budget that is transferred to SWestrans for it to undertake its local bus function.

Current Local Bus Provision

3.11 There are 3 types of local bus services in Dumfries and Galloway, providing 93 bus routes covering 11.1 million Km per annum:-

- **Commercial** (45% of network) - Where the route, timetable and vehicles used are completely in control of the private operator, receives no public funding.
- **Supported** (51% of network) - socially necessary services procured through competitive tendering where these services are not provided commercially and that meet the policies determined by SWestrans. The route, times and vehicles used are specified by SWestrans.
- **Council Operated DGC Buses** (4% of network*) – provided under S.46 of the Public Passenger Vehicle Act 1981. The route, times and vehicles are determined by the Council. *considered part of the supported services total.



Local Bus Funding

3.12 The socially necessary local bus services supported by SWestrans are provided at an annual net cost of some £3.2M, and this funding is provided by the Council.

Public Transport Transformation workstreams

3.13 Strategic and technical appraisals on the development and management of public transport operations to present a range of options that could provide a new sustainable model of public transport delivery for the region have now been undertaken. These culminate in the 2 reports presented for consideration and which are included as appendices to this report:-

- Future opportunities for DGC Buses – **Appendix 1**
- Sustainable Public Transport Model – **Appendix 2**

3.14 There are significant challenges for public transport provision in our region with 61 million less bus journeys being taken annually in the South West and Strathclyde area of Scotland over the last decade. The COVID-19 pandemic has devastated bus services with commercial services currently being directly subsidised by the Scottish Government up until 3 October 2021. If this support is reduced or ceases before passengers return to previous levels there is a significant risk that bus services which were already fragile, and which were previously operating without public subsidy, will be varied or withdrawn altogether with the subsequent impact on bus operator viability.

3.15 A new sustainable public transport model is required, mitigating the consequences of potentially less commercial bus companies operating in the region and to address the challenges of providing high-quality service across dispersed rural communities to an ageing population. It is important that any future model developed in Dumfries and Galloway fully considers the current and potential future challenges faced by the bus industry and provides options to address these challenges.

3.16 The reports attached as appendices seek to explore how a model for sustainable delivery could be developed utilising the opportunities available (including those for DGC Buses) to provide our residents with a needs-based, connected, affordable and integrated network that allows easy transitions across modes.

Future Opportunities for DGC Buses

3.17 The report on the 'Future opportunities for DGC Buses' is included as **Appendix 1** and its purpose is to provide an analysis and summary of opportunities available to the Council's own bus fleet in the future delivery of a new sustainable public transport model for the region. It focuses on the current operation and utilisation of both the minibus and bus fleet, provides a detailed outline of legislative delivery options available in particular those now offered through the Transport (Scotland) Act 2019.

3.18 The report builds on detailed work undertaken and completed to review and assess the utilisation of all Council owned passenger vehicles and provides 4 possible delivery models for DGC Buses, as follows:

- Status Quo – DGC Buses to continue to operate current delivery model.
- Municipal Bus Operator – DGC Buses becoming a full Public Service Vehicle operator operating supported and/or commercial bus services.
- Partnership – DGC Buses working in partnership with the commercial sector, community transport and NHS Dumfries and Galloway to develop and deliver transport solutions.
- Franchise – Introduce a franchise model for the Dumfries and Galloway area.

3.19 These delivery options would require appropriate management models to ensure their future sustainability and input to public, supported and social transport provision. The possible models considered are explored in more detail in the report but are summarised below:-

- Status Quo – no/limited change
- Establishment of a PSV Operation
 - Arm's Length External Organisation
 - Social Enterprise
- Third Sector Ownership
- Joint Venture/Partnership

3.20 The report concludes that Transport (Scotland) Act 2019 provides Councils with a number of tools to consider in the delivery of local bus services and that given delivery is currently a complex mixture of commercially provided and public funded services with each intrinsically linked to the other there is no single, affordable or sustainable solution that can simply be overlaid without significant risk and/or possible legal challenge.

3.21 It recommends that a partnership approach is the only realistic option available at this time and that where the private sector bus industry does things best, and in the most cost-effective way, they should continue. Where other bus assets (DGC Buses or operators) are being underutilised, a coordinated partnership approach to service delivery should be developed to maximise usage whilst working alongside commercial services to deliver a more sustainable network. Where no service exists, demand responsive solutions should be developed and operated by third sector community transport operators, DGC Buses and the community.

3.22 The fundamental point is that more resource exists at present than is being effectively mobilised to construct an integrated transport network. With a common objective, sharing ticketing technologies, making use of real-time work allocation solutions and a Transport Hub to allocate demand responsive work, much more can be achieved from existing paid for resources.

3.23 However, this can only be delivered if all parties accept that the status quo is unsustainable and that no new large funding streams will materialise. If this is accepted then all sectors (commercial, public, third) can work together in a common partnership approach to deliver a truly sustainable public transport model.

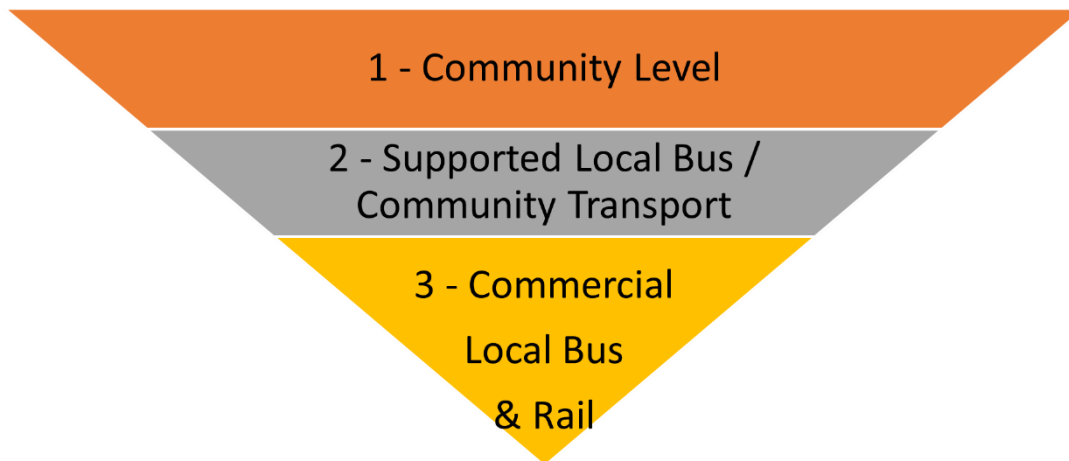
Sustainable Public Transport Model

3.24 The report on a 'Sustainable Public Transport Model' is included as **Appendix 2** and its purpose is to develop and seek agreement on a new sustainable public transport model for our region that ensures that an appropriate and affordable travel option is available to all residents and visitors no matter where they are or which travel mode they use to access services.

3.25 The report reviews the demand for travel, current delivery models, challenges/risks, opportunities available, it proposes a new framework for a delivery model, outlines a transition timeframe and the resources needed to deliver this model for consideration.

3.26 As indicated in paragraph 3.14, there are significant challenges for public transport provision in our region. Therefore, it is important that any suggested future public transport model developed in Dumfries and Galloway fully considers the current and potential future challenges faced by the bus industry and provides options to address these challenges.

3.27 A sustainable delivery model is proposed that has been developed utilising the opportunities available to provide our residents with a needs-based, coordinated, affordable and integrated network that allows easy transitions across modes. This model sets out a draft 3 tier framework for delivering a public transport network for the region which incorporates all journey needs, outlined in the diagram below:-



Tier 1 – Community Level Provision: made up of a number of tailored and flexible services providing travel opportunities at community level linking directly to amenities/services or to a more structured/timetabled public transport option. This tier will take the learning and structures developed through the Community Transport Public Social Partnership (PSP) and expand across the region. This ‘mainstreaming’ of the PSP learnings will be a critical building block for the delivery of needs-based transport.

Tier 2 – Supported Local Bus and Community Transport Services: made up of supported bus services provided by bus operators, DGC Buses and Community Transport. This would include fixed or semi-fixed bus routes along with Demand Responsive Transport services that would either complement the current supported routes or be an alternative to these routes. One of the major aims of Tier 2 services would be to increase patronage of Tier 3 services through the development of Hub and Spoke feeder services to assist with the overall sustainability of commercial routes.

Tier 3 – Commercial Local Bus and Rail Services: made up of commercial bus routes and ScotRail services. They would operate on the main corridors where there is high passenger demand for these services. Tier 3 services would be operated, in the main, by the commercial bus sector and Train Operating Companies

3.28 A vital element of this new model will be co-ordinating, scheduling and planning resources more effectively particularly in Tier 1 but also across Tier 2 to ensure that these resources are used efficiently whilst delivering high quality and appropriate services to the travelling public. It will be key that journeys are integrated, with all key partners working collaboratively and that passengers have a simple and flexible way to book transport if needed. Therefore, development and establishment of a Transport Hub which creates an integrated single booking and scheduling point of contact will be an essential part of the new model.

3.29 The development of a new public transport model will be challenging and complex. It will require buy-in from all key stakeholders and the travelling public. As well as designing and introducing new transport services it also requires a different approach to funding, governance and will require the establishment of the necessary key infrastructures and structures to enable delivery. Achieving a fully integrated, co-ordinated and sustainable public transport network will require the development of a partnership(s) between the Council, SWestrans, the commercial bus sector, community transport, local communities and the NHS. There will be a need for this partnership(s) to develop an operational model(s) that is/are flexible, dynamic and fit into the governance and operational strengths of the key stakeholders.

3.30 It will be important that the timescale for the initial phase of development of the model coincides with the forthcoming tendering for the local bus network that needs to be completed and all services in place by March 2022. Therefore, any initial changes to the local bus network must be decided by SWestrans by late Autumn 2021. The initial phase in the development of the new model should include the following:-

- Collaboration with SWestrans on appropriate supported local bus provision to fit in with the timescales for development of the new model.
- Establishment of a Social Enterprise Organisation for Community Transport.
- The Public Social Partnership model mainstreamed as the model for service design and engagement.
- Establishment of a Transport Hub.
- Consideration and development of options for DGC Buses (inc. PSV Operation).
- Design of a new bus network – mixture of DRT Hub & Spoke / Accessible Services, Community Car Clubs - making use of Councils vehicle downtime to fit in with supported network established by SWestrans.
- Establishment of Bus Service Improvement Partnership Working Group.

3.31 Investment will be a required in both the staff and development resources needed to build and establish a new public transport model in Dumfries and Galloway. This will require a clear Delivery Plan appropriately resourced for the short, medium and long-term. The transition from current delivery to the new model will require to be phased with specific hold points to enable appropriate Committee/Board agreement that ensures public acceptance and sustainability of the model as it develops.

3.32 The report recommends that given its public transport function the agreement of the SWestrans is sought to being the lead community planning partner in the development of the new public transport model, the transition from current delivery to the new public transport model is phased over 2 years from April 2022 to March 2024 and that regular reports are presented to both Dumfries and Galloway Council and the SWestrans Board. Members are asked to agree these recommendations.

4. Governance Assurance

The Corporate Management Team has been consulted as part of the preparation of this report and is in agreement with its terms.

5. Impact Assessment

As this report does not propose a change in policy/strategy/plan/project, at this time, it is not necessary to complete an Impact Assessment.

Author

| NAME | DESIGNATION | CONTACT DETAILS |
|---------------------|------------------------|-----------------------------------|
| Douglas Kirkpatrick | Transportation Manager | douglas.kirkpatrick@dumgal.gov.uk |

Approved by

| NAME | DESIGNATION |
|-----------|--------------------------------|
| Harry Hay | Head of Neighbourhood Services |

Appendices - 2

Appendix 1 - Future opportunities for DGC Buses.

Appendix 2 - Sustainable Public Transport Model.

Background Papers

Report – Finance, Procurement and Transformation Committee, 17 June 2021 – Item 5, Transformation Programme – Update

<https://dumfriesgalloway.moderngov.co.uk/documents/s31205/Transformation%20Programme%20Update.pdf>

Report – Dumfries and Galloway Council, 4 March 2021 – Item 5, Presentation on Budget Proposals 2021/22

<https://dumfriesgalloway.moderngov.co.uk/documents/s29063/frontis%20Administration%20Budget.pdf>

Report – Communities Committee, 9 February 2021 – Item 16, Implementing Transformation in the Communities Directorate

<https://dumfriesgalloway.moderngov.co.uk/documents/s28375/Implementing%20Transformation%20in%20the%20Communities%20Directorate%20-%20Report.pdf>

Report – Finance, Procurement and Transformation Committee, 3 March 2020 – Item 9, Transformation Programme – Work Programme Development

<https://dumfriesgalloway.moderngov.co.uk/documents/s20876/Transformation%20Update.pdf>

Report – Dumfries and Galloway Council, 26 June 2018 – Item 9, Modernising the Council
– Transformation Programme Proposals 2018-2022

<https://dumfriesgalloway.moderngov.co.uk/documents/s267/Final%20-%20Report%20-%20Transformation%20Programme.pdf>