EXECUTIVE NOTE

DRAFT: The Regional Transport Partnerships (Establishment, Constitution and Membership)(Scotland) Order 2005

1. The above instrument will be made in exercise of the powers conferred on the Scottish Ministers by sections 1(1) and (2) and 52(4) of the Transport (Scotland) Act 2005 (asp 12). This instrument is subject to the affirmative resolution procedure.

Policy Objectives

2. The Transport (Scotland) Act 2005 fulfilled the commitments given in the White Paper, *Scotland's transport future,* to bring a new approach to the delivery of transport infrastructure and services in Scotland. Part 1 of the Act provides a statutory basis for regional transport partnerships and enables them to receive and exercise transport functions conferred on them by the Scottish Ministers. These provisions aim to meet the commitment, given in the *Partnership Agreement*, to develop effective regional transport delivery partnerships.

3. Section 1 of the Transport (Scotland) Act 2005 places a duty on the Scottish Ministers to create regional transport partnerships covering the whole of Scotland and to make provision for their membership and constitution. The purpose of the instrument is to fulfil that statutory duty.

Consultation

4. The following consultation on the instrument has taken place:

4.1 The Executive's consultation document "Scotland's Transport Future: Proposals for Statutory Regional Transport Partnerships" was issued on 27 October 2004 to coincide with the introduction of the Transport (Scotland) Bill 2004 to the Scottish Parliament . The responses to this exercise informed what went in the draft instrument before consultation on the terms of the draft instrument itself;

4.2 On 5 April 2005, a first draft of the instrument was sent to the Local Government and Transport Committee to assist their considerations during stage 2 of the Transport (Scotland) Act 2005. This version was published on the Parliament's website;

4.3 On 21 July 2005, a revised draft of the instrument was circulated to the chief executives of the 32 unitary authorities, the interim director-general of the Strathclyde Passenger Transport Executive (SPTE) and to officers of COSLA, WESTRANS, SESTRAN, NESTRANS and HITRANS, and the Society of Chief Officers of Transportation in Scotland (SCOTS) for their comments. A copy of this version of the instrument was also sent to SPICe;

4.4 Responses were received from over half the local authorities and a number of other interested parties. The Minister for Transport met with the existing voluntary partnerships and SPTA and also with councillors from the 3 island councils to discuss the proposals. Most respondents focused on the issue of boundaries and a number of representations were received specifically in favour of a single authority RTP for the Shetland Islands. All responses were carefully considered prior to the finalisation of the instrument.

Financial Effects

5. The financial effects of the instrument were set out in the Financial Memorandum to the Transport (Scotland) Bill 2004, introduced in the Scottish Parliament on 27 October 2004, and

clarification given in a letter of 5 April 2005 from the then Minister for Transport to the convenor of the Local Government and Transport Committee. A revised Financial Memorandum was produced by the Executive in advance of the debate at stage 3.

6. Changes made to the Executive's proposals during the passage of the Act and the consultation on the statutory instrument have led to some revisions of these figures:

6.1 The Executive estimated additional costs of £100,000 for members' expenses during the period that the partnerships are developing their strategies (i.e. until April 2007). The Bill as introduced proposed a single member per council plus a small number of 'other' members – around 50 in total. The Act now allows up to 5 members per council up to a maximum of 20 per regional transport partnership. It is also proposed to create 7 partnerships rather than the 5 originally foreseen. The total number of councillor members proposed in the instrument is now 72 and there will up to 33 other members. The amount of time RTPs have to develop their strategies has also been increased through the earlier creation proposed by this instrument and the possibility for an extension of the deadline provided for in the Act. Costs of members' expenses will therefore be around £250,000;

6.2 Accommodation start-up costs were estimated at £100,000 per RTP for a total of £400,000 (the West of Scotland Transport Partnership should not need any start-up costs as it is assumed that the buildings already inhabited by SPT will be used; separate provision for transition costs in the west have also been made). The number of proposed partnerships has risen to 7 but as the additional 2 will both have only one constituent council we would expect additional accommodation requirements to be minimal at most;

6.3 The Financial Memorandum stated that the Executive would fund any additional staff and administrative costs required for the production of statutory regional transport strategies. This was initially estimated at £1m (an average of £0.2m for each of 5 strategies). The Executive has invited the voluntary RTPs to provide initial estimates for this work. Initial indications are that costs are likely, on average, to be higher than first forecast. Costs are expected to vary between partnerships, given the differences in the size of regions. However, our revised estimate is that the additional cost to the Executive of funding the strategies be around £2m;

6.4 These additional costs will be absorbed by the budget of the Scottish Executive Transport Group.

7. There will be some additional costs on certain local authorities that were not foreseen at the time the Bill was introduced in the Scottish Parliament. The Executive will provide continued support for the core staffing and administrative costs of the new RTPs by rolling forward the funding it currently provides to the 4 voluntary partnerships. It expects those local authorities currently supporting one or more of the voluntary partnerships to similarly continue funding the core costs of the new bodies. Those councils (Dumfries and Galloway and Shetland) that will be the sole constituent council of their RTP are likely to have to find additional funds to support a small core team; those councils that were not involved in the voluntary arrangements (Dundee City and Angus) will need to provide a contribution to the core funding of the new Central and Tay Transport Partnership. In all cases, the exact amount will depend on the decisions each partnership makes regarding the size and cost of its core administrative team. The Executive is committed to increasing its overall contribution to these core costs, reflecting the increase in the number of statutory RTPs to be created compared to the number of current voluntary partnerships.

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