INTRODUCTION

1. This document relates to the Transport (Scotland) Bill introduced in the Scottish Parliament on 5 June 2000. It has been prepared by the Scottish Administration to satisfy Rule 9.3.3(c) of the Parliament’s Standing Orders. The contents are entirely the responsibility of the Scottish Administration and have not been endorsed by the Parliament. Explanatory Notes and other accompanying documents are published separately as SP Bill 18–EN.

POLICY OBJECTIVES OF THE BILL - GENERAL

2. The policy objectives of the Bill are to deliver a sustainable, effective and integrated transport system for Scotland. The aim is to empower local authorities to deliver local solutions to local problems and promote partnership working to meet Scotland’s transport challenges. The Scottish Executive wishes in particular to give local authorities the powers they require to manage increasing congestion in our cities; to influence the development of local bus services and take positive action to grow the bus market; and to work in partnership with other local authorities and transport providers to deliver an integrated transport system.

3. The Bill is intended to respond to the problems associated with growing road traffic levels, rising carbon dioxide emissions from road transport, continuing localised air pollution problems and the exclusion of the elderly, those with a disability and those on low incomes from adequate public transport. The Scottish Executive believes that we need to act now, if we are to halt and then reverse these trends. To do nothing would be to accept further deterioration in the quality and reliability of our transport system, with unacceptable implications for our competitiveness, our environment and the most vulnerable in society.

4. The provisions of the Bill complement and support a wide-ranging, balanced and integrated transport strategy being taken forward by the Scottish Executive, in partnership with local authorities, transport operators and a range of other interested
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18)
as introduced in the Scottish Parliament on 5 June 2000

This wider strategy involves short-term and long-term action on public transport, walking and cycling, roads, rural transport and lifeline links to Scotland’s remote rural communities, taking full account of the crucial policy linkages which exist between transport and land-use planning, the environment, health, social exclusion and a range of other policy areas.

5. The specific provisions of the Bill cover a number of areas relating to the Scottish Executive’s overall policy objective:

- joint transport strategies – sections 1 and 2;
- bus services – sections 3 to 39;
- road user charging and workplace parking levy – sections 40 to 67;
- concessionary fares – section 68;
- bridges – section 69; and
- a number of other measures relating to school crossing patrols, motorcycle parking and blue badges – sections 70 to 72.

CONSULTATION - GENERAL

6. The Bill represents the culmination of over two years of consultation and debate on the future direction of Scotland's transport policy, beginning under the UK Government and carried forward by the Scottish Executive.


8. Since July 1998, the UK Government and more recently the Scottish Executive have conducted an extensive programme of consultation on those issues on which we are now proposing to legislate. The key consultation exercises included under the UK Government:
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

- Regional Transport Partnerships (January-March 1999);
- Improving Bus Services (March-June 1999);

and under the Scottish Executive:

- Road User Charging and Workplace Parking Levy (July-September 1999).

9. The First Minister announced in June 1999 that the Scottish Executive would be bringing forward an integrated transport Bill in the first session of the Scottish Parliament and this intention was reiterated in the Scottish Executive’s Programme for Government, published in September 1999.

10. Between July and December 1999, the Minister for Transport and the Environment met with a wide range of organisations, representing the interests of motorists, public transport users and operators, business and local authorities. Among the key groups consulted were the Scottish CBI, the AA, the RAC, Transform Scotland, the Scottish Council Development and Industry, the Scottish Chambers of Commerce, the Freight Transport Association, the Road Haulage Association, the South East Scotland Transport Partnership and a wide range of local authorities and public transport operators across Scotland. The bus and charging sub-groups of the National Transport Forum also met to discuss legislative options in these areas.

11. The Scottish Executive published its draft proposals for inclusion in the integrated transport Bill on 10 February 2000, building on these extensive consultations and inviting further comments on the emerging proposals. 102 responses were received from range of bodies and individuals. The overall thrust of the Bill proposals was widely welcomed, even among those who dissented on some of the specific measures. A large degree of consensus is apparent with regard to the overall objectives of transport policy, and there is general endorsement of the shift in policy since May 1997 toward a more sustainable and integrated transport system. The willingness of the Scottish Executive to listen to and reflect views expressed in previous consultation rounds was commended. A variety of views were expressed on specific aspects of the Bill and these are covered in the relevant sections below.

12. In addition to commenting on the specific proposals, respondents raised a number of general points, principally regarding matters which were not included in the Bill. Key issues raised include:

- *Air, sea and rail transport:* a number of respondents commented on the absence of proposals relating to air, sea and rail transport. The Scottish Executive’s overarching vision for transport recognises the important contribution that these modes can play in developing a truly integrated
transport system and wide-ranging programmes of action are underway at Scottish and UK level in all these areas. Where legislative competence is reserved it will fall to the Westminster Parliament to take forward legislative proposals. Rail transport in particular is being addressed through the UK Transport Bill.

- ‘Home Zone’ and ‘Safer Routes to School’: some respondents commented on the need for enabling legislation to allow local authorities to take substantive action on ‘Home Zone’ and ‘Safer Routes to School’ initiatives. The Scottish Executive recognises that these initiatives have the potential to deliver substantial benefits, particularly in terms of safety and traffic reduction, but considers that existing legislation already enables such developments.

- Limited coverage of cycling, walking, taxis, community transport, freight, the needs of the disabled etc. in the proposals: A number of respondents criticised the lack of proposals on modes such as walking and cycling and on issues such as disabled access and freight. All of the modes and issues highlighted have an important role to play in the Scottish Executive’s overall transport strategy, and are already being addressed through a variety of policy and funding initiatives. The proposals in the Bill will also have a positive impact, directly or indirectly, on all of these groups through less traffic congestion, lower noise and air pollution, and better quality bus services. The Scottish Ministers do not consider that additional powers are required.

JOINT TRANSPORT STRATEGIES (PART 1, SECTIONS 1-2)

Policy objectives

13. Constraints of size and geography mean that it will not be possible for local authorities acting in isolation to secure the transport system that Scotland's people need and deserve. Traffic management and public transport provision in one local authority area will often have implications for neighbouring authorities and other transport bodies.

14. Sections 1 and 2 are intended to support the Scottish Executive's goal of an integrated transport system by providing the Scottish Ministers with enabling powers to ensure that effective strategic consideration is given to the co-ordination of key transport policies and services to tackle issues which cross local authority boundaries. The Scottish Executive will be able to require by order designated public bodies (local authorities, Joint Boards with transport responsibilities and Passenger Transport Authorities, as appropriate) to prepare a joint plan to address a named transport issue by
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

a given date. The aim is to focus on outcomes, not structures – to create a means for local authorities and others to reach decisions on the key transport issues for their area.

15. The power is broadly framed to cater for a wide variety of circumstances, so that the Scottish Executive is able to respond flexibly to future developments. An example of an issue that might benefit from a regional perspective is the management of the major cross-boundary travel flows in and out of our major cities. Our expectation is that Edinburgh and Glasgow (and their respective neighbouring local authorities) would be the most likely candidates for the early use of the new powers in order to encourage a co-ordinated approach in tackling congestion. Such strategies could also provide a context for any proposals that come forward for road charging schemes.

16. The Scottish Executive's intention in bringing forward this proposal is not to intervene in matters that are best dealt with at a local level. Our interest is in securing a common and co-ordinated approach, not dictating what that approach should be. The provisions are intended to complement existing examples of joint working across Scotland, including the statutory Strathclyde Passenger Transport Authority; the voluntary partnerships established in the South East of Scotland, the West of Scotland and the Highlands and Islands; and the many examples of bilateral joint working between individual local authorities.

17. As well as legislating for statutory joint strategies the Scottish Executive will continue to encourage local authorities and other bodies to explore and develop collaborative working on a non-statutory basis.

Consultation

18. The Scottish Office published its consultation on the future of regional transport partnerships in January 1999. Some 94 responses were received from local government, business, environmental groups and others. The Scottish Executive also met with the various voluntary partnerships to hear their views at first hand.

- Most local authorities favoured a step-by-step voluntary approach.

- Concern was expressed by some respondents that it would be unduly restrictive to establish statutory authorities, and it would be difficult adequately to reflect the diverse interests of individual local authorities.

- The majority of business and environmental respondents favoured statutory transport authorities, with significant support for devolving central government responsibilities for rail, trunk roads, Caledonian MacBrayne and Highlands and Islands Airports Ltd to the new bodies.
• Several respondents indicated that no single model would be appropriate across all of Scotland.

• There was substantial support for some form of regional strategy to deal with major cross-boundary issues and provide a regional framework for the development of local transport strategies.

• Within the Highlands and Islands, there was support for the devolution of central government responsibilities to a new regional transport authority from the majority of local authorities and the Enterprise Network, though some caution was expressed about the financial and other practicalities.

19. The Scottish Executive’s response, including its preferred approach of joint transport strategies was set out in its proposals for an integrated transport Bill published in February 2000. The proposals were subsequently discussed with the National Transport Forum sub-group on regional partnerships.

20. The great majority of those responding to the consultation expressed support for the proposals on joint strategies. Of those submitting substantive comments, the majority sought:

• further clarification of the Scottish Executive’s intentions, in particular the circumstances in which Ministers would i) designate a strategy; and ii) use their long-stop powers of direction – some arguing that the proposed powers should only be used in exceptional circumstances, others stressing the importance of the Scottish Executive having and using such powers;

• reassurance that the Scottish Ministers would consult fully with relevant public bodies before making an order requiring a joint strategy to be produced; and

• greater detail regarding the parties which specified public bodies would require to consult with in formulating a joint strategy.

21. Discussions will take place with interested parties over the coming months to establish the detailed procedures which the Scottish Ministers and designated public bodies should follow in requiring, devising and then implementing a strategy, including arrangements for consultation at the various stages.

22. Given the wide range of circumstances in which the power might potentially be employed, specific details relating to the individual joint strategies (such as on the
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

organisations which public bodies should consult) will be reserved to the relevant order(s).

Alternative approaches

23. There are two main alternative approaches to the Scottish Executive’s proposals:

- The existing voluntary arrangements could be replaced by new Regional Transport Authorities, which would operate independently of the existing local authorities, have their own budgets and be vested with specific statutory powers. The Scottish Executive believes that imposing a new layer of government between the local authorities and the Scottish Executive and Parliament would generate additional bureaucracy and involve significant disruption to local government. Many local authorities share important transport interests with a wide range of other authorities. Rather than facilitating integration, forcing individual local authorities to join one particular regional authority, regardless of their links elsewhere, might actually hinder joint working. Strategic decision making is unlikely to be improved by such an arrangement.

The Scottish Executive will not therefore be taking powers in the Bill to create new statutory regional transport bodies across Scotland. A possible exception to this, for inclusion in transport legislation at a later date, might be the Highlands & Islands, with its distinct transport circumstances. In particular, there may be a case for devolving central Government responsibilities for Caledonian Macbrayne and Highlands & Islands Airports Ltd to the region most affected by their activities. The Scottish Executive will shortly be commissioning, in partnership with the relevant local authorities and Highlands and Islands Enterprise, an examination of the pros and cons of establishing a unified Transport Authority for some or all of the Highlands and Islands.

- The existing voluntary approach could be retained. This would keep the role of central government to a minimum, and leave matters largely to the discretion of local authorities. However, a number of the emerging voluntary partnerships have found it difficult to address issues where there are genuine differences of view between members and where win-win solutions are not readily available. This is especially true of the Central Belt of Scotland, where a large number of local authorities are grappling with the inter-linked problems of congestion and accessibility.

The Scottish Executive therefore believes that it is important that a statutory framework should be made available for addressing shared cross-boundary transport issues on a selective and focused basis.
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

BUS SERVICES (PART 2, SECTIONS 3 TO 39)

Policy objectives

24. Sections 3 to 39 set out the Scottish Executive’s legislative proposals for improving the quality of bus services and growing the overall bus market. These proposals are intended to give local authorities and bus operators the confidence to invest in a bus infrastructure capable of meeting the needs of current and future bus users. Evidence suggests that where authorities and bus operators work together in partnership through the introduction of measures such as new, high quality buses, or bus priority measures, passengers numbers will grow. For example, research commissioned by the Scottish Executive on the Edinburgh Greenways (Bus Quality Partnership) corridors has revealed an increase in passenger numbers of 12% and 15% in one direction during the morning and evening peak periods. These are significant patronage increases given the high frequency of services upon this Greenway route, against a background of decreasing passenger numbers generally. Evidence from other voluntary partnership schemes confirm that passenger growth figures in the range 5%-20% are achievable.

25. Sections 3 to 11 establish a statutory framework for quality partnerships, under which local authorities and operators agree to provide improved facilities and services for the benefit of local bus users.

26. Sections 12 to 24 set out the Scottish Executive’s proposals for quality contracts. These would replace on the road open competition with an exclusive franchise awarded to a single operator (or group of operators) by competitive tendering for one or more specified routes, or in respect of a defined geographical area. The Scottish Ministers approval of the introduction of quality contracts will be required and our policy is that these will only be approved in exceptional circumstances where, for example, Quality Partnerships or other initiatives have both been tried and failed, or are demonstrably not appropriate.

27. Simple, flexible ticketing systems and clear, reliable and accessible passenger information have a key role to play in encouraging greater bus use. Sections 25 to 29 set out the Scottish Executive’s proposals on the provision of joint ticketing arrangements or schemes. Sections 30 to 32 set out the Scottish Executive’s proposals on the provision of information, including in particular provision for the placing of a duty on each local authority to determine what bus information should reasonably be available locally to the public and, where such information is not available and agreement cannot be reached with an operator, to provide the information themselves, with the power to recover reasonable costs incurred from operators.
28. Sections 33 to 36 set out the Scottish Executive’s proposals on a number of other enforcement and financial matters in order to improve the regulatory and subsidy arrangements for bus services. Section 37 extends the reasons for which traffic regulation conditions may be determined to include the reduction or limitation of noise or air pollution. Section 38 requires local transport authorities to have regard to the desirability of joint schemes when considering quality partnerships, quality contracts, ticketing schemes and the provision of information, and to co-operate with one another when carrying out these functions.

29. The Scottish Executive is currently working closely with Department of Trade and Industry and the Office of Fair Trading to clarify the impact of these proposals on competition law. When these discussions are finalised we will bring forward amendments to the Bill to ensure a satisfactory competition framework is in place. In addition, the Director General of Fair Trading is currently undertaking a consultation exercise with a view to advising the Secretary of State for Trade and Industry that a block exemption order for ticketing schemes should be made. A block exemption would exclude ticketing schemes from the prohibition in the Competition Act 1998 which bars agreements between parties that have the object or effect of preventing, restricting or distorting competition.

30. Many of the Scottish Executive's proposals do not require specific provision to be made in the Bill, but can be implemented through secondary legislation using existing powers. In due course, we intend to bring forward regulations to implement the following changes:

- Standardise service registration requirements;
- Require registered services to operate for a minimum of 3 months;
- Introduce a requirement to provide 56 days notice to the traffic commissioner before cancelling a service, and at least 1 month's notice to the public;
- Increase the registration period from 42 to 56 days;
- Abolish the 21-day notice period for public holiday variations and bring it into line with the revised 56-day notice period for variations of registered services;
- Abolish the "5 minute rule"; and
- Abolish the current de minimis ceilings for competitive tendering.
31. We made clear our aim of giving the bus user a voice in securing better services through the introduction of statutory consultation procedures. This has been achieved in the Bill where consultation requirements are built into the development of quality partnerships, quality contracts, ticketing schemes and the provision of information requirements. In addition, local authorities will be required to take account of user representations when completing annual reports on the effectiveness of quality partnerships and quality contracts. The Scottish Executive is considering whether any further arrangements are necessary to improve the position of the bus user.

32. The central principle underpinning the Scottish Executive’s approach is partnership. Our proposals are based on authorities and bus operators working together to deliver high quality services to bus users. By increasing the role of authorities in the provision of services, while supporting the competition and innovation that has resulted from a market-led approach, we aim to facilitate better, more reliable services and so encourage modal shift from the private car which will in turn result in greater bus use. The Scottish Executive’s policies on buses, together with our devolved responsibilities for defining the strategic priorities for Scotland’s passenger rail services, will secure more effective integration and interchange between both of these modes of public transport.

Consultation

33. The UK Government issued its consultation document on bus services, *From Workhorse to Thoroughbred*, in March 1999. 34 replies relevant to Scotland were received in response. The Scottish Executive subsequently held separate discussions with key players, and the Buses Sub-Group of the National Transport Forum for Scotland has considered the proposals in depth. A substantial degree of consensus on the Scottish Executive’s proposals for improving bus services has emerged from these consultations:

- There was almost unanimous support for providing statutory backing for Quality Partnerships.

- Views on the proposals for Quality Contracts were mixed with some authorities seeking a fast-track option to move to contracts rather than partnerships. Operators expressed a strong preference for the Scottish Executive’s proposed approach of allowing the introduction of Quality Contracts only in exceptional circumstances.

- There was broad support for proposals to place a duty on authorities to secure the provision of timetable and other passenger information, though operators were keen to ensure that the level of information required should be proportionate to need.
On the proposed powers to enable authorities to require the introduction of joint-ticketing schemes, there was again broad support, although operators felt that voluntary arrangements should be given every opportunity to proceed in the first instance.

There was unanimous support for the modification of enforcement provisions. Such measures will provide for greater flexibility in the use of the Fuel Duty Rebate penalty by the traffic commissioner with respect to operators who fail to run services according to their registrations. They will also provide for the extension of Traffic Regulation Conditions to include environmental considerations, aimed at issues such as improving air quality or reducing noise pollution.

34. The Scottish Executive’s detailed proposals for legislation were published in February 2000. The proposals were subsequently discussed with the National Transport Forum sub-group on bus services.

The almost unanimous support for providing statutory backing for Quality Partnerships schemes was reaffirmed. Many respondents considered that authorities should be able to set fares and frequency levels as part of any scheme.

Many local authorities continued to support a lower threshold than "exceptional circumstances" before being able to implement Quality Contracts. Operators maintained their view that the Scottish Executive's proposed approach was the correct way forward.

There was widespread support for proposals to place a duty on authorities to secure the provision of timetable and other passenger information. There was also support for national guidance on minimum standards of information provision from operators keen to ensure that this should be proportionate to need.

There was broad support for statutory powers for authorities to make joint-ticketing schemes. The Scottish Executive agrees with the view that, in line with the broad principles of the Bill, voluntary arrangements should be given every opportunity to proceed in the first instance and this has been provided for in the Bill.

There was unanimous support for the modification of enforcement provisions.
Alternative approaches

35. Two main alternatives have been proposed:

- **Accelerated use of Quality Contracts**: some have argued for a return to greater local authority control over routes, frequencies and fares. The Scottish Executive recognises that Quality Contracts offer a number of possible advantages such as stability of services, delivery of specified frequencies and greater scope to sustain services by means of cross-subsidy from more profitable routes. However, there are also potentially substantial drawbacks. These include the scope for additional and costly local bureaucracy in setting up, tendering and monitoring quality contract schemes; possible claims for compensation from operators who have had their markets taken away; and the risk of reducing investment in the bus sector both in the run up to and following the awarding of the contract. A monopoly may have been created by the time the contract comes up for renewal possibly resulting in less competitive tenders. Small operators could also find themselves at a competitive disadvantage depending on the size of the contract.

- The Scottish Executive's view is that such schemes should only be introduced in exceptional circumstances. Evidence that the Quality Partnerships or other initiatives have been both tried and failed, or are demonstrably not appropriate, will have to be provided before the Scottish Executive's agreement will be forthcoming. The Scottish Executive, however, remains determined to ensure a step-change in the quality and availability of bus services in Scotland and is prepared to approve applications for Quality Contracts if the required improvements in bus services are not forthcoming by voluntary means.

- **Not to take powers on Quality Contracts**: some have argued that Quality Partnerships will secure the required improvement in bus services and that it is therefore unnecessary to legislate for Quality Contracts. The Scottish Executive too believes that statutory Quality Partnerships offer an important means of enhancing bus services, and will in most circumstances be sufficient to deliver the desired improvements in quality, reliability and accessibility. The consultation process has emphasised the fact that there is a great appetite for joint working between local authorities and bus operators. But the Scottish Executive also recognises that there may be circumstances where Quality Partnerships or other initiatives may not provide a solution to specific local problems. The Scottish Executive therefore believes it is right to take the power to permit the introduction of Quality Contract schemes in such exceptional circumstances.
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

ROAD USER CHARGING AND WORKPLACE PARKING LEVY   (PART 3, SECTIONS 40-67)

Policy objectives

36. The Bill will in principle give all local authorities the powers to introduce, by means of an order, a road user charging scheme or a workplace parking licensing scheme. It will be entirely at the discretion of the local authority whether they wish to consider introducing a charging scheme. All of the net revenue raised will be ring-fenced for local transport purposes.

37. Sections 40 to 50 of the Bill cover, amongst other things, the process for adopting a road user charging scheme, consultation arrangements, the requirement for approval by the Scottish Ministers, the matters to be dealt with in any scheme, exemptions and penalties. Sections 51 to 60 cover, amongst other things, the process for adopting a workplace parking licensing scheme, consultation arrangements, the requirement for approval by the Scottish Ministers, matters to be dealt with in any scheme, exemptions and penalties. Sections 60 to 66 include generic provisions on financial, information and disputes and appeals matters. Provision is made at various points in sections 40 to 67 for the issue of regulations on the procedures to be followed in bringing forward and then implementing a charging scheme. Schedule 1 contains relevant financial provisions.

38. In practice, the powers are only likely to be used by major urban authorities with pressing congestion and air quality problems. Any scheme will have to be consistent with the objectives of their local transport strategy and supportive of the local authority's wider policies for the environment, economy and social inclusion. The Scottish Ministers will have the power to amend any order before approving a charging scheme. Charging is, first and foremost, a measure to tackle traffic congestion and pollution; and the Scottish Ministers will wish to see evidence of that before approving any scheme, including its associated package of transport improvements.

39. Congestion is already perceived to be a problem in Scotland's cities. If we do nothing, congestion will only get worse, with traffic projected to increase by 50% over the next 30 years. Gridlock on some of Scotland's urban roads is a real possibility. Traffic jams cost time and money - costs that Scottish business and the wider economy can ill-afford - and cause air pollution affecting the health of those living alongside and driving on busy roads. Even the critics of charging accept that "doing nothing" is no longer an option.

40. The Scottish Executive believes that central government, local authorities, transport operators and others working together can reduce congestion in our major
urban centres. Yet this can only be achieved by a balanced approach to traffic management measures. Road user and workplace parking charges may be part of the answer, depending on local circumstances. Charging can reduce congestion in urban areas and raise much needed revenue to improve local transport. Taken together, they can provide the motorist with greater choice and a real incentive to switch to public transport.

41. The Scottish Executive recognises that few of us like the idea of paying more for our journeys. But if such charges can be shown to deliver tangible benefits in terms of improved public transport provision, improved roads and improved journey times, and improved air quality, then the Scottish Executive believes that the public will accept that congestion charging has a role to play in managing Scotland’s traffic.

42. If congestion charging is to be accepted, the Scottish Executive recognises that its proposals must win the trust of the Scottish motorist. That is why it will require each local authority that wishes to introduce a charging scheme to enter into a "contract with the motorist". This will be a public document against which the local authority can be held to account by the travelling public at large. But the Scottish Executive also intends to enter into its own "contract with the motorist".

43. The Scottish Executive pledges:

- **100% hypothecation to transport**: the net revenue from charging will be ring-fenced for local transport purposes;
- **Additionality**: charging revenue will be genuinely additional expenditure on transport;
- **Full transparency**: motorists and businesses will be able to see where their money is going through transparent annual reporting and accounting arrangements;
- **Fair treatment**: both in terms of those paying, and those benefiting;
- **Public transport improvements**: before charging with further improvements to follow.

**Consultation**

44. The Scottish Executive’s initial thinking on possible new powers for local authorities to introduce road user charging and workplace parking levy schemes was set out in *Tackling Congestion*, published in July 1999. It included detailed questions on how schemes might be established; how much drivers might be charged; who might be exempt; and how any scheme might be enforced. *Tackling Congestion* also set out
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

proposals for motorway and trunk road charging. Over 1260 copies of Tackling Congestion were distributed and 175 responses were received from business, members of the public, interest groups and local authorities.

45. Consultation was also undertaken with the National Transport Forum for Scotland sub-group established by the Scottish Executive to consider both the principles and practicalities of its charging proposals. The group was composed of representatives from motoring organisations, public transport operators, business, freight hauliers, environmentalists and local authorities.

46. The pattern of responses was varied, reflecting both the controversial nature of the proposals and the differing interests of respondents:

- A majority of those who gave an opinion supported urban congestion charging: supporters include some of the major urban local authorities, public transport operators and significant business concerns.

- There was some support among local authorities and public transport operators for the workplace parking levy. Business was strongly against, believing that it would have little affect on congestion because it would tend to be absorbed by the employer rather than passed on to the employee.

- Motorway and trunk road tolling received a degree of support, although there was widespread concern about its effect on Scotland’s competitiveness. There was however some support for charging being used for new road construction.

- Members of the public and motoring organisations were generally against all three proposals.

47. Tackling Congestion also revealed that support for charging is not unconditional. If motorists are to accept charges they want to know:

- how their money will be spent;

- that it will be new money and not be a substitute for existing public expenditure; and

- that there will be real public transport alternatives that match the convenience of the car.
48. The Scottish Executive’s detailed proposals for legislation were published in February 2000. This made clear the Scottish Executive’s intention of proceeding with legislation on urban road user charging and the workplace parking levy, but not motorway and trunk road tolling. It also set out the Scottish Executive’s proposals for a "contract with the motorist". Over 70 responses were received. The proposals were also discussed with the National Transport Forum sub-group on charging.

49. The majority of those responding concentrated on detailed questions of implementation. Five main issues emerged:

- **Exemptions**: a number of interest groups requested exemptions for specific categories of traffic; while local authorities and others argued that exemptions should be very limited for schemes to be effective. The Scottish Executive is currently minded to keep the number of national exemptions limited, but allow local authorities to make further local exemptions as they see fit.

- **Consultation**: there is general support for national guidelines setting out what precisely will be required in terms of consultation. However, opinions vary as to what is required with some wanting flexibility and others wanting more prescriptive arrangements. The Bill gives Ministers the power to make provision by regulations. Ministers will also issue guidance, setting out in some detail, the two-stage consultation and approval process which local authorities will have to follow before introducing a charging scheme.

- **Urban trunk road tolling**: some local authorities and some pressure groups think that the Bill should follow the Westminster Bill and allow limited trunk road charging as part of a local congestion scheme where requested by the relevant local authority. The Scottish Executive is not currently minded to take such powers in Scotland given the strategic, long-distance role of the trunk road network.

- **Hypothecation and additionality**: some have pressed for a formula to ensure that neither central nor local government reduces its transport spending following the introduction of charging. The Scottish Executive does not believe that such a formula would be practicable, and intends to provide for full transparency as the best means of guaranteeing additionality.

- **Workplace parking levy - inspections**: business interests remain concerned about the administrative burden of inspections. The Scottish Executive does not believe that inspections will be over burdensome on business. A local authority wishing to introduce a levy will want to minimise running costs
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

and it will therefore be in its interest to establish an inspection regime that is administratively simple and cost effective.

Alternative approaches

50. Two main alternative approaches have been proposed:

- Not to take enabling powers for either one or both forms of charging: some of those responding have argued that the Scottish Executive should not proceed with one or both forms of charging. Arguments include that motorists already pay substantial amounts of tax, that one or both forms of charging are likely to be ineffective in reducing congestion, and that charging will be economically or socially damaging.

The Scottish Executive believes that, while not appropriate for all of Scotland, charging has a role to play in reducing Scotland’s traffic in certain circumstance. It will be up to local authorities acting singly, or in partnership with neighbouring authorities, whether they use these powers. In practice, the powers are only likely to be used by the major urban authorities. Schemes will only be approved by the Scottish Ministers where they address a pressing congestion or air quality problem.

Practical and research experience points to public transport improvements on their own being relatively ineffective in addressing congestion and environmental problems. The experience of countries like Norway suggests that an integrated package of mutually supportive charging, traffic management and public transport measures can bring about a significant reduction in congestion. In Trondheim, for example, traffic into the charged area in the peak period has reduced by 8-9% since the introduction of its scheme. The recent ROCOL study (Review of Charging Options for London, published March 2000) on the likely impact of charging in London, suggests that an area licensing scheme in central London might reduce traffic in the peak by 10%. The workplace parking levy does not have any equivalent elsewhere, although Perth in Western Australia is to introduce a similar scheme this year. The ROCOL study suggested that it would reduce peak-time congestion in central London by 4%. The Scottish Executive therefore believes that charging is likely to prove an important tool in tackling the growing congestion problems faced by Scotland’s major cities, and that it is right that the enabling powers should be made available to local authorities.

- To take enabling powers for motorway and trunk road tolling: some have argued that the Bill should include enabling powers for motorway and trunk road tolling to fund improvements to specific stretches of the
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18)
as introduced in the Scottish Parliament on 5 June 2000

motorway and trunk road network. However, the consultations undertaken by
the Scottish Executive during the second half of 1999 indicates considerable
opposition to charging for the use of existing motorways and trunk roads. A
number of questions remain unanswered about the practicality of free-flow
tolling on busy roads, the potential for diversion and the enforcement of such
schemes. The Scottish Executive will therefore not be taking the powers to toll
existing motorway and trunk roads (the power to toll entirely new stretches of
road is already available through the 1991 New Roads and Streetworks Act).

TRAVEL CONCESSIONS SCHEMES (SECTION 68)

Policy objectives

51. Section 68 of the Bill gives Ministers the power by order to require local
authorities, either acting alone or jointly with other local authorities, to provide a
minimum level of travel concession for pensioners and people with a disability for
specified services. This will contribute to the Scottish Executive’s aim of providing
enhanced concessionary travel on an integrated basis within Scotland.

52. Scottish local authorities offer a substantial range of travel concessions for
pensioners, blind people, and those who have other disabilities. In December 1999, the
Scottish Executive announced the introduction of free travel for blind people throughout
Scotland on rail, bus, ferry and underground services, delivered by means of a voluntary
partnership between the Scottish Executive, local authorities, Strathclyde Passenger
Transport Authority and transport operators. The new powers are intended to allow the
Scottish Executive to build on the progress achieved so far.

53. The Scottish Executive has commissioned research to identify as precisely as
possible, the estimated costs associated with a range of options, and how these could be
delivered and efficiently administered. Once the outcome of this research is available,
and resources permitting, the Scottish Executive will set a basic level of concession for
travel within Scotland for pensioners and people with a disability to be delivered
through legislative and other means. Local authorities would still be able to provide a
more generous concession within their area if they so wished. The proposed powers
would enable the Scottish Executive, as circumstances allow, to raise the then minimum
level over time.

Consultation

54. “Making it work together - a Programme for Government”, signalled the
Scottish Executive’s intention to encourage the improvement and integration of
concessionary fares schemes for pensioners and those with special needs. This overall aim was expanded in the Scottish Executive’s proposals published in February 2000 for an integrated transport Bill. In all 32 responses were received. All welcomed the proposals to set a national minima. Concerns were raised by local authorities about the resourcing of any enhanced travel concession and that the resources needed should be made available by the Scottish Executive.

55. Questions were also raised about whether the minimum concession set by the Scottish Executive would apply only to travel within a local authority (or group of local authorities) or would enable the eligible person to travel across Scotland at that rate. A number of responses also stressed the importance of the taxicard concession for disabled people. Once the research study costing the various options has reported the Scottish Executive will consider which level of concession to implement. Local authorities will be consulted about implementation, including resourcing, of the preferred option.

Alternative approaches

56. The main alternatives would be to:

- **Leave concessionary fares levels entirely to the discretion of individual local authorities:** while concessionary fares schemes in Scotland generally compare favourably with those elsewhere in the UK, there are currently 16 individual and joint schemes in Scotland, offering a variety of entitlements and benefits. The Scottish Executive believes that in order to maximise the potential for social inclusion it is important to ensure greater consistency of entitlement across Scotland and to enable the Scottish Executive, if it wishes and as resources become available, to underpin local schemes with a minimum level of concession.

- **Extend the enabling power to include other categories of passenger:** while the Scottish Executive is sympathetic to the needs of other groups, it is important that the available financial resources are targeted in order to make the maximum difference to the travel opportunities available to pensioners and disabled people. The Scottish Executive is not therefore proposing to extend the definition of eligible categories.

BRIDGES (SECTION 69)

Policy objectives

57. Section 69 makes provision to enable the abolition of the existing Forth and Tay Road Bridge Joint Boards and establish new joint boards in relation to those bridges. Any such new board would have wider charging powers and would be able to use the
revenues raised to fund expenditure on public transport alternatives, road works and traffic management measures of benefit to those using the road and related rail crossings. As is the case at present, the maintenance and operation of the bridges concerned would have the first call on any revenues raised.

58. The Scottish Executive proposes to use the new power during 2001 to establish a new Joint Board for the Forth Road Bridge. This is intended to help address the public transport, congestion and accessibility issues arising from the growth in transport movements across the Forth estuary. The Forth Road Bridge and its immediate surrounding road network regularly experience slow moving and queuing traffic during the southbound morning peak. On the basis of current rates of traffic growth, it is forecast that daily vehicle flows across the Forth Road Bridge will increase by a further 33% by 2006. These figures make clear the need to act now if we are to avoid an unacceptable deterioration in the reliability of cross-Forth travel by road.

59. The new Forth joint board will therefore be responsible for preparing and delivering, in partnership with others, an integrated and comprehensive strategy for managing travel across the Forth. The scope and remit of this new board will be set out in a future order under this provision.

60. There are no current plans to establish a Tay joint board to replace the existing Tay Road Bridge Joint Board, but in response to a request from the Bridge Joint Board, the Scottish Executive has decided to extend the enabling powers to cover the Tay Bridge.

Consultation

61. The Scottish Office published its consultation on the future of regional transport partnerships in January 1999. The Scottish Executive also met with the various voluntary partnerships to hear their views at first hand. Significant support was expressed for subsuming the existing responsibilities of the Forth Road Bridge and Tay Road Bridge Joint Boards into wider regional partnerships.

62. The Scottish Executive’s statement of 10 February 2000 set out its proposals for replacing the existing Forth Road Bridge Joint Board. The great majority of those responding expressed support for these proposals. The main comments received concerned:

- **Consultation**: in relation to the Forth Road Bridge, a number of those responding stressed the importance of the Scottish Executive and the new joint board consulting other local authorities and other interests who might be affected by the proposals and any subsequent changes to toll levels. The
Scottish Executive agrees and will cover this in subsequent regulations and guidance.

- **Use of revenues**: some argued that revenues should be restricted to purposes closely related to the Forth crossings, others arguing that the revenues should be made available for more general transport uses. The Scottish Executive will carefully scrutinise any proposals regarding the use of toll revenues, as with any other charging proposal, with the presumption that revenues will be restricted to closely related purposes.

- **The Forth Rail Bridge**: a number of respondents emphasised the important role of the Forth Rail Bridge in addressing cross-Forth traffic growth.

- **Kincardine Bridge**: a number of local authorities indicated concern that ownership of and responsibility for the Kincardine Bridge might be given to a new joint board. The Scottish Executive has no such plans, though it will wish to keep the responsibilities of the new joint board under review, in conjunction with the relevant local authorities and other interested parties.

- **Tay Road Bridge Joint Board**: the relevant local authorities proposed that similar powers should be taken for the Tay Road Bridge Joint Board on a contingency basis. The Scottish Executive agrees and has decided to include such powers in the Bill. There is no intention to use these at present however.

**Alternative approaches**

63. The main alternative would be to exclude the possibility of any change to the existing Road Bridge Joint Boards. However, the powers vested in the existing Joint Boards under the relevant Confirmation Acts are restricted to the operation and maintenance of the Bridges concerned, in particular revenues raised from tolls must not exceed the costs of operating and maintaining the Bridges. The Scottish Executive in particular believes that it is important to encourage a more integrated approach to the strategic transportation planning of the Forth Road Bridge, traffic using the Bridge, public transport alternatives and related road traffic routes across the Forth, in particular at the Kincardine Bridge. Similar considerations arise with respect to the Tay Road Bridge, though these are at present of a lesser scale.

**OTHER PROVISIONS  (SECTIONS 70-72)**

64. The other provisions in the Bill include:
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18) as introduced in the Scottish Parliament on 5 June 2000

- **Motor vehicles used by disabled persons** (Section 70)

  The Blue European Parking Badge for Disabled people (which is replacing the equivalent UK Orange Badge from April 2000) is administered by local authorities and provides concessions for disabled and registered blind people in respect of on-street parking. However, over recent years there has been increasing concern that the continuing abuse/misuse of badges is undermining the value of the scheme.

  Section 70 of the Bill, therefore, amends section 21 of the Chronically Sick and Disabled Persons Act 1970 to provide police, traffic wardens and local authority parking attendants with powers to inspect badges issued under the scheme and to create an offence of refusing to produce a badge when requested to do so by any of these persons.

  The Scottish Executive believes these provisions are necessary for the continued credibility of the Blue Badge scheme. The provisions were included in the consultation document published on 10 February 2000 and received wide support.

- **School crossing patrols** (Section 71)

  Under Sections 26 to 28 of the Road Traffic Regulation Act 1984, school crossing patrols have power to stop traffic to enable children to cross the road, on their way to or from school, or from one part of a school to another, between the hours of 8 am and 5.30 pm.

  Section 71 of the Bill widens these provisions to make the service provided by school crossing patrols available to all children, rather than just school children, and adults (for example the elderly or infirm); and to remove the current 8 am to 5.30 pm time restriction. The aim is to give local authorities more flexibility in responding to local needs.

  These provisions were included in the consultation document published on 10 February 2000 and received wide support.

- **Bicycle and motor cycle stands** (Section 72)

  Section 63 of the Road Traffic Regulation Act 1984 enables local authorities to provide stands or racks for bicycles, both in, on and off-street. Bicycle is not defined; however, it is generally understood to include pedal cycles but not motorcycles, so at present, local authorities do not have explicit powers to provide stands and racks for motorcycles.
Section 72 of the Bill therefore amends section 63 so as to give powers to authorities to provide devices for securing bicycles and motorcycles. As well as stands or racks, these devices could be in the form of a bar to which a motorcycle or bicycle could be fastened.

These provisions were included in the consultation document published on 10 February and received wide support.

EFFECTS ON SUSTAINABLE DEVELOPMENT, EQUAL OPPORTUNITIES, HUMAN RIGHTS, ISLAND COMMUNITIES, LOCAL GOVERNMENT, ECONOMIC DEVELOPMENT, ETC.

Effects on Sustainable Development

65. Sustainable development represents a unifying theme in the Scottish Executive’s proposals. The provisions in the Bill reflect the linkages between transport and the Scottish Executive’s objectives for society, health, the environment and the economy. The proposals on joint strategies, buses, charging and concessionary fares, both individually and collectively, seek to address these inter-linked objectives, supporting the economy, protecting the environment and safeguarding the most vulnerable in society. Further details are provided in the sections that follow below.

Effects on Equal Opportunities

66. The provisions of the Bill are not inherently discriminatory, whether on the basis of gender, race, disability, marital status, religion or sexual orientation.

67. The provisions on bus services and the charging measures, with their associated traffic management and public transport improvements, will promote the introduction of more frequent, more reliable and more accessible public transport, which will be of benefit to all members of society, but particularly the young, women, the elderly and those with low incomes who are disproportionately dependent on non-car forms of transport. For example, about half of women do not have a full driving licence, compared with only about a quarter of men. Around seven in ten lower income households do not have access to a motor vehicle, compared with only about one in twenty high-income households.

68. The Scottish Executive would expect any local authorities bringing forward proposals for Quality Partnerships, Quality Contracts and charging schemes to have carefully considered the implications for all groups in society and to have in particular considered the needs of vulnerable groups, such as elderly and disabled people.
69. The Scottish Executive’s proposal for a new basic level of concessionary fare will be of direct benefit to pensioners and people with disabilities in those areas where entitlements are currently below the new national minimum, making travel more affordable and so enhancing travel opportunities.

70. The extension of the role of school crossing patrols will benefit the young, the elderly and parents.

**Effects on Human Rights**

71. The Scottish Executive considers that the provisions of the Bill are consistent with the European Convention on Human Rights.

**Effects on Island Communities**

72. The island councils will be involved in the forthcoming study into the merits of a Highlands and Islands Transport Authority.

73. The legislative proposals for quality partnerships and quality contracts will enhance the options available to authorities when considering how best to deliver bus services on Scottish islands. However, since most of these services are already under the contractual control of authorities the effect may be marginal.

74. The legislative proposals for ticketing and bus information are of more direct relevance to the Scottish islands. If an island authority concludes that a ticketing scheme is appropriate, or information is not being made available in an appropriate manner, it will be able to remedy that position through voluntary means if possible or by resort to the powers in the Bill if necessary.

75. The charging proposals would not be relevant to island authorities, which experience very low levels of traffic congestion and pollution.

76. Island communities will benefit from the other provisions, such as concessionary fares, in the same way as other residents in Scotland.

**Effects on Local Government**

77. A key aim of the Bill is to empower local authorities to develop and implement local solutions for local needs:
This memorandum relates to the Transport (Scotland) Bill (SP Bill 18)
as introduced in the Scottish Parliament on 5 June 2000

- the provisions on bus services will give local authorities substantially enhanced powers over their local bus services within an overall framework of partnership and joint working;

- the enabling powers on charging will provide local authorities with an important new instrument for addressing congestion and air quality problems and an income stream to fund transport improvements;

- the provisions of joint transport strategies and the new Forth joint board will provide a new framework for local authorities to work together in tackling shared transport problems; and

- the provisions on travel concessions will allow higher levels of benefit to be offered by those authorities with schemes below the new national minimum once established.

78. The Scottish Executive will also support local authorities that show the vision and determination to tackle congestion problems in their urban centres. There are many ways in which government can help.

79. The Scottish Executive will continue to make resources available through the Public Transport Fund, the Rural Transport Fund and other budgets. The first two rounds of the Public Transport Fund have provided a total of some £55 million in funding for 32 integrated public transport schemes across Scotland; and a further round is scheduled for 2000. The Scottish Executive is planning to spend £283 million on transport in 2000-01 (excluding OPRAF support for rail franchise which is currently met from the Department of Environment, Transport and the Region’s budget). Decisions on spending levels for future years will be announced in the autumn.

80. The Scottish Executive has also announced support for those authorities that are committed to developing a charging scheme, by offering, on a case by case basis, matching financial support towards their research and development costs.

Effects on the Environment

81. One of the main rationales for the Bill is to help address the environmental impacts of transport and in particular car use.

82. Road traffic is one of the main contributors to urban air pollution. The Scottish Executive, in partnership with the UK Government and the other devolved administrations has published a revised air quality strategy for England, Scotland, Wales and Northern Ireland. It aims to provide the best practicable protection to human
health by setting health-based objectives for eight main pollutants. Scottish local authorities are currently reviewing air quality levels in their areas, with a view to determining whether the air quality objectives are likely to be achieved by the relevant dates. In almost all cases, this review will include an assessment of likely traffic growth.

83. Road traffic is also the fastest growing source of UK carbon dioxide emissions, the most significant greenhouse gas. Looking ahead, wider use of catalytic convertors, improvements in engine technology and tighter fuel standards will go a considerable way to addressing air quality concerns. However, even these measures may not be enough to meet the air quality objectives in some urban areas without the introduction of local measures. Additional measures will also be required if we are to stabilise (and ultimately reverse) carbon dioxide emissions.

84. The proposals for bus services and charging will complement existing local authority powers relating to traffic management and support for public transport. They will provide local authorities with important additional powers to achieve acceptable levels of air quality on a targeted basis, through selective reductions in road traffic and improvements to public transport.

85. Measures to reduce traffic growth and encourage more use of public transport will also assist in reducing CO₂ emissions.

Effects on Economic Development

86. Scotland’s economy depends on reliable, affordable, convenient and efficient transport connections for both its inputs and its products. Similarly, employees depend on good quality transport to get them to and from work and for travel in the course of work. Congestion costs businesses both time and money.

87. The proposals in the Bill will help tackle some of Scotland’s worst urban congestion. This will benefit business as a whole. It will make it possible for business to transport goods more reliably on less congested roads. Employees will have access to high quality, regular, affordable and efficient public transport services. There will be an important role for employer led green commuter plans in facilitating employee travel by public transport, cycle or on foot, so complementing the measures in the Bill.

88. The Scottish Executive would expect any local authorities bringing forward proposals for charging schemes in particular to have carefully considered the implications for businesses, both those resident within the charged area and those who require access to the area for say the purpose of freight deliveries.
89. The Scottish Executive’s proposals for Joint Strategies and the new Joint Boards on the Forth and (potentially) the Tay will facilitate the development of wider regional perspectives on strategic travel flows which are of concern to Scottish business.
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TRANSPORT (SCOTLAND) BILL

POLICY MEMORANDUM

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