



Dear Convener,

Thank you for the invitation to give evidence to the Net Zero, Energy and Transport Committee on 29 April on key issues affecting Scotland's bus sector. This advance submission aims to provide some context for the discussion and summarise these key issues.

The Confederation of Passenger Transport (CPT) is the trade association for the bus and coach sector. We support and represent operators and suppliers and work closely with Transport Scotland and other stakeholders on a range of issues including compliance, safety, concessions, decarbonisation and a range of other policy areas.

### **Bus in Scotland**

Bus remains the most popular form of public transport in Scotland, accounting for 74% of public transport journeys<sup>1</sup>. The recent Transport Focus 'Your Bus Journey' shows overall 86% passenger satisfaction with their journey, with satisfaction highest in the SPT region at 89%.

Research conducted by KPMG for CPT in 2024<sup>2</sup> demonstrated the economic and social contribution that bus makes in Scotland:

- By employing 7,000 people and supporting the employment of others in the supply chain, the Scottish bus sector contributes £475m to the economy each year
- Bus passengers contribute significantly to their local economies by spending almost £3bn each year in shops, cafes, restaurants and leisure destinations
- Commuters who use the bus to travel to work contribute £11.5bn to the economy each year
- Every additional £1 invested in bus can secure wider social and economic benefits equal to £4.55

Bus services are delivered by hundreds of different operators across the country including large, medium and small operators, local authorities, and community transport providers. Many bus (and coach) operators provide a variety of services in their communities which may include school and employer transport and private hire, or tourist services such as coach tours, sightseeing and airport buses.

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<sup>1</sup> Scottish Transport Statistics 2024, Published March 2025

<sup>2</sup> Economic Impact of Local Bus Services, September 2024, <https://www.cpt-uk.org/media/couiy5y/240902-economic-impact-of-bus-final.pdf>



## **Trends in Scottish Bus Patronage**

KPMG published this report<sup>3</sup> in 2024. It is an update on work previously published in 2017, analysing trends in bus journey numbers and considering the bus sector as part of the wider environment which is therefore affected by a multitude of societal and economic factors and disruptors. Some of these trends and disruptors impact on the need to travel, either positively or negatively, and some influence the price, quality, and availability of alternative transport modes.

Competition from cars has historically been, and remains, the primary negative influence on bus use. Any increase in bus use due to population growth is offset by car ownership and use. These socio-demographic factors account for 43% of the decline in bus use.

## **Congestion and Bus Priority**

Trends in Bus Patronage estimates that 20m fewer trips are made annually due to increased bus journey times resulting from congestion.

The Committee will be aware of the 'virtuous cycle' whereby giving bus and coach priority over private vehicles can improve the journey time and reliability valued by passengers and potential passengers, which in turn can increase ridership and demand, raising revenue and service provision and availability.

In January 2024, due to budget constraints the Scottish Government paused and later cancelled the £500 million Bus Partnership Fund, having spent only £27 million (less than 6% of the budget). The Bus Infrastructure Fund announced in the 25/26 budget will, we understand, comprise elements of both the Bus Partnership Fund (to partnerships for larger scale bus priority projects) and the Community Bus Fund (to Local Authorities for infrastructure and accessibility improvements such as bus stops and Real Time Information Systems). It is our hope that the spend on this will provide strong evidence of the economic and social benefits of investing in bus priority, and that in future years multi-year funding may return.

Recent work by Transform Scotland<sup>4</sup> suggests that additional public engagement work is required to increase and improve public awareness of different bus priority measures. This research also identified a need for better enforcement, which many of our operators also highlight as a concern, for example to deter parking in bus lanes and at bus stops.

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<sup>3</sup> Trends in Scottish Bus Patronage, September 2024, <https://www.cpt-uk.org/media/b3rgvsvx/trends-in-bus-use-in-scotland-final-20240904.pdf>

<sup>4</sup> Life in the Bus Lane, March 2025: <https://transform.scot/wp-content/uploads/2025/04/Life-in-the-Bus-Lane-Transform-Scotland-2025-04-02.pdf>



## **Road Works**

In addition to congestion and competition from private vehicles for road space, the impact of road works on bus journey time and reliability has emerged as a key concern for operators, with reduced road space and diversions impacting on journey times, reliability, costs and patronage. This was a key topic at a recent roundtable session between bus operators and the Minister for Connectivity, Mr Fairlie.

This concern is shared across Britain, with the House of Commons Transport Committee currently undertaking its own inquiry<sup>5</sup> into the issue which CPT have given evidence to on the impact on bus. While different processes are in place in different nations, a number of stakeholders have noted that the use of 'emergency' or 'urgent' notices to carry out work appears to be increasing across all countries. CPT Scotland has met with the Scottish Road Works Commissioner in recent months to raise these concerns and understand their cause, and we hope to progress this further in finding solutions that benefit bus operators and their passengers. These could include:

- Improved consultation and coordination with operators
- Increasing the search radius for potentially conflicting registered works
- Limiting the number of roadworks permissible on a registered bus route
- Improving Traffic Management administration
- Improving response times to temporary traffic light failures
- Priority passage for public transport over private vehicle
- Enhanced communication in advance and from beginning to end of the works
- Increased parking enforcement/bus lane enforcement within the work impact area
- Support for alternative arrangements including utilities covering additional operator costs and a statutory access requirement to ensure that access to bus services is maintained for users
- Stronger enforcement of overruns
- Bus champions within the highway authority function

## **Bus Sector Funding**

As the Committee will be aware from their consideration of Concessionary Travel Orders, the majority of funding for bus in Scotland is reimbursement payments (on a no better no worse off basis) for carrying passengers under the Older and Disabled Persons and Young Persons Travel Schemes. For the first time in 23/24 over half of bus journeys in Scotland were made by concessionary passengers. Of the £468.2m 25/26 budget line 'Concessionary Fares and Bus Services', £414.5 is for concessionary fares.

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<sup>5</sup> <https://committees.parliament.uk/work/8705/managing-the-impact-of-street-works/>



The Support for Bus Services line - £49.5m – is the core funding for bus, the Network Support Grant (NSG). NSG is claimed by commercial and community bus operators to keep fares lower than they would be otherwise and support marginal services. As the Committee has noted previously, the rate of 14.4ppkm has not increased since its introduction in 2012/13 (apart from Covid related additional support).

During the NZET Committee session on April 22 it was suggested that NSG had been cut by £30m. CPT does not recognise this figure. The payment rate of NSG has flatlined at 14.4ppkm, which is a real terms cut of over 30% but the budget has remained fairly static alongside the payment rate.

### **Decarbonisation**

By summer 2025 around 25% of Scotland's buses will be Zero Emission. This has been assisted by Scottish Government support in the form of two rounds of ScotZEB funding, and larger commercial operators have also heavily invested in vehicles and supporting infrastructure. Despite this positive progress, there is a risk that SMEs bus and coach providers are left behind due to the high cost of vehicles and logistical difficulties of installing and accessing charging infrastructure. This is particularly the case for coaches 'on tour' for tourism purposes in remote rural areas.

While the Scottish Government may be reluctant to provide future funding to purchase vehicles (in England ZEBRA<sup>6</sup> funding continues, earlier this month awarding £37.8m to 12 local authorities) we hope they will consider supporting projects such as vehicle repowering and infrastructure investment.

### **Bus franchising**

As Committee members will be aware, the Transport (Scotland) Act 2019 allows a Local Transport Authority (LTA) to make an overarching franchising framework covering the whole or any part of their area, beneath which it can enter into franchise agreements with bus operators.

At time of writing Transport Scotland is currently preparing the final set of regulations relating to franchising which will set out the transitional process for moving from a deregulated market to a franchise. Concurrently, work is continuing on the statutory guidance which is for local transport authorities who want to use the franchising powers in their area. The scope of the guidance will cover an authority's preparation of a franchising framework and what is required as part of the audit process. The document will also set out what a local transport authority should expect when going through the franchising approval process, as well as the process for commencing a franchise. The expected timescale for these is Spring 2025.

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<sup>6</sup> <https://www.gov.uk/government/news/government-invests-nearly-38-million-to-bring-319-new-green-buses-to-communities-across-england>



As a GB wide organisation CPT is well placed to contribute to discussions on franchising in Scotland, as franchising is also a key issue in both England and Wales, although the legislative and legal frameworks are different. In relation to the upcoming guidance, we believe it should:

- Require Local Transport Authorities (LTAs) to set out a clear and cohesive case for franchising before any assessment is undertaken to ensure that taxpayer money, time and resource is not wasted on an unsound process.
- Make clear to LTAs that franchising will not be the right solution everywhere and that it is neither expected nor necessary for them all to go down the franchising route.
- Where an area carries out a franchising assessment but decides not to pursue the model it should not be possible for an LTA to reconsider franchising for at least five years. Without such a safeguard, operators will be working under constant uncertainty – which will curtail investment in depots, vehicles, and new services.
- LTAs should review the potential impact of franchising on SME operators and pursue a plan to secure their effective participation in the franchising process.

As was made clear by the passenger representatives in the April 22 NZET Committee session, bus speeds, punctuality, reliability and accessibility are among the key issues for bus passengers. There are ways to work in partnership to deliver improvements in these areas that do not require regulatory change, or could be taken forward in the short term while longer term regulatory change is being considered. It is critical that regulatory change does not stall current partnership work or investment in priority measures.

### **Antisocial and criminal behaviour**

As members will be aware, we have been raising the concerns of our members in relation to increasing rates of antisocial and criminal behaviour on and around bus in Scotland. We meet regularly with Ministers and Transport Scotland to raise these concerns and find constructive solutions. From mid-2024 we have also convened a stakeholder group with Transport Scotland, ATCO, Unite, Police Scotland and our members to discuss these issues in more detail and learn from best practice. Key issues from our perspective are:

- The need to create a deterrent – It is not the intention that this would be applied on a large scale, but our members agree that anyone who receives free concessionary travel and commits serious antisocial or criminal behaviour on a bus should have this right to free travel removed. As Parliament is aware, this has proved difficult from a legislative and legal point of view for Government, but we understand it is still being considered, along with a 'code of conduct'.





- Education and prevention – There are good examples of in school education work on safe and responsible bus travel, but this could be scaled up to reach more young people across Scotland. Our members are keen to support such work.

While a partnership approach is of course central to tackling these issues, this can sometimes result in a situation where it is not clear who should 'lead' on an issue (for example data collection on incidents), which we hope the Scottish Government will consider in their detailed response later in the year to the transport related recommendations of the Independent Working group on Antisocial Behaviour.

### **Traffic Commissioner (for Scotland)**

The Traffic Commissioners of Great Britain play an important role in licensing and regulation of those who operate heavy goods vehicles, buses and coaches, and the registration of local bus services. They hold hearings which are formal legal proceedings to investigate potential issues with transport operators or drivers, potentially leading to regulatory action or revocation of licenses.

If an operator wishes to operate or make changes (including cancellations, new services and timetable amendments) to the bus services an application must be made at least 42 days in advance of changes. Operators in Scotland have reported in recent months that despite complying with these timescales many registrations are not being acknowledged and processed in a timely fashion.

While a separate administrative function, this concern is compounded by the role of the Traffic Commissioner for Scotland being vacant since May 2024. Their responsibilities have been covered by other GB Traffic Commissioners in the interim, with Richard Turfitt being appointed on 9 April 2025 as temporary Acting Commissioner for Scotland while a recruitment campaign continues.