



North East Scotland Transport Partnership

Scotland's Transport Future Proposals for Statutory Regional Transport Partnerships

NESTRANS Response

NESTRANS, as the voluntary Regional Transport Partnership (RTP) for the north east of Scotland welcomes the proposals set out in the Transport (Scotland) Bill for the establishment of statutory RTPs.

Through voluntary co-operation between Councils and the involvement of other partners much has already been achieved by the 4 voluntary Regional Transport Partnerships in Scotland in providing an essential regional dimension to the planning and delivery of transportation. However, as NESTRANS acknowledged in its response to the Scottish Executive's 2003 consultation *Proposals for a New Approach to Transport in Scotland* it was reaching the limit of its potential contribution as a voluntary RTP and the consolidation and development of this role would require more formalised structures with RTPs having a statutory base and appropriate funding.

NESTRANS welcomes the extent to which the Scottish Executive in now setting out its detailed proposals for statutory RTPs have taken account of the detailed representations by itself and the other voluntary RTPs on the 2003 consultation.

To significant extent the Scottish Executive has taken on board the guiding principles suggested by the voluntary RTPs, namely: **subsidiarity** of functions, **local accountability**, **flexibility** to reflect local circumstances, **consolidation** of existing services and maintaining the **momentum** of current projects. It is important that these principles continue to guide the development of arrangements for the establishment and operation of statutory RTPs.

Additionally, the particular matters raised in the current consultation paper suggests the need for another guiding principle, **transparency**. A central theme to NESTRANS responses to the individual questions in this consultation is the importance of ensuring that the arrangements for the establishment and operation of the new statutory RTPs are transparent and open. This need applies equally for local authorities, as the core members of statutory RTPs, for organisations with a direct interest in strategic transport, and for the wider community.

Whilst the executive nature of statutory RTPs require that they be lean organisations, their programme, operations and performance needs to be transparent and open to scrutiny not only by those who fund them, but by the community in its wider sense.

The remainder of this response to the consultation document is structured according to the four main issues set out in the consultation paper - Boundaries, Constitution, Functions, and Funding, and within these to the 16 listed questions.

NESTRANS has also submitted evidence on the Transport (Scotland) Bill to the Scottish Parliament's Local Government & Transport Committee (attached as Appendix 1) and Finance Committee (attached as Appendix 2).

Boundaries

NESTRANS consider that the boundaries for the new partnerships need to reflect shared strategic transport issues, and that they need to link in a meaningful way with arrangements for regional economic development and strategic land use planning. In the north east these considerations clearly suggest an RTP based on the joint areas of Aberdeen City and Aberdeenshire.

Given the population geography of Scotland there will inevitably be great variation in the populations of the new RTPs. It will be important to ensure that this does not lead to an imbalance in the weighting of views of each RTP in making the case for nationally for transport priorities in their region.

Q1 *We would welcome views on these proposed Regional Transport Partnership boundaries. Would you suggest any modifications?*

NESTRANS endorse the proposal for a statutory RTP for the north east covering the combined areas of Aberdeen City and Aberdeenshire Councils, this representing the current geography of NESTRANS.

Q2 *What are the benefits and/or disadvantages of these proposals from the perspective of your organisation or the Council area in which you live? Could a regional partnership based on these boundaries deliver improvements to transport in your area?*

The proposals for a north east RTP would enable continuation of the joint working on transport initiated through NESTRANS and also corresponds to the geography for regional economic development and strategic land use planning in the north east. A north east RTP as proposed will enable the establishment of a more effective regional transport strategy for the north east, and the delivery of key strategic projects to achieve that strategy.

Constitution

NESTRANS considers that the constitution of the new statutory RTPs should fully reflect the principles of transparency and accountability in their organisation and operation.

Important issues on which comments are not explicitly sought are the appropriate size of an RTP Board to enable a reasonable balance of councillor and external members and linked to this the number of councillor members on an RTP on which the consultation paper proposes that each constituent Council of an RTP will be represented by a single councillor.

NESTRANS question in principle whether a single councillor representative can adequately ensure the democratic accountability to constituent Councils, particularly in the context of the likely changes in political representation following the 2007 PR based Council elections. More specifically in the context of the north east, the RTP would on current proposals only have three members (two councillors and one external member). It is suggested that this is too small for an RTP Board and that there should be some flexibility on the number of councillors on Boards and that guidance should be given on the minimum (and maximum?) size of RTP Boards reflecting the principles of local accountability and transparency.

NESTRANS would favour a Board of 9 or 12 voting members in which each of the two Councils in the north east RTP would have 3 or 4 members, with 3 or 4 external members.

Q3 *What should the role of external members be?*

The role of external members should both be to ensure that key stakeholder interests are represented, and also to ensure that different perspectives on issues can be appropriately considered by the Board. The work of NESTRANS as a voluntary RTP over the last three years has clearly demonstrated the benefits of

involvement of external members.

- Q3(a) *To what extent do you think that external members should be (i) representative of other stakeholder organisations; (ii) experts in particular spheres related to transport; (iii) representative of interests outside the transport world?*

External members should primarily be appointed by virtue of the importance/relevance of the organisation they represent and to ensure a balance of interests on the Board

- Q3(b) *Do you agree that external members on the board of the partnership once approved should be there on the basis of the personal contribution, skills and experience they bring rather than representing a particular organisation or interest group?*

Whilst external members may be appointed by name and be expected to operate as independent Board members, their appointment is essentially in a representative capacity and as such it would be expected (as for Councillor members), that they would lose their membership of the RTP if they cease to be an office bearer of the organisation they have been representing. It also needs to be recognised that this representative role may present constitutional issues in respect of the organisations they represent.

- Q4 *Do you agree that decisions on who are appointed as external members are taken by RTPs themselves in conformity with guidance issue by Scottish Ministers?*

Agreed. To ensure continuity of RTP membership it is suggested that external member appointments do not coincide with local government elections.

- Q5 *How should the RTP involve people and stakeholders within its region?*

Every effort should be made to ensure that the operations of the RTP are transparent and open to engagement with stakeholders and the wider community. NESTRANS has successfully piloted a stakeholder forum, the North East Transport Consultative Forum, as a means of engagement with a wide range of stakeholders. Whilst each RTP should tailor approaches suited to the circumstances within their own region, some guidance on membership of such forums might usefully be provided by the Scottish Executive.

- Q5(a) *Is there merit in co-opting key stakeholders to work at management team level?*

Stakeholders might appropriately be co-opted onto the RTP Management Team but this may depend upon the internal management arrangements developed within respective RTPs. Close liaison with Scottish Executive officials and representatives from the new National Transport Agency, if not involvement in the Management Team is essential.

- Q5(b) *Would a stakeholder forum be a practical way of including broader interests?*

A stakeholder forum, the North East Transport Consultative Forum has worked well in the north east and it is considered that this forum should be further consolidated and developed as a means for the north east RTP engaging with wider stakeholders and facilitating constructive debate on key issues.

- Q5(c) *Are there any other means of ensuring wider engagement?*

Wider engagement can be facilitated and encouraged through regular publications and newsletters, the opportunities provided by an RTP website and through consultation on particular matters such as the development of Regional Transport Strategies. It will be important that RTPs promote such wider engagement in a proactive manner.

- Q5(d) *How can RTPs make best use of Community Planning to deliver better transport solutions? What should the Executive do to support them in this?*

The stakeholder forum established in the north east already provides an important link with community planning organisations and to representatives in both of its constituent Council areas. The resourcing of RTPs will provide the opportunity for enhancing such links to ensure that regional strategy and strategic projects are developed and delivered in association with community planning.

Q6 *Are there particular organisations that you believe ought to be represented on some of all of the new partnerships? Are there any organisations that should not be represented?*

The RTPs should have core external members drawn from the main organisations with an interest in the provision of transport and its impact. These should include: associations of transport providers (e.g. Confederation of Passenger Transport), passenger interest groups (Rail Passenger Users Committee), economic development agencies (Scottish Enterprise and Highland Enterprise Network), business organisations (e.g. Chamber of Commerce and SCDI), and environmental groups (e.g. Friends of the Earth). It is assumed that community interests are represented by Councillor members. Examples of organisations that should not be represented would be individual commercial transport providers and single topic lobby groups.

The North East Transport Consultative Forum considered that if there were 4 external voting members on the north east RTP these members might appropriately represent business, environment, passenger and freight interests.

The nature of external membership should also relate to the transport functions assumed by the RTP.

An issue not adequately addressed in the consultation paper is the minimum number of external members on the Board and the distinction between external members with voting rights and non voting members.

Q7 *Do you agree that on occasions when a vote is needed to reach a decision, that this ordinarily be decided by a simple majority?*

Agreed.

Q8 *On what issues (e.g. on issues involving the sharing or transferring of local authority transport functions) should decisions require a larger majority?*

The only issue on which special voting arrangements are seen to be necessary is in respect of requisitioning of funding from local authorities. In this situation voting should be restricted to Councillor members and decisions should require a majority vote of the Councils represented on the Board, and if there is multiple councillor representation, also a majority vote of councillors. There is a clear linkage between the voting arrangements and the acceptability, or otherwise of requisitioning of funding (Q15).

Functions

NESTRANS welcomes the Executive's acknowledgement that RTPs should and can develop in different ways to suit the circumstances in different parts of Scotland and that beyond regional strategy powers a decision on additional transport functions for RTPs is locally determined, not imposed by the Executive. NESTRANS also welcomes the proposal in the consultation report that statutory RTPs will operate for one year before they and their constituent councils opt for the model and powers they would wish that RTP to operate from year 2 (i.e. from April 2007). This will allow some time for the new RTPs to "bed down" and for discussion to take place with constituent Councils on whether they would wish additional transport functions be ceded from the Councils to the RTP.

Model 1

Q9 *What current local authority functions could be appropriate for an RTP to exercise concurrently with its constituent local authorities (in your region)?*

NESTRANS as the existing voluntary RTP already works closely with the constituent Councils in guiding and helping fund (with Scottish Executive grants) improvements to the public transport support infrastructure. With statutory status and longer term funding it might be anticipated that a new RTP for the north east would expand its role in such concurrent functions.

Model 2

Q10 *What current local authority transport functions could be appropriate for delivery at regional level by an RTP (in your region)?*

On the basis of linkage to regional strategy and efficiencies of scale, local authority functions that might appropriately be delivered regionally in the north east might include: quality contracts, quality partnerships, travel information and integrated ticketing. As well as functions ceded from local authorities NESTRANS would also see merit in some national functions being delivered regionally, in particular the regional management of the trunk road network which could provide benefits of integration with management of local roads, and enable better linkage to public transport planning.

Whatever functions are exercised by RTPs it is essential there is transparency and accountability as to who is responsible for particular transport functions.

Model 3

Q11 *Do you agree that this model should be adopted by West of Scotland RTP in order to ensure the continuity of the public transport services provided by SPT?*

Q12 *What powers currently held by local authorities and the SPT area would it make sense to deliver along side SPT's existing public transport powers in the new West of Scotland RTP?*

Q11 and Q12 are not answered as this is essentially a matter for local authorities and the SPT in the West of Scotland.

Q13 *Which of these 3 models would you like to see your region adopt?*

The north east is likely to opt initially for Model 1 but may be minded to give the RTP greater powers in future. This would reflect the experience of, and confidence in partnership working in the north east of Scotland, and the importance of contributing to the Executive's own Efficient Government agenda.

Q14 *Do you envisage that the RTP in your region will gain further functions as it develops? If so, which ones?*

The presumption would be that over time as the RTP establishes its expertise and experience and gains the confidence of its constituent Councils that its role and functions might increase. However this will ultimately be for constituent Councils to decide.

Funding

NESTRANS acknowledges the importance of clear and stable funding arrangements for RTPs and believes it appropriate that the core funding comes in part from constituent Councils not least to ensure the proper democratic link on this between Councils and the RTP, and accountability for spending in the region.

Q15 *Do you agree that there is no alternative to requisition if Regional Transport Partnerships are to have a stable and secure source of funding?*

NESTRANS recognises the objection of local authorities to the principle of requisition but accepts that no practical alternatives have to date been forthcoming. Efforts do however need to be made to ensure that the understandable concerns of Councils can be minimised by limiting the sums likely to be requisitioned, by ensuring that additional costs are met by additional Executive funding, and by ensuring the necessary democratic and accountability links. Under Model 1 it is likely to be less contentious given the lower levels of funding implied than for Models 2 or 3.

It is clearly important that the additional costs to Councils arising from the establishment of RTPs and their new burdens (preparation and maintenance of a Regional Transport Strategy) is reflected in an enhancement to their GAE for transport expenditure.

If requisitioning does proceed it would only be acceptable on the basis of a councillor only vote on the Board (see detailed response to Q8).

Q16 *What classes of expenditure (e.g. core staffing, running costs, provision of services, capital investment) are best met through (a) requisition, (b) prudential borrowing, (c) grants from the Scottish Executive?*

Requisition should only be used for the costs of core staff, running costs and provision of services. The main source of funding for capital investment should be grants from the Scottish Executive. Capital investment through prudential borrowing should only be permitted with the explicit agreement of the constituent Councils given that this raises potentially major issues of requisitioning for loan charges.

Whilst not explicitly covered by the consultation paper NESTRANS welcomes the proposals for transitional funding set out in the Financial Memorandum to the Scotland (Transport) Bill. In particular it welcomes that in addition to fully funding the additional staff and associated costs for establishing RTPs and preparing regional transport strategies in their first year (2006/2007), that the Executive will maintain its funding contribution to project development and delivery inherited from the voluntary regional transport partnerships for that year, thus helping to maintain the momentum on existing strategic transport projects.

PC/22 December 2004



North East Scotland Transport Partnership

Transport (Scotland) Bill

Scottish Parliament Local Government and Transport Committee

Written Evidence from NESTRANS

December 2004

NESTRANS welcomes the opportunity to contribute to the Local Government and Transport Committee's evidence gathering on the general principles of the Transport (Scotland) Bill.

As a voluntary Regional Transport Partnership NESTRANS is comprised of four partner organisations - the two north east local authorities, Aberdeen City and Aberdeenshire, Scottish Enterprise Grampian, and representing the local business community Aberdeen and Grampian Chamber of Commerce. Building upon informal working between the four partners since 1997, NESTRANS was formally constituted in summer 2001. It operates through a Board (presently chaired by the leader of Aberdeen City Council), a Management Team of officials from the four partners, and a small full time office. The NESTRANS office comprises a Co-ordinator (secondment at Director level), a PA/Administrator, and soon to commence work a Transport Policy Officer (also on secondment).

Funding and staffing are presently on a year-to-year basis. NESTRANS' current operational budget is £750,000, this being funded by the two local authorities, Scottish Enterprise Grampian and the Scottish Executive. Funding contributions in 2004/2005 are: Aberdeen City Council £162,500, Aberdeenshire Council £162,500, Scottish Enterprise Grampian £100,000, and Scottish Executive £325,000 (matching local authority contributions). The Scottish Enterprise Grampian contribution is particularly tied to projects/activities, which support economic development. Most of the £750,000 budget is spent on project development and appraisal.

Through voluntary cooperation much has already been achieved by NESTRANS and the other voluntary Regional Transport Partnerships in providing an essential regional dimension to the planning and delivery of transportation. In particular NESTRANS has:

- ❖ focussed national attention on the transport needs of the north east,
- ❖ brought together the public and private sectors in jointly addressing the north east's transport issues,
- ❖ developed a coherent regional transport strategy, appraised through STAG and endorsed by the Scottish Executive,
- ❖ acted as the catalyst for the development, appraisal and implementation of key strategic projects to implement that strategy including the Aberdeen Western Peripheral Route, Aberdeen Crossrail and rail freight enhancements,
- ❖ helped to secure funding to implement key projects in an integrated manner,
- ❖ been a pathfinder for new approaches and initiatives, notably a travel awareness programme being developed jointly with businesses in the region,
- ❖ linked transport, planning and economic development at the regional scale, and
- ❖ established a broadly based stakeholder forum, the North East Transport Consultative Forum to discuss strategic transport issues in the north east.

Notwithstanding these achievements NESTRANS acknowledges that it is reaching the limits of its potential contribution as a voluntary Regional Transport Partnership. In its response to the Scottish Executive's 2003 consultation *Proposals for a New Approach to Transport in Scotland* NESTRANS supported the case for more formalised Regional Transport Partnerships with a statutory base, clear powers, permanent staff and secured long term funding.

NESTRANS therefore welcomes the Scottish Executive's intention to establish a network of statutory Regional Transport Partnerships across Scotland and the enabling powers for this set out in the Transport (Scotland) Bill.

The following comments address the broad issues set out in the Committee's Call for Evidence namely: consultative processes undertaken prior to the Bill's introduction; reasoning behind the Bill; key issues raised; and consequences of the Bill's enactment. NESTRANS is only commenting on the proposals for Regional Transport Partnerships, not the Bill's other provisions.

Consultative Processes Prior to the Bill

The proposals for the establishment of statutory Regional Transport Partnerships set out in the Transport (Scotland) Bill have been based on extensive earlier consultation by the Scottish Executive, particularly through their September 2003 consultation paper *Scotland's Transport: Proposals for a New Approach to Transport in Scotland*, the June 2004 White Paper *Scotland's transport future* and Scottish Executive meetings with the voluntary Regional Transport Partnerships and other appropriate organisations prior to the Bill's introduction.

NESTRANS welcomes the extent to which the Bill's proposals reflect the comments made during earlier consultations, particularly in respect of allowing flexibility in arrangements across Scotland to reflect different circumstances. The resource issues raised in the prior consultation related essentially to the method of funding Regional Transport Partnerships (requisition from local authorities, direct funding from Scottish Executive, etc), rather than their likely establishment and running costs on which NESTRANS has expressed views in evidence submitted to the Finance Committee.

Reasoning Behind the Bill

NESTRANS supports the intention behind the Bill to strengthen the regional approach to transport infrastructure and services through the establishment of statutory Regional Transport Partnerships. With the Scottish Executive's commitment to increased and sustained funding for transport it is essential that clear and coordinated transport strategies are in place and funding to fulfil these strategies is deployed effectively and efficiently. NESTRANS endorses this reasoning and supports the Executive's commitment to establish a national transport agency and strategy as well as strengthened regional planning and delivery structures.

Key Issues Raised by the Legislation

Most of the particular issues of interest/concern to NESTRANS and its constituent members are currently the subject of Scottish Executive consultation in their report *Proposals for Statutory Regional Transport Partnerships*. It is understood that based upon their analysis of the responses the Executive will be introducing illustrative draft orders at the end of the Parliament's Stage 1 consideration of the Bill.

NESTRANS has already prepared a draft response to the consultation, which has been endorsed by constituent Councils, and the North east Transport Consultative Forum. The NESTRANS position on the main questions raised in the consultation is likely to be:

Boundaries

- ❖ north east boundaries agreed

Constitution

- ❖ concern at Council representation restricted to a single councillor
- ❖ voting on funding must be restricted to councillors, and be unanimous

Functions

- ❖ preference in north east for Model 1 (regional strategy + limited transport powers), but with a mind to expand powers over time

Funding

- ❖ need to limit requisitioning to core funding
- ❖ need for continuing Scottish Executive funding for new statutory burden of preparing and maintaining a regional transport strategy

One issue not fully addressed in the Bill or the consultation is the relationship between the proposed national transport strategy, the new statutory regional transport strategies, and the existing Council produced local transport strategies. It will be essential for the national transport strategy to set parameters and guidance for regional transport strategies, and for the scope of local transport strategies to reflect its regional transport strategy, possibly acting as the transport implementation plan for the strategy in that council area. It is equally important that in the preparation of the national strategy the new national transport agency is required to have regard to the issues and priorities set out in local and regional transport strategies.

In respect of the proposed timeline for the establishment of statutory Regional Transport Partnerships and submission of statutory regional transport strategies NESTRANS would question whether the existing proposals adequately take account of the necessary transition arrangements in establishing the new Transport Partnerships, and the processes for preparation, consultation, and approval of a statutory regional transport strategy.

Consequences of the Bill's Enactment

The Bill should result in a clearer focus to regional transport priorities through the preparation of statutory regional transport strategies, and a greater focus on the delivery of those priorities through the Regional Transport Partnerships themselves and their coordination of delivery by constituent Councils and other agencies. Essential to achieving these benefits will be appropriate resourcing (finance and skills), and a clear relationship between strategy and implementation at the national, regional and local level.

PC/12 December 2004



North East Scotland Transport Partnership

Transport (Scotland) Bill - Financial Memorandum

Scottish Parliament Finance Committee

Written Evidence from NESTRANS

November 2004

NESTRANS, as the existing voluntary Regional Transport Partnership for the north east is pleased to respond to the invitation to submit written evidence to assist the Finance Committee in its scrutiny of the costs arising from provisions in the Transport (Scotland) Bill.

As a voluntary Regional Transport Partnership NESTRANS is comprised of four partner organisations - the two north east local authorities, Aberdeen City and Aberdeenshire, Scottish Enterprise Grampian, and representing the local business community Aberdeen and Grampian Chamber of Commerce. Building upon informal working between the four partners since 1997, NESTRANS was formally constituted in summer 2001. It operates through a Board (presently chaired by the leader of Aberdeen City Council), a Management Team of officials from the four partners, and a small full time office. The NESTRANS office comprises a Co-ordinator (secondment at Director level), a PA/Administrator, and soon to commence work a Transport Policy Officer (also on secondment). NESTRANS' current operational budget is £750,000, this being funded by the two local authorities, Scottish Enterprise Grampian and the Scottish Executive. Funding contributions in 2004/2005 are: Aberdeen City Council £162,500, Aberdeenshire Council £162,500, Scottish Enterprise Grampian £100,000, and Scottish Executive £325,000 (matching local authority contributions). The Scottish Enterprise Grampian contribution is particularly tied to projects/activities which support economic development.

Of the total budget of £750,000, staff and office costs comprise £146,000, specialist support, events etc comprise £154,000, with the remaining £450,000 allocated to project development and delivery covering for example the development and appraisal of rail enhancement projects, the preparation of a freight distribution strategy, travel awareness initiatives, and traffic modelling.

The following comments address the particular questions raised in the questionnaire circulated by the Senior Assistant Clerk to the Committee.

Consultation

The proposals for the establishment of statutory Regional Transport Partnerships set out in the Transport (Scotland) Bill have been based on extensive earlier consultation by the Scottish Executive, especially through their September 2003 consultation paper *Scotland's Transport: Proposals for a New Approach to Transport in Scotland*. NESTRANS was actively involved in that consultation process and also facilitated a consultation meeting involving a wide range of stakeholders in the north east. However, the resource issues raised in the consultation related essentially to the method of funding Regional Transport Partnerships (requisition from local authorities, direct funding from Scottish Executive, etc), rather than their likely establishment and running costs.

Whilst the financial assumptions for Transport Partnerships as now set out in the Financial Memorandum accompanying the Transport (Scotland) Bill are not drawn from any previous consultation they have sought to take account of the running costs of some of the existing voluntary Regional Transport Partnerships.

Costs

Year 1 Costs

The Financial Memorandum states that the Scottish Executive will cover the full additional start up costs for the new Regional Transport Partnerships in their first year of operation (assumed to be 2006/2007). This is deemed to cover the costs of staff, accommodation and member expenses involved in the production of regional transport strategies. Excluding the particular provisions for the Strathclyde Passenger Transport successor body, the Memorandum assumes these costs for each of the other four Regional Transport Partnerships to be £320,000 comprised of:

Staff costs (5 staff)	£160,000
Administration costs	£40,000
Members' expenses costs	£20,000
Accommodation/establishment costs	£100,000
	<u>£320,000</u>

Whilst the commitment by the Executive to fully fund these initial costs is welcomed NESTRANS would question whether the financial provision is sufficient both in respect of staff costs (when on-costs are included) and more specifically the likely additional specialist consultancy costs which would need to be incurred in the preparation of a regional transport strategy.

Besides the production in their first year of a regional transport strategy it will be reasonable to expect the new statutory Regional Transport Partnerships would continue the work of existing voluntary partnerships, and especially continue their role in the development and delivery of regionally important transport projects. This has been the main focus of recent NESTRANS activity, developing, appraising and arranging for the delivery of strategically important projects such as the Aberdeen Western Peripheral Route, Aberdeen Crossrail, and Rail Freight Gauge Enhancement. The annual cost of this work has been of the order of £450,000. Recognising its strategic importance NESTRANS has received financial support from the Executive through grant under Section 70 of the Transport Act (Scotland) 2001, matching local authority expenditure. It is vitally important that this work and the funding contribution from the Scottish Executive is maintained. This would appear to be the case from the statements in para 135 of the Financial Memorandum that ... "the Scottish Executive currently provides funding to support the existing core costs of the voluntary Regional Transport Partnerships ... and ... the policy intention is to continue the provision of this funding to Regional Transport Partnerships", and also para 140 relating to grants for special initiatives. Some further clarification and confirmation of this continued funding would be welcome.

Ongoing Running Costs for Local Authorities

The Financial Memorandum assumes that after their first year of operation the full costs of the new statutory Regional Transport Partnerships will be borne by constituent Councils, through requisition by the Regional Transport Partnerships. It is suggested that the Scottish Executive funding of start up and strategy costs should continue up to the agreed timing of the submissions of Regional Transport Strategies as it may be concluded once further consideration has been given by the Executive to the preparation of such strategies that one year is insufficient time.

It is also stated in para 143 that no increased costs for local authorities are anticipated as a consequence of Regional Transport Partnerships. Even on the basis of the Transport Partnerships opting for the minimum of functions it is difficult to see how this will not lead to some increased costs for local authorities. The minimum functions of maintaining a regional transport strategy (through monitoring, review and co-ordination), are essentially **new**

burdens falling upon local government and as such it would be reasonable to expect additional ongoing financial support to be made available to local authorities to meet these additional costs. It would also be expected that the Scottish Executive will continue to provide Section 70 grant to Regional Transport Partnerships towards the development, appraisal and delivery costs of strategic transport projects.

Whilst the Councils in the north east each presently contribute £162,500 to the costs of NESTRANS, primarily in relation to the co-ordinated promotion of north east transport needs and the development of strategic projects, any significant additional ongoing costs could be difficult for constituent Councils to meet, without prejudice to their other commitments.

The ability and willingness of constituent Councils and other potential funding partners to meet the financial costs of a new Regional Transport Partnerships for the north east will depend upon its total costs, the proportion expected to fall to local Councils, and the provision made for any additional expenditure in GAE provisions. In response to the 2003 consultation NESTRANS did not favour direct funding of statutory Regional Transport Partnerships by the Scottish Executive. The preference was for continued joint funding of core costs with the Scottish Executive match funding local authority contributions, this reflecting the belief that local accountability requires some local funding.

The principle of requisition from Councils is extremely contentious and serious concerns have been expressed within the north east Councils, especially should requisition be used as a means of financing loan charges for prudential borrowing.

Wider Issues

The Bill seeks to implement that part of the proposals in the 2004 Transport White Paper *Scotland's Transport Future* relating to the effective co-ordination of transport and delivery of strategic projects at the regional level. The other main strand of those proposals in respect of delivery is the establishment of a National Transport Agency. As it does not require legislation the National Transport Agency does not feature in the Transport (Scotland) Bill nor are the costs of its establishment referred to in the Financial Memorandum. As the functions and costs of the National Transport Agency are not specified it is difficult to know whether or not there is any significant relationship to the costs of the proposed Regional Transport Partnerships.

Peter Cockhead
NESTRANS Co-ordinator
18 November 2004