

PE2116/Q: Accelerate the implementation of bus franchising powers

HITRANS written submission, 16 April 2025

Thank you for the opportunity to comment on the above petition, which was discussed by the Committee on 27th November 2024.

HITRANS is the Regional Transport Partnership (RTP) for the Highlands and Islands of Scotland, covering the local authority areas of Highland, Moray, Western Isles, Orkney Islands, and Argyll and Bute (excluding Helensburgh and Lomond). This region encompasses approximately 50% of Scotland's landmass and is home to around half a million people, with significant rural, island and remote communities. The HITRANS Board includes councillor representatives from each of our five partner councils, as well as non-councillor members and professional advisors. The Partnership is supported by a small executive team based in Inverness, with a regional remit to develop and implement a Regional Transport Strategy.

As a Model 1 RTP under the Transport (Scotland) Act 2005, HITRANS has a statutory responsibility to prepare a Regional Transport Strategy (RTS), which is kept under regular review and updated to reflect evolving local and national transport policy. The current RTS identifies a vision for sustainable, inclusive and accessible transport that meets the distinct needs of our dispersed population and geography. Key priorities include:

- Improved connectivity across rural, island and urban areas
- Reduced transport-related carbon emissions in support of Net Zero
- Safe and inclusive transport networks
- Better integration of public transport and active travel
- Resilient and reliable services for communities with limited alternatives
- Investment in ferry, bus, and rail infrastructure that supports economic and social outcomes

Given HITRANS' limited statutory powers, we rely on strong collaboration with our partner councils, who retain responsibility for the provision and regulation of passenger transport services. Local transport strategies and delivery plans are developed at local authority level, and these shape the context for any future consideration of enhanced regulatory models, such as franchising or Bus Service Improvement Partnerships (BSIPs).

In 2020, HITRANS supported the establishment of the Highlands Bus Partnership, bringing together Highland Council, HITRANS, bus operators, and NHS Highland to improve bus services with support from Transport Scotland's Bus Partnership Fund. While early progress has been made on developing a Bus Service Improvement Plan that helps in identifying priorities for investment, our region's unique geography and low population density present challenges that differ markedly from more urban areas.

Franchising is not currently being actively pursued within the HITRANS region; however, we recognise its potential value as one option within the broader "toolbox" provided by the Transport (Scotland) Act 2019. It is important that local

circumstances, including financial viability, operator capability and community needs, are carefully assessed before moving forward. We would welcome the publication of further statutory guidance on franchising to support robust assessment and decision-making.

It is worth noting that, to a very large extent, franchising is already in place across much of the Highlands and Islands bus network. Services in these areas are almost entirely secured through local government contract tendering, meaning they are effectively managed and funded through the public purse. Despite this structured approach, these areas have not been immune to the national trend of declining bus mileage and passenger numbers. In fact, reductions have been at least as significant in rural and island areas, where constrained funding available to local authorities has resulted in significant network contraction.

In 2021, [HITRANS prepared a report titled Rural Bus Service Support and Funding](#), which addresses these challenges in detail. The report was approved by the five HITRANS partner Councils and shared with Transport Scotland at the time of publication.

The paper sought to make the case for increased funding interventions to enable meaningful mode shift from the private car in rural and island communities—an ambition closely aligned with the National Transport Strategy's inclusive Vision. This strategy commits to being a Transport Strategy for all of Scotland, acknowledging the varying needs and challenges faced across the country and aiming to break down the silos that have traditionally characterised responsibility for Scotland's transport infrastructure, services and assets.

The HITRANS report captures the long-term impact on rural bus services across Scotland over the past 15 years and outlines a series of recommended actions for Government consideration. Chief among these was the proposal to establish a Rural Transport Fund. While no specific methodology for calculating such a fund was provided, the expectation was that it would build on the successful formula used for the Rural Transport Fund that supported local authorities between 1998 and 2008.

We are also aware of the pressing need for innovative and sustainable solutions to maintain and enhance rural bus networks, many of which have experienced significant service reductions in recent years. In some areas, concessionary travel schemes offer limited value without reliable services in place. Financial constraints faced by our local authority partners have also impacted supported bus services, reducing access and connectivity for many rural communities. This underscores the need for long-term reform and greater national funding support for bus services.

HITRANS welcomed the Bus Partnership Fund (BPF) and its role in driving investment in bus priority and infrastructure. We were disappointed by the pause in funding in 2024/25 but are encouraged by the proposed Bus Infrastructure Fund in 2025/26. Continued support from Transport Scotland will be essential to enable transformative regional initiatives, including future BSIPs, demand-responsive transport pilots, and ferry-bus integration schemes.

In England, we have noted the significant UK Government support given to rural areas such as Cornwall, which shares some geographical similarities with parts of our region. Equivalent funding and strategic support from the Scottish Government

would help to ensure that the Highlands and Islands can also benefit from improvements in public transport.

To conclude, HITRANS is committed to working in partnership to deliver better bus services across our region. At this stage, we are not in a position to comment on the franchise approval process directly, as franchising has not yet been actively pursued in our area. However, we are monitoring developments closely and may consider this option for specific corridors or island hubs in the future. Should franchising or BSIP delivery be progressed further, significant additional staffing and financial resources would be required to support their development and delivery.

We trust that this response helps to inform the Committee's considerations and provides insight into the specific challenges and opportunities facing the Highlands and Islands in the context of bus service reform. Should you require further information, please do not hesitate to contact us.