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The Scottish Government
Riaghaltas na h-Alba

Jim Eadie MSP

Convener, Infrastructure and Capital Investment

Committee, M3.18

The Scottish Parliament

Edinburgh

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In 2014 Scotland Welcomes the World



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Dear Jim,

Thank you for your email of 9 December 2014 requesting clarification on funding for community transport.

In our evidence to the Committee on Wednesday 3 December, Mr Brown and I offered to send you details on A82 scheme at Pulpit Rock as well as on clarity on funding provided for active travel in 2015-16 and how the Scottish Government intends to improve the transparency in reporting of funding for active travel.

You also asked for clarification of how Community Transport will be funded for 2015-16, including under which budget line.

I attach a note on these and hope this is helpful.

I am copying this letter to John Swinney MSP, Deputy First Minister and Cabinet Secretary for Finance, Constitution and Economy, and Keith Brown MSP, Cabinet Secretary for Infrastructure, Investment & Cities.

Kind regards


DEREK MACKAY



TRANSPORT NOTE FOR ICI COMMITTEE

A82 scheme at Pulpit Rock

Following severe weather issues last winter, we are working closely with the contractor towards opening the new section of road early in the new year.

Scottish Government expenditure on Sustainable and Active Travel

Presenting the totality of investment in sustainable and active travel is complex given that it is funded from a number of different Scottish Government budget lines in a number of different ways. This is appropriate given the multiple policy aims to which sustainable transport modes such as cycling and walking have the potential to contribute, and the cross-portfolio effort required to meet the challenge of reduced car dependency. The First Minister, in her evidence to the ICI Committee as, then, Deputy First Minister has given a commitment to consider again for 2016-17 how the budgets for sustainable and active travel are presented and we will therefore consider this again further in advance of preparing the draft budget next year.

Table 1 provides a breakdown of the intended transport portfolio support for sustainable and active travel and related smarter measures in 2015/16 with figures also provided for 2013/14 and 2014/15 for comparison purposes. Please note that the overall figures for 2015/16 are necessarily provisional at this stage, as some decisions on allocations are yet to be confirmed, particularly with regard to the Future Transport Fund as well as the Local Government Settlement.

The completion of capital funding for the Fastlink project in 2014/15 and the in-year additions to the budget during 2014-15 from underspend on the Forth Replacement Crossing may make it appear that the Sustainable and Active Travel budget is reducing. However, our core funding to support active travel will actually be higher in 2014/15 through to 2015/16 than it was in 2012/13 through to 2013/14. Furthermore, the contribution from the Future Transport Fund (part of the Scottish Futures Fund) for low-carbon transport overall will rise. Table 2 provides a breakdown of Scottish Government spending on low carbon transport through the Future Transport Fund.

Smarter Choices Smarter Places (SCSP) funding in 2015/16

The interventions to achieve increased participation in sustainable and active travel are complex and evidence suggests that progress can best be made through developing infrastructure in tandem with "smarter measures" work to encourage positive behavioural change in relation to personal travel choices, enabling people to choose appropriate alternatives to car usage. The Committee will therefore be interested to note that, as I announced in June of this year, in 2015/16 we are allocating £5 million of funding to develop behaviour change aspects of the Smarter Choices Smarter Places (SCSP) programme. This will focus on locally designed initiatives, including travel planning, that are designed to promote modal shift from the car to public transport and active travel. In order to maximise the impact of government expenditure this scheme will be designed to attract local match funding.

This programme will complement and build upon the existing behavioural change work that we fund in relation to active travel, for example "Bikeability" cycle training and road-user awareness campaigns.

Table 1 - Funding for Sustainable and Active Travel (SSAT) 2013 - 2016

	£'m	£'m	£'m	£'m
	2013-14	2014-15	2015-16	Total
Total SSAT budget (including in-year additions)	35	39	25	94
<i>Of which:</i>				
UK Consequentials for cycling (Feb 2012)	5	4	-	9
"Shovel-ready" cycling projects [UK Consequentials] (Jan 2013)	0.9	-	-	0.9
Additional allocation to SSAT budget from Forth Replacement Crossing Underspend (June 2014)		10		
Smarter Choices Smarter Places (SCSP) upscale (June 2014)	-	-	5	5
Financial Transactions	-	-	5*	5*
Total SSAT support for active travel and smarter measures (estimate, taking account of Fastlink and other non-active/smarter travel spend from SSAT Allocation)	11.8	25.3	24.3	56.4
Other Budget Lines				
Shovel ready consequentials for cycling (Great Glen + school cycle parking (Jan 2013, TRBO budget line)	0.2	2.8	-	3.0
LA Grants – Cycling, Walking and Safer Streets	5.6	8.2	8 [provisional]	21.8 [provisional]
Future Transport Fund	1.25 (of 7.75)	4.5 (of 18.75)	tbc (of 20.25)	tbc (of 46.75)

**Provisional allocation – potential use of financial transactions funding for sustainable travel measures to be explored further.*

Future Transport Fund Allocations (2012 – 2016)

	2012/13	2013/14	2014/15	2015/16	Total over SR period
FTF total	3.25	7.75	18.75	20.25	50.0
Of which...					
LCVs (work to support LCV conversion - infrastructure and vehicles procurement)	1.0	1.75	5.0	tbc*	7.75*
Cycling and walking Infrastructure (development of the cycling and walking infrastructure across Scotland)	1.5	1.25	4.5	tbc*	7.25*
Green Buses (support for operators to convert to hybrid and other low carbon buses, through the Scottish Green Bus Fund)	0	2.75	4.75	tbc*	7.5*
Freight modal shift (infrastructure projects to promote freight modal shift away from road transport)	0.75	2	4.5	tbc*	7.25*

* Allocations to these lines in 15/16 have yet to be determined so the total over the SR period will be subject to change once these allocations are confirmed.

Community Transport Vehicle Fund

The Community Transport Vehicle Fund (CTVF) was a one off investment of £1m in 2013-2014 to deliver a significant vehicle replacement fund for community transport (CT). It sought to enable the Government to help address jointly with the third sector a looming problem of vehicle replacement for the CT sector.

The scheme was funded jointly by Transport Scotland's Bus and Local Transport Policy Branch and the Scottish Government's Third Sector Unit. Each provided £500,000 to the £1m scheme. The fund was oversubscribed with 130 applications seeking a total of £4.1m. Applications were assessed by an independent panel who recommended bids totalling £1m from 29 organisations. Successful projects were those deemed to have the most impact and wider benefits for their community. Most of the successful organisations have now taken delivery of their new vehicles.

The CTVF was a one off scheme for 2013-2014 only and there are no plans or budget available at present to have a further round of the scheme. Research is currently being carried out by Transport Scotland together with the Community Transport Association into the state of the CT sector in Scotland. In addition, independent research has been commissioned by Transport Scotland looking into the wider benefits of CT. Careful consideration will be given to these studies in assessing options for support of the CT sector in Scotland in future.

Since April 2008, local authorities have been provided with resources in respect of CT and demand responsive transport services as part of their annual local government block settlement. These resources are not ring fenced giving local authorities flexibility to decide their priorities, taking local needs into account, and to allocate funding across their range of services as they see fit.

