

ABERDEEN CITY COUNCIL

COMMITTEE	City Growth and Resources
DATE	21 June 2022
EXEMPT	No
CONFIDENTIAL	No
REPORT TITLE	Bus Partnership Fund Update
REPORT NUMBER	COM/22/097
DIRECTOR	Gale Beattie
CHIEF OFFICER	David Dunne
REPORT AUTHOR	Nicola Laird
TERMS OF REFERENCE	3.2

1. PURPOSE OF REPORT

- 1.1 In line with an instruction to the Chief Officer – Strategic Place Planning from the meeting of the City Growth and Resources Committee on 03 February 2022, this report provides a quarterly update to the Committee on the progress of the delivery of the Bus Partnership Fund (BPF) grant projects.

2. RECOMMENDATIONS

That the Committee:-

- 2.1 Note the progress of the delivery of this grant;
- 2.2 Note that the Bus Partnership Fund programme has been enabled through Scottish Government funding and that officers will continue to work with partners to deliver the projects in accordance with the grant conditions;
- 2.3 Note that a full update on the City Centre Masterplan, along with recommendations regarding the Union Street Options Appraisal work will be reported to Full Council on 29 June 2022; and
- 2.4 Agree that, given this update report does not require any decisions and that any substantive updates or decisions on projects within the BPF will be taken to the relevant Committee as their own report, this update will be taken as a service update to future City Growth and Resource Committees. This does not prevent any request for a Committee Report on the progress of BPF to be added to the Committee Planner when required.

3. CURRENT SITUATION

- 3.1. Reference is made to the meeting of Full Council on 28 February 2022 wherein the Council considered the report 'City Centre Masterplan Update - RES/22/057' and resolved:

- (x) *to note the design concept masterplan for public realm improvements for the Market Street to Guild Street area as detailed in Appendix D and

 - a) *agree to remove reference to (9) "Plaza" on Market Street;*
 - b) *agree to include in phase two the area at St Nicholas Street between Union Street and St Nicholas Centre; and*
 - c) *agree to include Correction Wynd and Hadden Street in phase two;**
- (xi) *to instruct the Director of Resources to develop detailed design for phase one and two implementation of those improvements in consultation with key stakeholders and report results to Full Council in August 2022;*
- (xii) *to instruct the Chief Officer - Operations and Protective Services to progress with the necessary traffic regulation orders to implement in the context of the phase one and two delivery and the wider traffic management plan;*
- (xiii) *to instruct the Chief Officer - Operations and Protective Services and the Chief Officer - City Growth to identify opportunities to improve the amenity of the wider market to Guild Street area in conjunction with the anticipated phase one and two delivery;*
- (xiv) *to note the City Growth and Resources Committee instruction to develop a Full Business Case for Union Street East and Castlegate by end 2022 and ensure that business case is developed in tandem with the emerging business case for the Beach Boulevard;*

3.2. Reference is also made to the meeting of Full Council on 28 February 2022 wherein the Council considered a motion by Councillor McLellan and resolved to:

- (i) *cease the interim design works for public realm improvements on the mid section of Union Street (from Market Street to Bridge Street);*
- (ii) *instruct the Chief Officer - Operations and Protective Services to reopen Union Street between its junctions with Union Terrace and Market Street to service buses, taxis, private hire vehicles and pedal cycles only, all as soon as is practicably possible, but not before any necessary investigatory or other required works are completed and not before any necessary statutory processes are completed: such work shall include the reopening of the temporarily closed bus stops and pedestrian crossings on this section of Union Street, where practicable; and*
- (iv) *instruct the Chief Officer - Operations and Protective Services to remove the existing bus gate on Union Street, just East of Market Street and introduce new bus gates on Union Street between Bridge Street and Market Street;*

3.3. The below table provides an update on the status of all Bus Partnership Fund projects as of May 2022.

Project	Current Stage	Progress
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BPF004-1 A90 Ellon to Garthdee	Completion of STAG (Scottish Transport Appraisal Guidance) appraisal and identification of preferred options	This project has been completed and approved at Gateway Review to progress to BPF004-2 (Outline Business Case at BPF004-2)
BPF004-2 A90 Ellon to Garthdee	Outline Business Case Development	The contract for the work has been awarded to AECOM and the inception process is ongoing.
BPF004-3 A96 Inverurie to Aberdeen	Completion of STAG appraisal and identification of preferred options	Completed public and stakeholder engagement and final STAG Report received. Study outcomes and recommendations for next steps are included in a separate report for this project on the Agenda (COM/22/095). The project is currently proceeding through Gateway Review with Transport Scotland with the review workshop held in May 2022. A decision is expected to be received prior to CG&R on 21 June.
BPF004-5 A944/A9119 Westhill to Aberdeen	Completion of STAG appraisal and identification of preferred options	Concept design work has been completed and presented to the client group. STAG appraisal of the options is now underway.
BPF004-7 A92 Stonehaven to Aberdeen	Completion of STAG appraisal and identification of preferred options	<p>Case for Change draft document and Transport Planning Objectives have been agreed for the section between Bridge of Don and Bridge of Dee. Next steps for this section will be to smarten the Transport Planning Objectives and undertake an option appraisal.</p> <p>The section between Bridge of Dee and Stonehaven has up to this point been part of a Transport Scotland case for change multimodal study, led by Nestrans. This work has now been completed. For coherence it is anticipated that Nestrans will continue to lead on this section of the corridor as a separate study under BPF. This is in part due to the anticipated outcomes of the south section of the corridor being quite different to those</p>

		of the city section. Discussions are ongoing with Transport Scotland to separate the two parts of this study.
BPF004-9 City Centre	Outline Business Case development	<p>The decision of Full Council on 28/02/22 (noted above) has required a change of priorities and scope, which will also have timescale and budget implications. Development of the Traffic Management Plan is ongoing, with a focus on fulfilling the Committee instruction to re-open Union Street to buses and taxis as soon as practically possible.</p> <p>A firm operational date is still to be established but the Experimental Traffic Regulation Order (ETRO) for Union Street was published on 20 May 2022 to allow for a June 2022 reopening.</p> <p>The ETRO for the Market Street, Guild Street, Bridge Street gyratory is in the process of being developed.</p> <p>Meetings have been held with stakeholders to discuss the Union Street Options Appraisal work, which will be reported to Full Council, alongside a full update on the City Centre Masterplan on 29 June 2022.</p>
BPF004-11 Aberdeen Rapid Transit	Options Appraisal	<p>Revised Case for Change report, including Executive Summary, has been received and circulated to Transport Scotland. Comments have been received from Transport Scotland and reflected in the report which is now available on the Nestrans website. Meeting held with Transport for West Midlands on the Birmingham Sprint project, with findings fed into the Case for Change report. Draft Preliminary Options Appraisal received and circulated for comment. Ongoing work to identify future tests by the ASAM19 model to assess potential demand.</p>
BPF004-13 South College Street	Design and Preparation	Main works contract has been awarded. Discussions on off-street

		car park access agreement has concluded. Car park will not be proceeding as part of the project. Advanced payments and the works order have been completed. Site team mobilisation is currently ongoing.
BPF004-14 Comms and Engagement	Tendering	Tender awarded to partnership of Jacobs and Social Marketing Gateway. Initial inception discussions were held with Nestrans and Jacobs, with the inception workshop held in early May. Jacobs drafting a short term comms plan with immediate priorities for engagement which will be costed and fed into the inception report for review.
BPF004-15 Programme Management and Contingency/Optimism Bias	Ongoing	Programme Management is ongoing with monthly project reports being submitted to Transport Scotland. Quarterly financial claims commenced from October 2021 and the second claim was paid by Transport Scotland in March 2022.

4. FINANCIAL IMPLICATIONS

- 4.1. The Bus Partnership Fund grant award of £12,030,000 is fully funded by Transport Scotland, and no match funding is required from the Council or other North East Bus Alliance partners. However, partners are expected to demonstrate match-in-kind throughout the programme.
- 4.2. The award of grant funding towards the completion of South College Street is contingent on undertaking bus priority measures on Guild Street.
- 4.3. The initial grant award is for the financial years of 2021/2022 and 2022/2023, with a completion date of 31 March 2023.
- 4.4. Aberdeen City Council is the designated lead authority and Accounting Officer for the grant and will reclaim eligible spend in accordance with the grant conditions.
- 4.5. The second financial claim of £105,427.62 was processed and paid on 18 March 2022.
- 4.6. The third financial claim of £1,232,198.94 was submitted to Transport Scotland on 22 April 2022. This covers all remaining expenditure on the above projects up to the end of March 2022. The total amount claimed to date is £1,393,375.98.

5. LEGAL IMPLICATIONS

- 5.1. There are conditions associated with the grant that must be complied with in order to claim eligible spend. These have been reviewed with Legal Services in accordance with the Scheme of Governance prior to accepting and signing the grant award.
- 5.2. Continued compliance with the grant conditions by all partners in the Bus Alliance, as reported to this Committee in August 2021 (Report Number COM/21/178), will be necessary for successful reclaim of eligible expenditure.

6. ENVIRONMENTAL IMPLICATIONS

- 6.1. Transport emissions are a significant contributor to greenhouse gases, and so increasing sustainable travel will be necessary to achieving this sector's required reduction and to achieve Aberdeen City Council's net zero vision. Given that the focus of the projects within the Bus Partnership Fund programme work towards improving sustainable travel, they have the potential to contribute to improved air quality and reduced greenhouse gases.

7. RISK

Category	Risks	Primary Controls/Control Actions to achieve Target Risk Level	Target Risk Level (L, M or H)	Does Target Risk Level Match Appetite Set?
Strategic Risk	Delivery of public transport measures supports a number of the Council's strategic priorities, particularly in terms of a sustainable economy, a sustainable transport system, the continued health and prosperity of our citizens, reductions in carbon emissions and a high quality environment. Failure to deliver public transport improvements where there is evidence of their effectiveness could	Work with partners to deliver the projects within the grant award and continue to work in partnership to maximise 'match in kind' to add value to this grant in terms of meeting the strategic objectives of partners and Transport Scotland.	L	Yes

	undermine the Council's ability to realise these aspirations.			
Compliance	<p>There are conditions attached to the grant award that must be adhered to in order to secure payment of eligible spend.</p> <p>The Council could be in breach of the conditions of the BPF grant award if the project does not go ahead. Condition 9 (Default & Recovery etc. of Grant) of the grant award, section 9.1 says <i>The Scottish Ministers may re-assess, vary, make a deduction from, withhold, or require immediate repayment of the Grant or any part of it in the event that:</i></p> <p><i>9.1.1 The Grantee commits a Default;</i></p> <p><i>9.1.3 The Grantee fails to carry out the project.</i></p> <p>Certain actions, such as the progression of Traffic Regulation Orders, may be subject to statutory objection.</p>	Compliance with statutory processes, grant conditions and Scheme of Governance. Regular progress and spend reporting to Transport Scotland, Aberdeen City Council and the Capital and Transportation Programme Boards, and to the North East Bus Alliance Board.	L	Yes
Operational	There may be risks around the business cases and procurement of public transport measures proposed	Compliance with the Scheme of Governance and monitoring/ updating of project risk registers.	L	Yes

	and these will be detailed and addressed as each project progresses.			
Financial	If non-compliant to the grant conditions, there is risk around spend being ineligible or rejected, and therefore having to be absorbed by this Council and partners.	All partners have confirmed they have read and understood the grant conditions, and have confirmed they will work with this Council to ensure compliance. Expenditure on projects is likely to remain by this Council and Nestrans, both of whom have rigorous internal governance procedures. Regular reporting to Transport Scotland and partners will also help to reduce this risk. Any grant funds to go to Nestrans or Aberdeenshire Council will be through a separate grant letter obligating them to comply with the grant terms and conditions.	L	Yes
Reputational	Failure to deliver in accordance with the grant conditions to help meet the Council's (and partner's) strategic objectives undermines the Council's commitments to improving the transport network,	Work with partners to deliver the projects within the grant award and continue to work in partnership to maximise 'match in kind' to add value to this grant in terms of meeting the strategic objectives of	L	Yes

	achieving the PLACE outcomes set out in the LOIP (Local Outcome Improvement Plan), and supporting the Scotland's Climate Change Plan commitment to reduce car kilometres by 20% by 2030.	partners and Transport Scotland.		
Environment / Climate	The Council's net zero vision and strategic infrastructure plan – energy transition: transport emissions are a significant contributor to greenhouse gases, and so increasing sustainable travel will be necessary to achieving this sector's required reduction.	Work with partners to deliver the projects within the grant award and continue to work in partnership to maximise 'match in kind' to add value to this grant in terms of meeting the strategic objectives of partners and Transport Scotland.	L	Yes

8. OUTCOMES

<u>COUNCIL DELIVERY PLAN</u>	
Impact of Report	
Aberdeen City Council Policy Statement	Facilitating and encouraging an increase in public transport usage through utilisation of this grant supports the delivery of Economy Policy Statement: 4: Increase the city centre footfall through delivery of the City Centre Masterplan, including the redesigned Union Terrace Gardens, and Place Policy Statement 3: Refresh the Local Transport Strategy, ensuring it includes the results of the city centre parking review; promotes cycle and pedestrian routes; and considers support for public transport.
<u>Aberdeen City Local Outcome Improvement Plan</u>	
Prosperous Economy Stretch Outcomes	The projects funded by this grant support the delivery of the following Stretch Outcomes: 2. 400 unemployed Aberdeen City residents supported into Fair Work by 2026

	<p>3. 500 Aberdeen City residents upskilled/ reskilled to enable them to move into, within and between economic opportunities as they arise by 2026.</p> <p>The development and delivery of active and sustainable travel infrastructure supports a range of economic policies and strategies that will benefit the economy and support access to key employment areas. There will also be employment opportunities during construction.</p>
<p>Prosperous People Stretch Outcomes</p>	<p>The projects funded by this grant support the delivery of the following Stretch Outcomes:</p> <p>7. 95% of children living in our priority neighbourhoods will sustain a positive destination upon leaving school by 2026.</p> <p>8. Child friendly city where all decisions which impact on children and young people are informed by them by 2026.</p> <p>11. Healthy life expectancy (time lived in good health) is five years longer by 2026.</p> <p>Active and sustainable travel are known to improve a number of health conditions, potentially increasing life expectancy. The projects funded by this grant include measures to support, encourage and increase active and sustainable travel thereby also producing less greenhouse gas emissions and improving air quality. There will be further opportunities for engagement through the development and design process and there will be employment opportunities during construction.</p>
<p>Prosperous Place Stretch Outcomes</p>	<p>The projects funded by this grant support the delivery of the following Stretch Outcomes:</p> <p>13. Addressing climate change by reducing Aberdeen's carbon emissions by at least 61% by 2026 and adapting to the impacts of our changing climate.</p> <p>14. Increase sustainable travel: 38% of people walking and 5% of people cycling as main mode of travel by 2026.</p> <p>The projects funded by this grant aim to increase active and sustainable travel which will contribute to reductions in carbon emissions and improvements in air quality.</p>
<p>Regional and City Strategies</p>	<p>The projects funded by this grant support the Regional Transport Strategy, Strategic Development Plan, the Regional Economic Strategy, and locally the Local Transport Strategy, Aberdeen Active Travel Action Plan, Sustainable Urban Mobility Plan, Aberdeen City Centre Masterplan, LOIP, Air Quality Action Plan, Local Development Plan and Aberdeen Net Zero Vision.</p>

9. IMPACT ASSESSMENTS

Assessment	Outcome
Integrated Impact Assessment	Full impact assessment not required The projects funded by this grant will be / are being undertaken in accordance with the Scottish Transport Appraisal Guidance which appraises impacts across a range of categories (Economy, Environment, Accessibility and Social Inclusion, Safety and Integration). Further detailed assessments will be undertaken through the development and design process, as appropriate.
Data Protection Impact Assessment	Not required
Other	N/A

10. BACKGROUND PAPERS

- 10.1 [City Growth and Resources Committee 25 August 2021 Bus Partnership Fund Item 11](#)
- 10.2 [City Growth and Resources Committee 03 February 2022 Bus Partnership Fund Item 10](#)
- 10.3 [Full Council 28 February 2022 City Centre Masterplan Update Item 9.6](#)
- 10.4 [Full Council 28 February 2022 Motion by Councillor McLellan Item 10.1](#)
- 10.5 [Aberdeen Rapid Transit Case for Change Executive Summary and Report](#)

11. APPENDICES

N/A

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