
SOUTH WEST OF SCOTLAND TRANSPORT PARTNERSHIP

Meeting of Friday 25 June 2021
at 10.30am at Remote Meeting via Microsoft Teams

Present

Members

Andrew Wood (Chair)	-	Dumfries and Galloway Council
John Campbell (Vice-Chair)	-	Dumfries and Galloway Council
David Bryson	-	NHS Dumfries and Galloway
Karen Jackson	-	South of Scotland Enterprise
Jim McColm (substitute)	-	Dumfries and Galloway Council
Ronnie Tait	-	Dumfries and Galloway Council
Adam Wilson	-	Dumfries and Galloway Council

Officials

Douglas Kirkpatrick	-	Lead Officer
Claire Rogerson	-	Secretary to the Board
Kirsty Dunsmore	-	Policy and Projects Officer
Janet Sutton	-	Finance Officer

Apologies

Richard Brodie	-	Dumfries and Galloway Council
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Observers

June Hay	-	Outdoor Access Forum
Graham Whiteley		

In Attendance

Graham Dunn		
Liz Jack		
Katie Hagmann	-	Board substitute (D&G Council)
Graham Meiklejohn	-	Transpennine Express
Davie Stitt	-	Board substitute (D&G Council)

1. SEDERUNT AND APOLOGIES

7 Board Members present and 1 apology noting that Jim McColm was substituting for Richard Brodie.

2. DECLARATIONS OF INTEREST

NONE declared.

3. MINUTES OF MEETING ON 26 MARCH 2021**Decision**

APPROVED.

4. TRANSPENNINE EXPRESS UPDATE

BOARD MEMBER – Andrew Wood left the meeting due to a connectivity issue – 6 present.

PROCEDURE – In the absence of the Chair, the Vice-Chair assumed the role of Chair.

Decision

The Board **AGREED** :-

4.1 to receive the presentation (**Appendix to minute 1**) from Graham Meiklejohn of TransPennine Express; and

4.2 to seek further detail on issues raised from the presentation.

5. REVENUE BUDGET OUTTURN REPORT 2020/21**Decision**

The Board **NOTED** the draft financial outturn for the revenue budget as at 31 May 2021.

6. REVENUE BUDGET MONITORING REPORT 2021/22 FOR THE PERIOD ENDING 31 MAY 2021

PROCEDURE – The Board were advised of a correction that the expenditure column in the Appendix should be dated 31 May 2021.

Decision

The Board **NOTED** the forecast outturn for the revenue budget as at 31 May 2021.

BOARD MEMBER – Andrew Wood re-joined the meeting – 7 present

PROCEDURE – Andrew Wood resumed the role of Chair.

7. DRAFT ANNUAL (UNAUDITED) ACCOUNTS 2020/21

Decision

The Board **NOTED** the unaudited Annual Accounts for the financial year ended 31 March 2021 which will be submitted to the Board's external auditors for review.

8. CAPITAL EXPENDITURE PROGRAMME 2021/21 OUTTURN REPORT

Decision

The Board **NOTED** the outturn position on the 2020/21 SWestrans Capital Programme.

9. CAPITAL EXPENDITURE PROGRAMME 2021/22 – 2023/24 UPDATE

Decision

The Board:

9.1 **NOTED** the update provided on progress with the Capital Expenditure Programme 2021/22;

9.2 **AGREED** the draft submission to Dumfries and Galloway Council's Asset Class Review as shown in Appendix 1 of the report with the addition of a section on prioritisation with an amended recommendation to take account of this addition (**Appendix to minute 2**); and

9.3 **REVIEWED** the previous decision in relation to the proposed merger of the SWestrans Asset Class with the Council's Fleet Asset Class and **AGREED** a position to be intimated to Dumfries and Galloway Council which was to withdraw previous concerns and to indicate support for the proposed merger noting that the

Board look forward to working closely with Dumfries and Galloway Council on aligned vehicle replacement and active travel measures .

10. CALENDAR OF MEETINGS

Decision

The Board **AGREED** the calendar of meetings for 2022 as detailed in Table 1 of the report as follows:-28 January, 25 March, 24 June, 23 September, and 25 November.

11. OBSERVERS

Decision

The Board **AGREED** the appointment of Observers for 4 years as detailed in Table 1 of the report as follows:- Christopher Bradberry Craig (Thornhill Station Action Group), Rhian Davies (Sustrans), June Hay (Outdoor Access Forum), Hugh McCreadie, Frazer Smith, Emma Watson (Network Rail) and Graham Whiteley.

12. ANY OTHER BUSINESS WHICH THE CHAIRMAN MAY DECIDE IS URGENT DUE TO THE NEED FOR A DECISION

Decision

The Board **NOTED** that there was no item of business deemed urgent by the Chairman due to the need for a decision.

PROCEDURE - Members of the South West of Scotland Transport Partnership Board **AGREED** to consider the following item of business in private and exclude the Press, members of the public and Observers from the meeting given the report contains confidential or exempt information in respect of paragraphs 6 and 9 of Schedule 7A of the Local Government (Scotland) Act 1973

13. LOCAL BUS SUSTAINABILITY

Summary of Report - the report updated Members of the Board on the future sustainability of local bus services and to provide information on the outcomes of Dumfries and Galloway Council's Transformation work on Public Transport which would be reported to the Communities Committee on 29 June 2021.

Decision

The Board:-

NOTED

13.1 the outcomes of Dumfries and Galloway Council's Transformation work on Public Transport which is being reported to the Communities Committee on 29 June 2021;

13.2 the recommendation to the Communities Committee that seeks SWestrans agreement to lead the delivery of a new public transport model with a transition period up to March 2024.

13.3 **AGREED** that, subject to the Communities Committee agreeing the recommendation to seek SWestrans support to lead on the delivery of a new public transport model, to receive a report on a draft Delivery Plan to the September 2021 Board meeting;

13.4 **NOTED** that it may be necessary to convene a Special Board meeting to fit in with appropriate Council Committee considerations; and

13.5 **AGREED** that all current local bus contracts due to terminate on 8 August 2021 are extended to 7 August 2022 noting that there may be a requirement for a Board decision on their replacements prior to the local government elections in May 2022.

SWESTRANS BOARD MEETING

25 June 2021



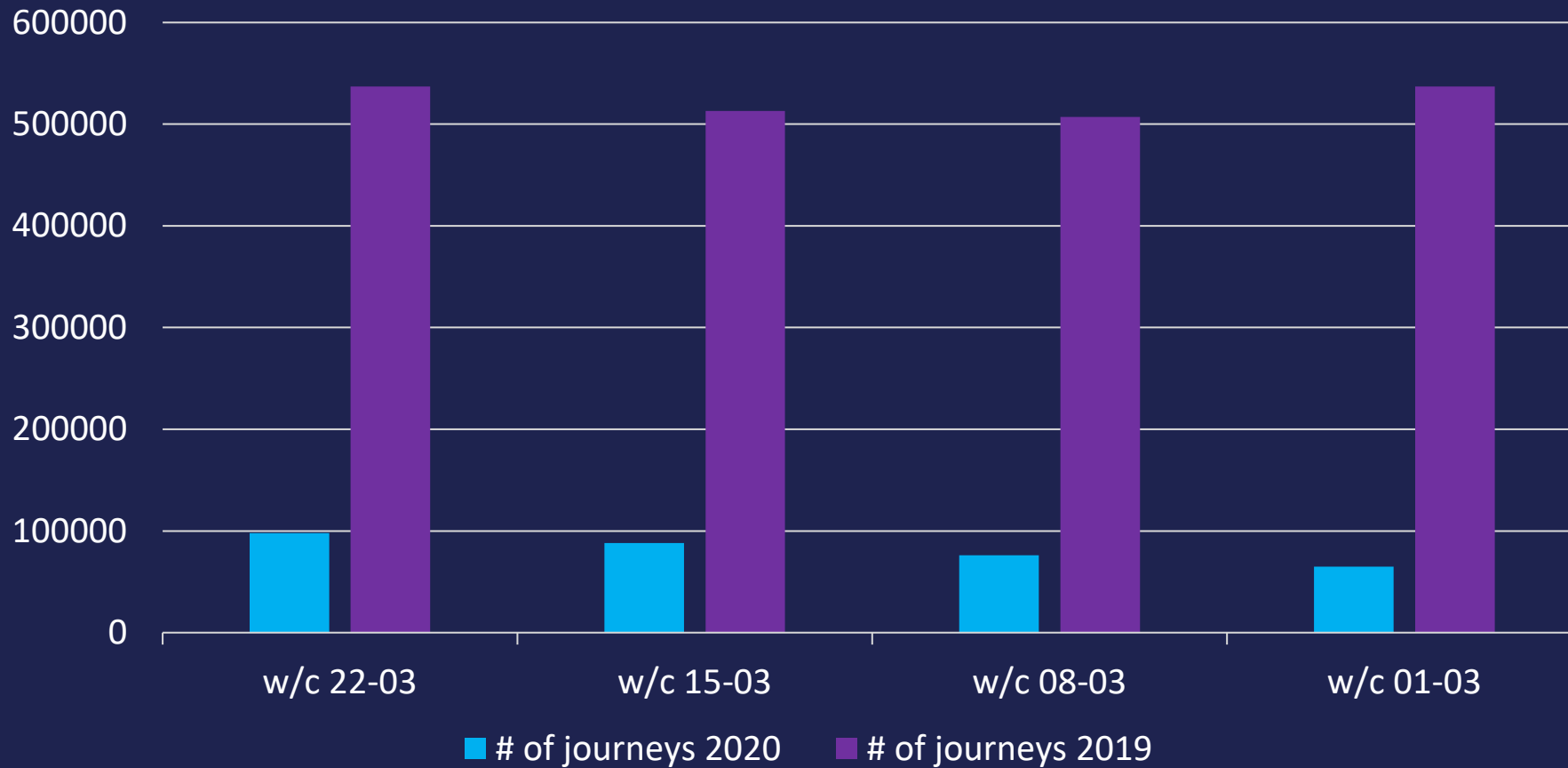

**TRANSPENNINE
EXPRESS**

The Impact of COVID on Rail

- Franchising was suspended as train operators provided safe and reliable travel for key worker enablers and those who could not work from home
- The Emergency Measures Agreement was introduced in March 2020 followed by the Emergency Measures Recovery Agreement in September 2020
- Demand and revenue has fluctuated with the summer reaching a peak of -65% YoY before the second lockdown
- When restrictions were eased in early December, this improved to -75% YoY but with the third national lockdown we saw the numbers reduce to -90% YoY
- At 1m social distancing our seated capacity is at 45%
- Franchise replaced by National Rail Contract

Impact on Revenue – a snapshot in March

of journeys
2020/21 v's 2019/20



Focus on safety

- Uplifted cleaning hours by 70% (vs pre pandemic)
- Launched 'Sanitation Busters' team, so the Train Presentation operatives are clearly visible
- Introduced new equipment expediting and enhancing the sanitation of key touchpoints across trains and stations
- Introduced 'Swab test kits' to provide comfort that our trains and stations are clean
- Re introduced Mystery Shops, specifically monitoring cleanliness
- Uplifted cleaning and sanitation audits across stations and on board to regularly check cleanliness



How will rail recover?

- Looking ahead, there are long-term changes expected to the market segments
- Leisure, business and new commuter
- Our latest market research suggests that commuter trip rate will fall up to 40% vs pre-Covid, and business will fall by up to 20%
- The Leisure market is showing the biggest opportunity and we are anticipating a 10% increase relative to pre-COVID levels
- UK and Scottish Governments have both released credible roadmaps for the significant relaxation of restrictions over the coming months
- We expect demand will grow rapidly reaching the “new normal” in 12-24 months

National Rail Contract

- Stability and certainty
- Allows business to focus on market recovery and continued delivery of safe and reliable services for customers
- New performance measures – PPM replaced with T-0 and T-3 at each calling point
- Business planning cycle to agree yearly outputs, targets and investment – step change from franchising
- ‘One Railway’ mindset with Network Rail and other TOCs
- Sustainability requirements
- Adapt and respond to customer demand

How do we win customers back?

- Reassurance campaign focussing on safety with the top requirements when travelling being:
 - 1) social distancing
 - 2) face mask compliance
 - 3) seat reservations for advance bookings
- Leisure will bounce back to levels stronger than pre-COVID
- Longer-term implications for Commuters & Business
- Flexi season ticket product
- Campaign plans:
 - Focus on safety to reassure passengers and give them the confidence to return to rail
 - When the time is right and safe to do so, we will return to inspiring travel across the network

Reassurance Campaign

Reassurance Campaign

- 'Reassurance' campaign was launched on 6th April and will run until measures are eased further, expected in July
- The campaign reassures customers it's safe to travel, highlighting our increased safety measures and shared responsibilities to travel safely
- The key message is that 'we're ready when you are'
 - We are not encouraging travel but reassuring those who wish to make a journey that it's safe to do so
 - We want to reassure that train travel is a calming, familiar experience
 - When our customers are ready to get going, we're here for them.

Once measures eased further move from reassurance to promoting travel

<https://www.youtube.com/watch?v=CaEIBHdGEgU>

Timetable development

➤ **Manchester Rail Task Force:**

- Consultation responses being reviewed by Network Rail, Transport for the North and Department for Transport
- TfN Rail North Committee are expected to discuss options at their April meeting
- TransPennine Express expected to be asked to consult on resulting planned timetable for Dec 22 during this Autumn

➤ **East Coast Main Line**

- Network Rail are developing a new timetable for ECML, based upon the introduction of additional services for LNER
- Consultation now live
- Essential for stakeholders to say what they want and what they are not prepared to accept

- Service options from May 2023



CAPITAL INVESTMENT STRATEGY

Asset Class Review 2021/22 – 2023/24

Asset Class/Programme	SWeststrans
Programme Responsible Officer	Douglas Kirkpatrick
Programme Lead Officer	Douglas Kirkpatrick
Treasury & Capital Team - Finance Contact	Alan Milligan

Summary of How Budgets are Allocated to Programmes / Projects (Eg. scoring system, condition surveys, emergency works)

There are currently four areas of capital expenditure:

- Purchase of Accessible Buses
- Bus Infrastructure – Shelters, ETMs etc
- Rail Station Infrastructure – Joint project with Council (SWeststrans lead)
- Active Travel Projects

The SWeststrans Board determines individual allocations across these areas annually and receives reports on capital expenditure at each Board meeting. Any changes are agreed by the Board.

Allocations to the 4 categories are determined by the £800k budget and split on the following priority basis:

1. Rail Station Infrastructure – multi year spend commitment to deliver 4 phases of parking at Lockerbie Station to be complete by 2022/23, usually £300k per year.
2. Active Travel Projects – required level of match funding to draw down Scottish Government Grant (Regional Active Travel Fund) usually £129k allocated (draws down £301K) plus additional monies for local initiatives usually £71k.
3. Purchase of accessible buses – by number of bus assets to be replaced and the estimated cost for the size/type of vehicle(s), usually 1 or 2 buses at some £250k.
4. Bus Infrastructure – ongoing new/replacement programmes, usually at some £50k.

There is a scoring-criteria for the bus shelter programme and a framework of active travel project assessment both are agreed by the Board.

Review of Recent Spend – Levels and Nature of Spend

Spend for previous financial years is shown below, the underspend each year has been mainly attributed to the delay in purchasing the land at Lockerbie. This is now complete and the project can move at pace from 2021/22:

<u>SWestrans Capital Programme</u>	2017/18 Actual £000	2018/19 Actual £000	2019/20 Actual £000	2020/21 Actual £000
Purchase of Accessible Buses	284	230	186	291
Bus Infrastructure	277	30	72	29
Rail Station Parking	45	46	48	385
STAG Studies re. potential rail station openings	121	10	0	0
Active Travel Projects	115	284	298	88
TOTAL	842	601	604	793

<u>Funding Reconciliation</u>	2017/18 Actual £000	2018/19 Actual £000	2019/20 Actual £000	2020/21 Actual £000
Base Allocation	800	800	800	800
Net (Slippage)/Acceleration	42	(199)	(196)	143
Re-profiling	0	0	0	0
Budget Virements – Other Asset Classes	0	0	0	(150)
TOTAL	842	601	604	793

Review of 2020/21 Slippage (including reasons)

<u>SWestrans Capital Programme 2020/21</u>	Total Budget Allocated (£)	Slippage (£)
Purchase of Accessible Buses	293,875	3,209
Bus Infrastructure	48,163	19,180
Rail Station Parking	805,856	420,579
Active Travel Projects	142,938	54,800
TOTAL	1,290,832	497,718

Purchase of Accessible Buses (£3k) – residual slippage following final spend on vehicles.

Bus infrastructure (£19k) – due to procurement delay in getting a new bus shelter supplier.

Rail Station Parking (£421k) – no construction elements able to be undertaken in 2020/21.

Active Travel Projects (£55k) – lack of staff resource available to take forward schemes.

Level of Approved Commitments Versus Current Approved Allocations

The phases of rail station parking at Lockerbie are being jointly funded, with 50% shared financial contributions, by SWestrans and Dumfries and Galloway Council. SWestrans has met all costs to date with the Council agreeing its contribution from 2021/22 at Communities Committee (6/4/21).

The proposed removal of £250k of the total £421k slippage from Rail Station Parking in 2020/21 is not accounted for in the current total scheme costs. Therefore, its removal may need additional allocation in the final year of the project.

Programme Based on Approved Allocations

The SWestrans Board considered its Capital Programme for 2021/22 to 2023/24 at its meeting on 26 March 2021. The agreed programme including the carry forward of slippage is shown below:

<u>SWestrans Capital Programme</u> <u>2021/22 – 2023/24</u>	Total Budget Allocated 2021/22 £000	Total Budget Allocated 2022/23 £000	Total Budget Allocated 2023/24 £000
Local Bus Network	292	270	400
Rail Station Parking	471	300	0
Active Travel Network	285	230	400
TOTAL	1,048	800	800

<u>Funding Reconciliation</u>	2021/22 Budget £000	2022/23 Budget £000	2023/24 Budget £000
Base Allocation	800	800	800
Slippage from 2020/21	248	0	0
TOTAL	1,048	800	800

Assessment of Risk of Further Issues/Delays (eg. through on going Covid restrictions)

Delivery of the SWestrans capital programme currently relies on the staff resource available within Dumfries and Galloway Council to take forward schemes. This has been and continues to be the main risk to full spend being achieved. If resolved, the programme should not be subject to any delay.

However, if not resolved then there will continue to be a potential for slippage on the Rail Station Parking and Active Travel Network elements of the capital programme.

Assessment of Required Annual Funding Level going Forward – Bids (Using SBAR Template)

Situation: Our region has adopted some of the most ambitious climate change targets in Scotland and all Community Planning Partners (inc. SWestrans) will need to identify and coordinate appropriate capital investment opportunities and programmes to achieve these aspirations.

Background: Following a number of recent national updates to plans/strategies including the Climate Change Plan, National Transport Strategy, Strategic Transport Projects Review and the National Planning Framework there is now a significant focus on interventions for transport and connectivity.

All future investment decisions will be assessed against their contributions to supporting these plans/strategies and how they impact against the wider climate change targets. Embedding the Sustainable Travel Hierarchy and Sustainable Investment Hierarchy in decision making will be necessary to promote walking, wheeling, cycling, public transport and shared transport options in preference to single occupancy private car use for the movement of people.

SWestrans has through its capital programme provided significant investment in accessible buses, bus infrastructure and active travel infrastructure all of which sit high on the Sustainable Investment Hierarchy and support active and sustainable transport across the region.

Assessment (including linkage to the Council's agreed priorities and Climate Change Commitment):

- Build the local economy.
- Be an inclusive council.
- Protect our most vulnerable people.
- Urgently respond to climate change and transition to a carbon neutral region.

SWestrans currently have 29 buses leased to operators to deliver our supported bus network. A summary of the vehicles including their registration year and estimated replacement year is shown below:

- 2010 – 5 buses (replacement due 22/23)
- 2011 – 2 buses (replacement due 23/24)
- 2012 – 5 buses (replacement due 24/25)
- 2013 – 3 buses (replacement due 25/26)
- 2015 – 7 buses (replacement due 27/28)
- 2017 – 3 buses (replacement due 29/30)
- 2019 – 2 buses (replacement due 31/32)
- 2020 – 2 buses (replacement due 32/33)

The timetable for the public sector vehicle fleet within the Climate Change Plan update is shown below:

- By 2024: the majority of new buses are zero emissions.
- By 2025: the need for any new petrol and diesel light commercial vehicles in public bodies phased out; and the delivery of the first Active Freeways; segregated active travel routes on main travel corridors.
- By 2030: the need for new petrol and diesel cars and vans phased out; conditions created to phase out the need for all new petrol and diesel vehicles in Scotland's public sector fleet; and car kilometres reduced by 20%.

This creates significant challenges for SWestrans and its Community Planning Partners to achieve a replacement of these bus assets to meet this timetable. Particularly as the current annual capital allocation is £800k and one full sized ultra-low emission bus costs in the region of £300k. A high-level initial assessment would suggest a replacement programme of some 4 buses per year to be replaced each year from 2022 at an estimated cost of £1.2M per year.

The need for significant investment in both the SWestrans bus fleet and Dumfries and Galloway Council's general fleet to meet decarbonisation targets will need to be coordinated and aligned to ensure assets are fit for purpose at the relevant time. Therefore, the replacement profile for SWestrans buses above fits with the developing 10 year proposals within the vehicle/fleet Asset Class.

The other key area of SWestrans capital delivery is active travel and its ability to bring significant investment through matching its capital budget allocation against national funding schemes. A 30% match brings 70% funding to our region and the benefit of this approach is shown clearly in the recent scheme development undertaken by Kier, Penpont and Tynron Development Trust (KPT) where a £0.5M local investment would elicit £1.3M external funding.

However, we are constrained financially and strategically in meeting the regions active travel ambitions for linking communities by the relatively low level of funding we are able to allocate at this time across all partners. The KPT work has indicated the likely level of support such links would cost and there are a number of other such links in development. Therefore, an appropriate increase in annual spend on active travel is also considered to be an essential element to meet the regions climate change targets. An appropriate enhancement would be to raise this to £600k per year.

To meet the decarbonisation targets of travel, complementary work will also require significant investment by all Community Planning Partners to ensure that the appropriate EV infrastructure and active travel links are in place. SWestrans is well positioned to assist with the development and delivery of this infrastructure and as a separately constituted Transport Authority could be utilised as a vehicle to attract additional match-funding.

Prioritisation

The SWestrans Board, at its meeting on 25 June 2021, considered the above assessment and discussed the need to prioritise spend to assist Dumfries and Galloway Council's considerations across all asset classes.

The Board consider that both bus replacement and active travel are of equal priority.

However, it was recognised that there is a level of flexibility within both these elements if spend profiles are better aligned with the Council's need on vehicle replacement and active travel. For example, the bus replacement profile above could be extended to replace vehicles over a longer period with the fleet profile also being reviewed and amended throughout to match the requirements of the proposed new public transport model which could further reduce the estimated replacement costs.

Recommendations (including proposed/required funding level):

Taking cognisance of the future challenges identified above it is recommended that:

- 1) the SWestrans core annual capital allocation is increased from £800k to £1.8M from 2022/23 noting that there is flexibility for SWestrans and Dumfries and Galloway Council to better align our needs/spend on vehicle replacement and active travel; and
- 2) consideration of future capital allocations to SWestrans increased to maximise the match-funding availability for EV, sustainable and active travel infrastructure.