

North Yorkshire Council

Transport, Economy, Environment and Enterprise Overview & Scrutiny Committee

01 February 2024

Bus Services in North Yorkshire

Report of the Corporate Director – Environment

1.0 PURPOSE OF REPORT

1.1 To provide the committee with an update on bus services in North Yorkshire.

2.0 SUMMARY

2.1 This report outlines how local bus services have recovered since the Covid19 pandemic, North Yorkshire Council's current approach to supporting bus routes and the national funding being provided by the Department for Transport through grants and the £2 fare cap scheme. It also provides an update on the themes emerging from public engagement on the new Local Transport Plan and the opportunities that the recent Network North "BSIP3" funding announcement could bring to strengthen the local bus network.

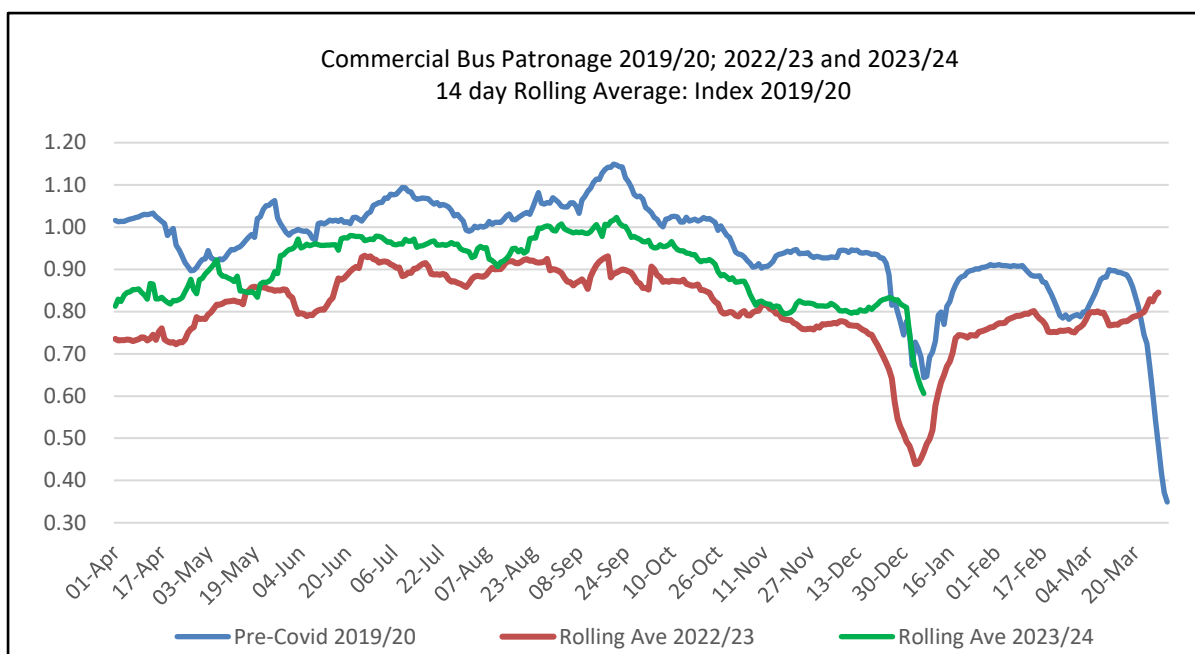
3.0 BACKGROUND

3.1 Bus services continue to be under significant pressure both locally and nationally following the Covid-19 pandemic. Passenger numbers have recovered to around c.90% of pre covid levels with this figure much lower for concessionary pass users at around 70%. This has particularly affected rural routes where older passengers represented a greater proportion of users.

3.2 There has also been a significant increase in operating costs (vehicle procurement, maintenance, insurance, staffing, property rental and fuel) along with national difficulties with recruiting bus drivers, engineering staff and sourcing spare parts. As a result of these added pressures, providers are reviewing their services more than ever before, resulting in commercial service level reductions and higher prices for routes operating under contract to the council.

3.3 North Yorkshire Council has maintained its support for local bus routes over recent years, spending over £1.6m each year on bus services. We are also accessing grant funding from central government which is helping to keep the current bus network running. The council is now financially supporting a number of previously commercial bus routes that would otherwise have been withdrawn entirely in the last two years.

Chart 1: commercial and concessionary (ENCTS) bus passengers over the last three years



- 3.4 The current bus network is shown in the attached Appendices. Appendix 1 shows the total network including contracted and commercial routes, Appendix 2 shows just commercial services and Appendix 3 tendered routes only.
- 3.5 Commercial bus routes are focused on the larger urban centres with some also connecting market towns. There are good service levels in the Harrogate and Scarborough areas, plus links to neighbouring towns and cities including York, Leeds, Pontefract and Middlesbrough. Here frequencies of more than two buses per hour are common along with some evening and Sunday timetables.
- 3.6 In rural areas there is no significant commercial network with services generally operating no more than two-hourly and with very limited, or no, evening and weekend services. Here bus services are largely financially supported by the Council, along with local community transport services and only very limited cross-boundary commercial routes. Free pass holders form a much higher proportion of passengers on these services and their slower return to bus travel post pandemic is also reducing viability.
- 3.7 In areas with limited commercial and subsidised provision the Council also works in partnership with communities to establish community-operated, timetabled bus services or local voluntary car schemes. These are mainly in the more rural districts of Craven, Hambleton, Richmondshire and Ryedale. Community transport is typically small-scale, requires some subsidy and is heavily reliant on continued volunteer involvement to operate.

4.0 North Yorkshire Council’s current approach to supporting bus services

- 4.1 The Council supports local bus routes and community transport operations in areas without any commercial provision. The majority of the local bus support budget is used to provide rural services. Our strategy is to ensure as many communities as possible continue to have access to at least one service centre, that bus services give value for money and are focused on meeting the day-to-day transport needs of local communities.
- 4.2 This is aligned to our current Local Transport Plan which sets out the following objectives for public transport:

- to ensure that as many communities as possible have transport services which contribute to alleviating isolation and loneliness and allow people to live independently.
- to support the local economy where possible, by maintaining access to the National Rail network and providing public transport links between towns and villages.
- to ensure that the services we subsidise give value for money.

4.3 These objectives are delivered through a mix of arrangements including:

- Commercial rail and bus services
- Supported local bus services
- Financial and practical support to community transport schemes
- Support for community car schemes.
- Support for other schemes such as Wheels to Work.

4.4 When considering the provision of supported Local Bus Services the Council has adopted the following criteria to prioritise our funding:

- not subsidising evening or Sunday services.
- not subsidising 'town services' running within a two-mile radius of market towns.
- not subsidising services catering for children attending a school of choice.
- the maximum frequency specified for a tendered service is one journey every two hours.

4.5 Regular reviews are undertaken of the local bus services in receipt of financial support. As part of the formal review process, key stakeholders such as local members and parish councils are invited to contribute regarding service provision in their area.

5.0 Current network position

5.1 North Yorkshire Council expenditure on tendered bus services, community and demand responsive transport and concessionary travel is forecast to be over £9m for 2023/24. The Council is required to reimburse operators for concessionary journeys made by bus pass holders as part of the statutory national scheme and this alone accounts for over £6m of spend. The remainder supports local bus routes, community transport and park and ride services. £1.6m of this is funded by council revenue budgets with the rest from developer contributions, central government grants and Civil Parking Enforcement (CPE) funding.

5.2 Around a third of bus services have seen timetable reductions since the pandemic or have required additional financial support to maintain services. The Council is also receiving grants from the Department for Transport (DfT) to support previously commercial bus routes that would otherwise already have been withdrawn due to fewer passengers travelling and rising costs. NYCC received £1,389,140 in 2022/23 via the Local Transport Fund with a further £1.4m allocated for both 2023/24 and 2024/25.

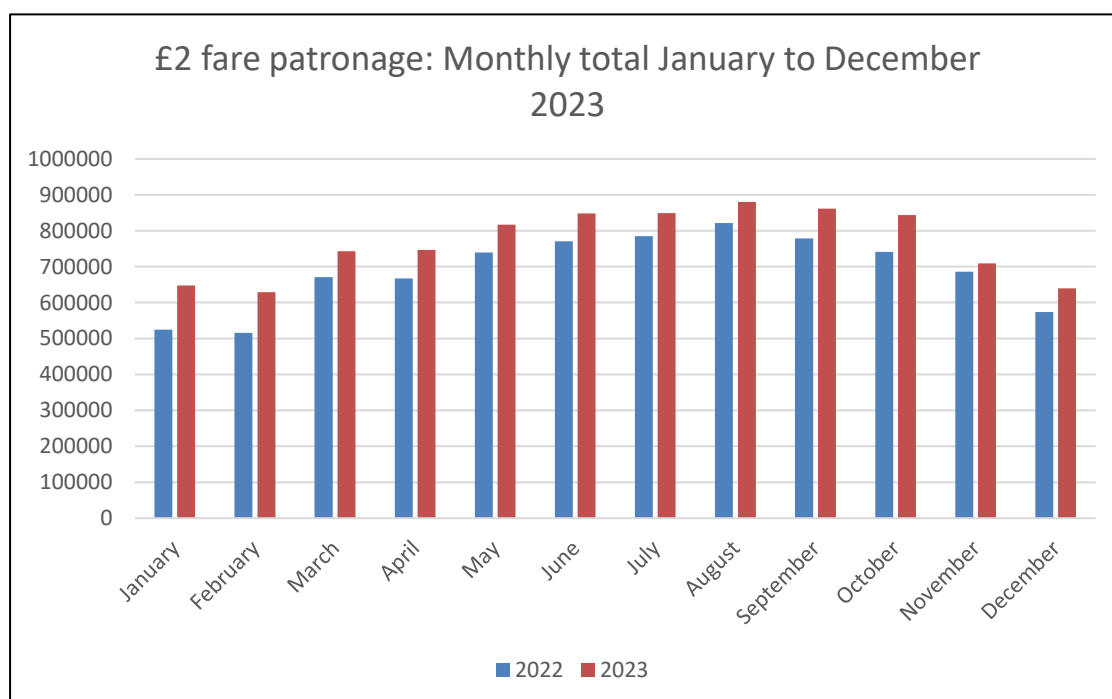
5.3 While higher operating costs and a reduction in the number of trips being made by older passengers continues to put pressure on our rural bus services, we believe through a combination of council funding and these DfT grants we can keep the current network in place until at least 2025/26.

5.4 Travel on Community Transport is at around 70% of pre-covid usage. Some volunteer drivers did not return after the pandemic, and it is an ongoing challenge for all schemes to recruit and retain volunteer drivers. North Yorkshire Council has maintained its support for community transport through journey reimbursement and the provision of grants to extend services and recruit volunteer drivers.

6.0 National £2 fare cap scheme

- 6.1 In January 2023, a national scheme was introduced to lower bus fares and encourage more people to travel by bus. Funded by the Government, the scheme means that a single bus journey on all eligible bus routes run by participating operators will cost no more than £2 (or £4 return). The majority of the local bus operators in North Yorkshire are taking part in the scheme.
- 6.2 The fare scheme was originally due to run for 3 months but was then extended until 30th June 2023 and more recently further extended to December 2024. Feedback from bus companies is mainly positive, in that the scheme is generating more passenger journeys (see chart 2 below) although the level of funding provided is not always enough to provide extra capacity. The fare cap has been a significant factor in Yorkshire Coastliner's decision not to withdraw the Route 840 Leeds to Whitby service. However, it has led to some overloading issues, particularly on tourist routes and at busy times of the year.
- 6.3 The £2 fare cap offers a significant benefit for people using bus services, particularly in the rural and inter-urban routes, where journeys are longer. Overall, there has been an 11% increase in patronage in 2023 compared to 2022, which is encouraging and is due in part to the more attractive £2 fare offer.

Chart 2: Bus Patronage monthly comparison Jan - Dec 2022 & following the £2 fare Jan – Dec 2023



7.0 Local Transport Plan and new Network North “BSIP3” funding.

- 7.1 A new local transport plan is being developed, with a parallel project to draft a new strategic transport prospectus ready for the incoming Combined Authority Mayor in May 2024. These policy documents, produced jointly with City of York Council, will set out a transport vision and strategy plus a delivery plan to achieve the vision, and will need to be approved by both constituent councils and the MCA.

- 7.2 Engagement on transport, to inform both documents, commenced in Summer 2023 with attendance at public events and an online consultation. Subsequent stakeholder engagement has sought to build on this. The engagement projects received almost 5,000 public and 100 stakeholder responses respectively.
- 7.3 A report on the key themes of the engagement to date (see link below) sets out the areas of greatest concern, the interventions with the highest levels of support, and provides insight into how responses differ by both ACC and also demographic characteristics. The engagement also clearly showed that availability and reliability of access to transport, and in particular public transport, is a significant area of concern and dissatisfaction, with a large number of comments through both engagement pieces relating in particular to bus travel.
- 7.4 Responses showed that 59% felt the existing system in North Yorkshire did not meet their needs very well or at all well. When asked about what elements were always, or often, a concern, 77% said availability and reliability of travel, and 66% said affordability of travel. Further, when asked about effectiveness of measures to improve transport, the highest polling response was 'measures to increase use of public transport', at 62%. Further analysis of the responses, supplemented by information for the ongoing stakeholder engagement, has shown that having a realistic travel choice, is a key issue for many, with an acceptance that in many areas it's not possible to offer a very wide range of options, but that providing some choice is necessary.
- 7.5 Government recently announced that additional funding for buses called "BSIP3" would be allocated to local authorities in the Midlands and the North following the decision not to proceed with the High Speed 2 rail project. NYC has been given an indicative allocation of £3.5M. This funding is to support delivery of our Bus Service Improvement Plan (BSIP) for interventions that we and local bus operators expect will deliver the best overall outcomes in growing long term patronage and revenues (thus maintaining service levels), whilst maintaining essential social and economic connectivity for local communities.
- 7.6 This is revenue funding and is currently for one year only (2024-25) and so will need to be focused on schemes that can be delivered in a relatively short timescale. Councils and bus companies have to submit proposals to DfT for approval by 28th March before this grant will be confirmed.
- 7.7 Given the priority local residents have given bus services in the recent engagement, this additional funding gives an opportunity to address some of the issues raised. With this in mind, we are focussing on some key areas of delivery:
- Strengthening bus routes through higher frequency and improvements to evening and weekend services
 - Making bus travel more affordable including a particular focus on fares for young people (both for under 16s- and 16–19-year-olds)
 - Improving information and customer experience
 - Providing additional journeys for rural communities
- 7.8 With the establishment of the Mayoral Combined Authority in February 2024 we are working closely with City of York to ensure our BSIP plans align and that passengers will see a joined-up approach on bus fares and services. Future BSIP funding will go direct to the MCA.

8.0 Zero Emission Buses

- 8.1 In 2023, NYCC were successful in a joint bid with the Harrogate Bus Company to the Government's Zero Emission Bus Regional Areas fund (ZEBRA). Harrogate Bus Company already run 8 battery electric buses on four bus routes and this £20M scheme will see their entire Harrogate local bus operation converted to electric vehicles along with upgrades to charging infrastructure in their depot and for 'opportunity charging' at Harrogate bus station.
- 8.2 Between April and June 2024, 20 new single deck and 19 new double deck battery electric buses will be introduced in the Harrogate district area, including the four declared air quality management areas in Ripon, Harrogate, and Knaresborough, and will result in immediate air quality improvements in these locations and an improved customer experience.

9.0 ALTERNATIVE OPTIONS CONSIDERED

- 9.1 N/A, this report is for information

10.0 FINANCIAL IMPLICATIONS

- 10.1 N/A, this report is for information

11.0 LEGAL IMPLICATIONS

- 11.1 N/A, this report is for information

12.0 EQUALITIES IMPLICATIONS

- 12.1 As this report is for information only, there are no direct equalities impacts. This grant will provide additional funding to support local bus services which are often relied on by older, disabled or lower income groups.

13.0 CLIMATE CHANGE IMPLICATIONS

- 13.1 As this report is for information only, there are no direct climate implications. The ZEBRA scheme in Harrogate will have positive climate implications as passenger transport transitions to zero emissions vehicles. The potential for increased frequency of bus services will also support a modal shift away from the car with associated positive climate impacts.

14.0 REASONS FOR RECOMMENDATIONS

- 14.1 N/A, this report is for information

15.0 RECOMMENDATION

- 15.1 The Committee is asked to note the information in this report and comment on the approach being taken.

APPENDICES:

Appendix 1: Map showing whole bus network

Appendix 2: Commercial bus services map

Appendix 3: Tendered bus services map

BACKGROUND DOCUMENTS: None.

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Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

